adani Transmission

27th June, 2023

BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400001

Scrip Code: 539254

National Stock Exchange of India Limited
Exchange plaza,
Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051.

Scrip Code: ADANITRANS

Dear Sir,

Sub: Notice of 10th Annual General Meeting alongwith Annual Report of the Company for the Financial Year 2022-23.

This is to inform that the 10th Annual General Meeting ("AGM") of the Company will be held on Wednesday, 19th July, 2023 at 11.00 a.m. IST through Video Conferencing / Other Audio Visual Means in accordance with the applicable circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Pursuant to Regulation 34(1) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2022-23 which is being sent through electronic mode to the Members.

The Annual Report containing the Notice is also uploaded on the Company's website and can be accessed at www.adanitransmission.com.

We would further like to inform that the Company has fixed Wednesday, 12th July, 2023 as the cut-off date for ascertaining the names of the members holding shares either in physical form or in dematerialised form, who will be entitled to cast their votes electronically in respect of the businesses to be transacted as per the Notice of the AGM and to attend the AGM.

You are requested to take the same on your records.

Thanking you,

Yours faithfully,
For **Adani Transmission Limited**

JALADHI ATULCHANDRA SHUKLA
Digitally signed by JALADHI ATULCHANDRA SHUKLA
Date: 2023.06.27 23:45:31 +05'30'

Jaladhi Shukla
Company Secretary

Encl: as above

Adani Transmission Ltd
Adani Corporate House
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad 382 421
Gujarat, India
CIN: L40300GJ2013PLC077803

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Registered Office: Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421

BUILDING A BETTER TOMORROW

Connecting India for
Sustainable Energy Solutions

Adani Transmission Limited

Integrated Annual Report 2022-23

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 Transmission 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.

Building a Better Tomorrow

The Adani Group's Annual Report for the year 2022-23 presents a growth narrative powered by sustainable infrastructure and building a better future for the world around sustainable practices. This positioning reflects our Chairman's vision of long-term growth. From humble origins, the Adani Group has evolved into India's largest infrastructure platform (outside of the government) with a focus on renewable energy and sustainable development. The Group's efforts have also contributed to the formulation of policies that offer renewable power options to consumers across India, making it available, affordable and accessible. This Annual Report emphasises the overarching theme of sustainability, adaptability, and climate resilience, which underpins the Adani Group's narrative of long-term growth. The report highlights specific achievements, showcasing the overall portfolio growth and the progress of individual companies within the Group. This Annual Report 2022-23 presents a compelling 'Building a better tomorrow' theme through sustainability, adaptability, climate resilience, and community development. Through these attributes, the Group has positioned itself as a leader in driving positive change and creating a better tomorrow for all its stakeholders.

Contents

Highlights of FY 22-23

Revenues
13,293
₹ Crore,
FY 22-23

EBITDA
6,101
₹ Crore,
FY 22-23

Building a Better Tomorrow

At Adani Transmission Limited, we are bringing to our business the experience of the past, addressing the challenges of the moment, and reinforcing our commitment to build for tomorrow.

PART 1

THIS IS WHAT WE ARE AND WHAT WE DO

CORPORATE SNAPSHOT

Vision

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

Mission

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

Distribution: To serve our customers within our licensed areas with affordable, reliable and sustainable power with highest quality, availability and renewable mix, whilst employing a whole host of digital technologies for our customer-facing offerings and work force productivity.

Values

Trust: We shall believe in our employees and other stakeholders

Courage: We shall embrace new ideas and businesses

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

Our background

The Adani Group embarked on its journey in the transmission sector in 2006 to facilitate the evacuation of power from its Mundra thermal power plant. This led to the commissioning of dedicated transmission lines spanning over 3800 circuit kilometers (ckms), connecting Mundra-Dehgam, Mundra-Mahendragarh and Tiroda-Warora. In 2014, an additional transmission line of over 1200 ckms was commissioned for power evacuation from the Tiroda power plant. In 2015, Adani Transmission Limited (ATL) was carved out as separate entity from Adani Enterprises Limited (AEL) to pursue opportunities in the transmission sector.

Our business

Adani Transmission Limited (ATL) is the transmission and distribution arm of the Adani Portfolio, serving as the largest private transmission company in India. It operates across 14 states, comprising a cumulative transmission network of 19,779 circuit kilometers (ckm) of transmission lines and 46,001 MVA of power transformation capacity from 132 to 765 kilovolts of HVAC systems and +/- 500 kilovolts of HVDC systems. Currently, 15,371 ckm are operational, while 4,408 ckm are under construction. ATL also operates power distribution business, catering to over 12 Mn consumers in Mumbai and Mundra SEZ. As India's energy demand is expected to quadruple in the future, ATL is dedicated to establishing a robust and reliable power transmission network to meet this growing need and strive to serve retail customers and service the nation.

Our presence

ATL's acquired MPSEZ Utilities Limited (MUL), which operates 148 ckm of distribution network; and distributed around 389 MUs with a distribution loss of 3.12% as on 31st March 2023.

ATL has approximately 5000 kms of OPGW fiber network, which has the potential to be leased to telecom carriers, neutral data providers, content players and multiple communication service operators, subject to regulatory compliances. Our 30 substations and 10,000+ tower locations can be utilised for telco co-location facilities.

Recently our company entered into the smart metering business. The Company won two smart meter projects.

Human resource

As of 31st March 2023, Adani Transmission Limited had a workforce of 5,002 employees. During the FY 22-23. 264 new employees became a part of the Company. Engineers and professionals accounted for 50% of the total workforce. The average age of employees was 47.42 years. ATL retained 93.28% of its employees in FY 22-23 and ~88% of the workforce had been with the Company for more than five years.

Credit rating

International Rating:

- ATSOL Obligor Group -Dollar bond received credit ratings of BBB-/Stable from Fitch and Baa3/ Negative from Moody's.
- AEML -Dollar bond received credit ratings of BBB- from Fitch, BBB-/Negative from S&P and Baa3/Negative from Moody's.
- USPP -Dollar bond received credit ratings of BBB-/Stable from Fitch, and Baa3/Stable from Moody's.
- In the domestic category, India Ratings provided a credit rating of Ind AA+/Negative.

Our distinctive 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

ESG ratings and commitment

Adani Transmission is respected for high ESG standards across all operating O&M sites. The Company received positive ratings from global rating agencies - an MSCI ESG Rating of BBB, a DJSI-S&P Global Corporate Sustainability Assessment score (2022) of 59/100 (higher than world utilities average score of 31) and an FTSE Score (2022) of 3.3/5 (higher than the world utilities average of 2.7/5).

The Company was certified as 'Water Positive' by DNV in FY 22-23, indicating a higher water credit than water consumed. It attained the Zero Waste to Landfill and received certificate for all O&M sites from Intertek.

The Company achieved a Single-use Plastic Free certification for all 37 operational sites, aligning with SDG 12.

The Company announced its intention to becoming 'Net zero' by 2050.

Our subsidiaries

- Adani Transmission (India) Limited
- Maharashtra Eastern Grid Power Transmission Company Limited
- Sipat Transmission Limited
- Raipur-Rajnandgaon-Warora Transmission Limited
- Chhattisgarh-WR Transmission Limited
- Adani Transmission (Rajasthan) Limited
- North Karanpura Transco Limited
- Maru Transmission Service Company Limited
- Aravali Transmission Service Company Limited
- Hadoti Power Transmission Service Limited
- Barmer Power Transmission Service Limited
- Thar Power Transmission Service Limited
- Western Transco Power Limited
- Western Transmission (Gujarat) Limited
- Fatehgarh-Bhadla Transmission Limited
- Ghatampur Transmission Limited
- Adani Electricity Mumbai Limited (AEML)
- Adani Electricity Navi Mumbai Limited (Formerly AEML Infrastructure Limited)
- OBRA-C Badaun Transmission Limited
- Adani Transmission Bikaner Sikar Private Limited
- WRSS XXI (A) Transco Limited
- Bikaner Khetri Transco Limited
- Lakadia Banaskantha Transco Limited
- Jamkhambhaliya Transco Limited
- Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')
- Sunrays Infra Space Limited (Formerly known as 'Sunrays Infra Space Private Limited')
- Power Distribution Services Limited
- Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)
- Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)
- Alipurduar Transmission Limited
- AEML SEEPZ Limited (100% subsidiary of AEML)
- Adani Transmission Step One Limited
- Warora Kurnool Transmission Limited
- ATL HVDC Limited
- MP Power Transmission Package-II Limited
- MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
- Karur Transmission Limited
- Khavda-Bhuj Transmission Limited
- Adani Transmission Step-Two Limited
- Adani Transmission Mahan Limited
- Adani Electricity Jewar Limited
- BEST Smart Metering Limited
- Adani Cooling Solutions Limited
- WRSR Power Transmission Limited
- Adani Transmission Step-Three Limited
- Adani Transmission Step-Four Limited
- Adani Transmission Step-Five Limited
- Adani Transmission Step-Six Limited
- Adani Transmission Step-Seven Limited
- Adani Transmission Step-Eight Limited
- Adani Transmission Step-Nine Limited (now known as NE Smart Metering Limited)
- Adani Electricity Aurangabad Limited
- Adani Electricity Nashik Limited
- Khavda II-A Transmission Limited
- Adani Green Energy Thirty Limited

The big picture of **what we achieved in FY 22-23**

Overview

We achieved 8% growth in network addition as against 3% growth at the country level

We achieved a 26% increase in transformation capacity following the addition of new projects

We maintained a supply reliability (Average System Availability Index - ASAI) of more than 99.9%

We achieved 30% renewable power procurement

We sealed equity partnerships with marquee investors like IHC and GQG Partners

We remained a preferred supplier for over 12 Mn consumers in our power distribution business with one of the most competitive power tariffs

Our financial review, FY 22-23

Financial metrics	Amount (in ₹ Crore)	YoY growth
Revenue	13,293	18%
EBITDA	6,101	11%
PAT (Profit After Tax)	1,281	4%
Cash Profit	3,411	12%

Our debt profile, FY 22-23

Metric	Value
Consolidated Net Debt	₹280 Bn
Cost of Debt (weighted)	9.1%
Average debt maturity	8.1 years
Net Debt to EBITDA (x)	4x

Our operational review, FY 22-23

- Operated transmission lines with a reliability rate of over 99.7%
- Expanded the operational network by adding 1,704 ckms, reaching a total network length of 19,779 ckms
- Secured two transmission TBCB projects (Khavda II-A and WRSR) and two smart metering projects (BEST and APDCL)
- Received a regulatory order from Maharashtra Electricity Regulatory Commission related to MEGPTCL and ATIL lines for the Maharashtra-based assets, enabling the realisation of ₹15 Bn in past revenue gap across two years
- Obtained an order in AEML from MERC with revised ARR (Aggregate Revenue Requirement) and tariff, enabling the realisation of ₹18 Bn regulatory deferral balance over two years. Despite the tariff increase, AEML remains competitively priced compared to peers in the region
- Achieved 13.7% YoY growth for units sold, reaching 9,062 Mn units compared to 7,972 Mn units in the previous year. This growth was driven by increased energy demand
- Demonstrated significant decline in distribution loss - from 6.55% in FY 21-22 to 5.93% in FY 22-23.

Our multi-decade journey over the years

2006

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

2009

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

2010

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

2011

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

2012

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

2013

- Conversion of Mundra system into ISTS (inter-state transmission system) as a licensed company

2014

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

2015

- De-merger of Adani Transmission Limited (ATL) from Adani Enterprises Limited (AEL)
- Listing of ATL on the BSE and NSE
- Awarded the STL (Sipat Transmission Ltd.), RRWTL (Raipur-Rajnandgaon-Warora Transmission Ltd.) and CWRTL (Chhattisgarh-WR Transmission Ltd.) projects

2016

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

2017

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

2018

- Received Letter of Intent (LoI) of FBTL (Fatehgarh-Bhadla Transmission Limited), GTL (Ghatampur Transmission Limited) and OCBTL (Obra-C Badaun Transmission Limited)projects
- Foray into the Distribution Business through the acquisition of Reliance Infrastructure Limited's power generation, transmission and distribution businesses in Mumbai
- Commissioned ATRL (Adani Transmission (Rajasthan) Ltd.) project

2019

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

2020

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

2021

- Acquisition of Warora Kurnool Transmission Limited from Essel Infraprojects Ltd
- Commissioned Fatehgarh Bhadla Transmission Limited
- Commissioned Bikaner Khetri Transmission Limited
- Received Letter of Intent (LoI) for MP Power Transmission Package II Limited
- Commissioned Ghatampur Transmission Limited
- Received Letter of Intent (LoI) for Khavda-Bhuj Transmission Limited
- Received Letter of Intent (LoI) for Karur Transmission Limited
- Acquisition of MPSEZ Utilities Ltd from APSEZ

2022

- Foray into Smart Meter Business by winning Bombay Electric Supply & Transport (BEST) project to install 10.8 Lakh "Smart Meters"
- Adani Transmission announced to become net zero by 2050
- Completed ₹3,850 Crore Primary Equity Transaction With IHC

2023

- Received award of Letter of Intent (LoI) for Khavda II A Transmission Ltd
- Received award of Letter of Intent (LoI) for WRSR Transmission Ltd
- Won bid to install 7.7 Lakh "Smart Meters" for Assam Power Distribution Company Limited (APDCL)

Our transmission and distribution portfolio

Operational assets

Transmission	Route Length (ckm)	Transformation Capacity (MVA)	No. of Substations	Counter-party
Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	1,217	6,000	2	State
Adani Transmission (India) Limited (ATIL)	3,834	6,630	3	Centre/ State
Aravali Transmission Service Company Limited (ATSCL)	97	630	1	State
Maru Transmission Service Company Limited (MTSCL)	300	730	1	State
Western Transmission (Gujarat) Limited (WTGL)	974	-	-	Centre
Western Transco Power Limited (WTPL)	2,089	-	-	Centre
Adani Electricity Mumbai Limited (AEML)*	572	3,250	8	State
MPSEZ Utilities Limited (MUL)	148	360	5	State
Adani Transmission Bikaner Sikar Private Limited (ATBSPL)	343	-	-	State
Sipat Transmission Limited (STL)	348	-	-	Centre
Raipur Rajnandgaon-Warora Transmission Limited (RRWTL)	611	-	1	Centre
Chhattisgarh-WR Transmission Limited (CWRTL)	434	630	1	Centre
Adani Transmission (Rajasthan) Limited (ATRL)	278	-	-	State
Hadoti Power Transmission Limited (PPP 8)	116	310	5	State
Barmer Power Transmission Limited (PPP 9)	133	150	6	State
Thar Power Transmission Lim-ited (PPP 10)	164	125	5	State
Alipurduar Transmission Limited (ATL)	650	-	-	Centre
Fatehgarh Bhadla Transmission Limited (FBTL)	292	-	1	Centre
Bikaner Khetri Transmission Limited (BKTL)	481	-	-	Centre
Ghatampur Transmission Limited (GTL)	897	-	-	State
Obra- C Badaun Transmission Limited (OBTL)	630	950	1	State
North Karanpura Transco Limited (NKTL)#	81	1,000	1	Centre
Lakadia Banaskantha Transco Limited (LBTL)	352	-	-	Centre
WRSS XXI(A) Transco Limited [WRSS-XXI(A)]	292	3,000	1	Centre
Jam Khambaliya Transco Limited (JKTL)	38	2,500	1	Centre
Sub-total (Operational)	**15,371**	**26,265**	**43**	

Under construction assets

North Karanpura Transco Limited (NKTL)	223	-	-	Centre
Kharghar Vikroli Transmission Limited (KVTL)	74	1,500	1	State
Warora Kurnool Transmission Limited (WKTL)	1,756	3,000	1	Centre
MP Power Transmission Package-II Limited	1,060	2,736	18	State
Khavda-Bhuj Transmission Limited	221	4,500	1	Centre
Karur Transmission Limited	10	1,000	1	Centre
WRSR Transmission Limited	630	6,000	1	Centre
Khavda Phase – II, Part-A	354	-	-	Centre
Adani Electricity Mumbai Infra Limited (AEMIL)	80	1,000	2	State
Total (Under construction)	**4,408**	**19,736**	**25**	
TOTAL (OPERATIONAL+ONGOING)	**19,779**	**46,001**	**68**	

* Includes assets under Mumbai Transmission Business of AEML (an integrated utility with generation, transmission and distribution portfolio)

#Partial commissioning completed

North Karanpura Transco Limited

Immediate evacuation for the North Karanpura (3x660 MW) generation project of NTPC along with the creation of a 400/220 kV substation at Dhanbad (ERSSXIX)

Project location: Jharkhand, Bihar

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid (2 out of 3 elements commissioned)

Project type: Inter-state

Beneficiary (State / off- taker): Bihar, Jharkhand, West Bengal

Business model volatility: Build -Own-Operate-Maintain

Kharghar Vikhroli Transmission Limited

Transmission system for 400 kV Vikhroli receiving station and associated incoming transmission lines for strengthening the Mumbai transmission system.

Project location: Maharashtra

Regulator: Maharashtra Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Intra-state

Beneficiary (State / transmission customers): Maharashtra discoms, business parks and Indian Railways

Business model: Build-Own-Operate-Maintain

Warora - Kurnool Transmission Limited

Additional inter-regional

AC link for import into the Southern Region (SR) i.e. Warora – Warangal and Chilakaluripeta - Hyderabad - Kurnool 765kV link

Project location: Maharashtra, Andhra Pradesh and Telangana

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary (State / transmission customers): Southern states of India

Business model: Build-Own-Operate-Maintain

MP Power Transmission Package-II Limited

Development of intra-state transmission work in Madhya Pradesh

Project location: Madhya Pradesh

Regulator: Madhya Pradesh Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Package -II tariff-based competitive bid

Project type: Intra-state

Beneficiary (State / transmission customers): Discoms of Madhya Pradesh

Business model: Build-Own-Operate-Maintain

Karur Transmission Limited

Evacuation of power from renewable energy sources in Karur/Tiruppur wind energy zone (Tamil Nadu) (1000 MW)

Project location: Tamil Nadu

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter state

Beneficiary (State / transmission customers): Renewable energy power generators

Business model: Build-Own-Operate-Maintain

Khavda-Bhuj Transmission Limited

Transmission scheme for evacuation of 3GW renewable energy injection at Khavda power station under Phase-I

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter-state

Beneficiary (State / transmission customers): Renewable energy power generators

Business model: Build-Own-Operate-Maintain

Adani Electricity Mumbai Infra Ltd (AEMIL - HVDC Line)

Intra-state licensed transmission scheme to support import of power into Mumbai area and to support a greater penetration of renewable energy by reducing dependence on older embedded generation sources.

Project location: Greater Mumbai region, Maharashtra

Regulator: Maharashtra Electricity Regulatory Commission

Project mode: Return on asset project

Project type: Intra-state

Beneficiary (State / transmission customers): Consumers in Maharashtra especially Mumbai-based consumers

Business model: Build-Own-Operate-Maintain

WRSR Power Transmission Limited

ISTS Network Expansion scheme in Western Region & Southern Region for export of surplus power during high RE scenario in Southern Region

Project location: Karnataka & Maharashtra

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter state

Beneficiary (State / transmission customers): Western Region & Southern Region

Business model: Build-Own-Operate-Transfer

Khavda II-A Transmission Limited

Transmission scheme for evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part A

Project location: Gujarat

Regulator: Central Electricity Regulatory Commission

Concession / TSA term: 35 years

Project mode: Tariff-based competitive bid

Project type: Inter state

Beneficiary (State / transmission customers): Renewable energy power generators

Business model: Build-Own-Operate-Transfer

Best smart meter project

Project to install 10.8 Lakh smart meters

Project location: Maharashtra

Concession/TSA term: 10 years

Project mode: Tariff-based competitive bid

Business model: Build-Own-Operate-Transfer

Assam smart meter project

Project to install 7.7 Lakh smart meter

Project location: Assam

Concession/TSA term: 10 years

Project mode: Tariff-based competitive bid

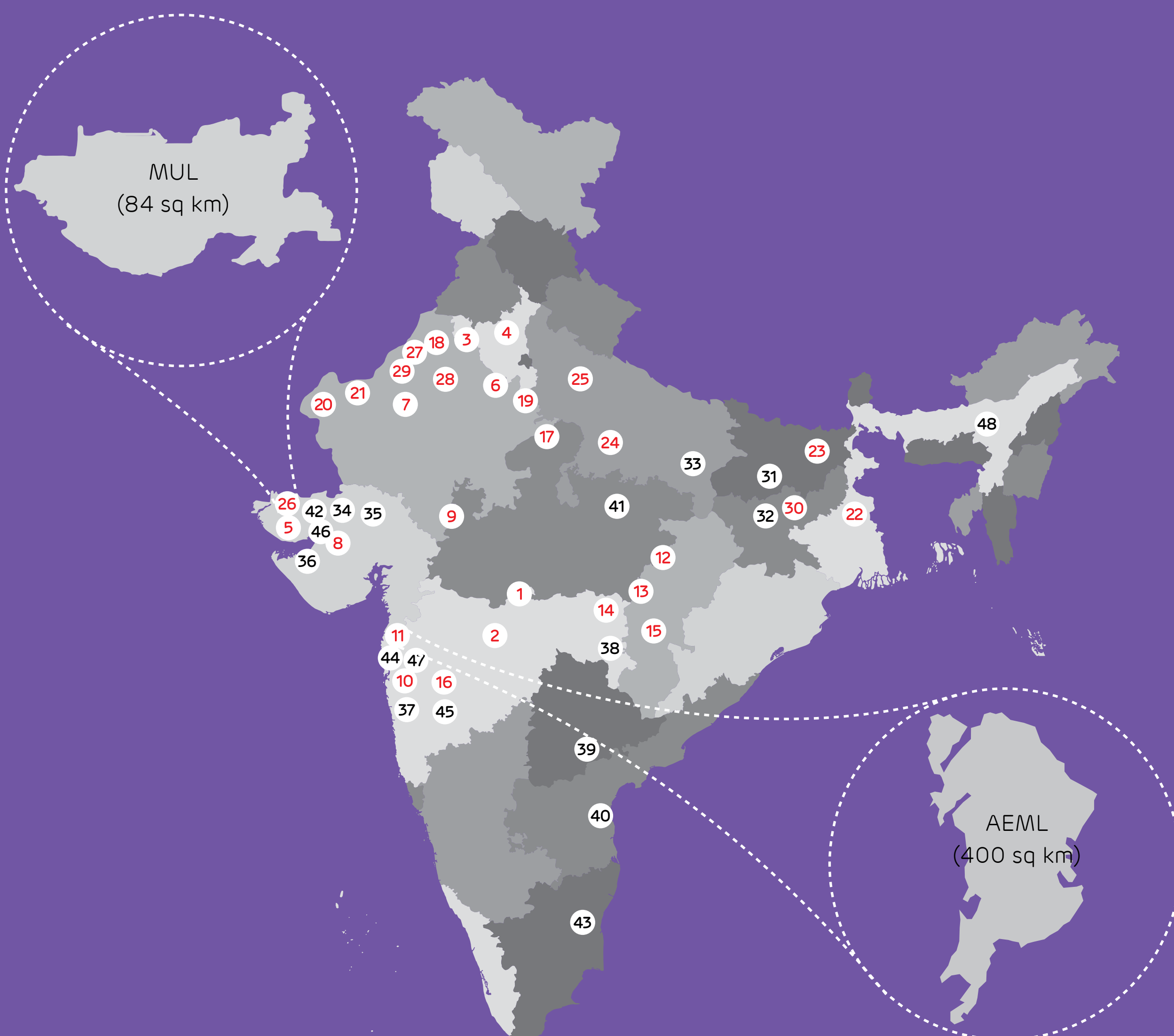
Business model: Build-Own-Operate-Transfer


SAVIOUR
adani

Geographic footprint

Expanding access to the grid

ATL is present in 14 States with operational and under-construction projects comprising transmission lines of 19,779 ckm and substations with a transformation capacity of 46,001 MVA.



Operational assets are plotted in red
Under-construction assets are plotted in black

19,779
ckm
TRANSMISSION LINES

46,001
MVA
TRANSMISSION CAPACITY

1	MEGPTCL (1,217 ckm)
2,3,4,5	ATIL (3,834 ckm)
6	ATSCL (97 ckm)
7	MTSCL (300 ckm)
8,9	WTGL (974 ckm)
10	WTPL (2,089 ckm)
11	AEML (572 ckm)
12	STL (348 ckm)
13,14	RRWTL (611 ckm)
15,16,17	CWRTL (434 ckm)
18	ATRL (278 ckm)
19	HPTL (116 ckm)
20	BPTL (133 ckm)
21	TPTL (164 ckm)
22, 23	ALTL (650 ckm)
24	GTL (486 ckm)
26	MUL (148 ckm)
27	ATBSPL (343 ckm)
28	FBTL (292 ckm)
29	BKTL (481 ckm)

30	NKTL* (81 ckm)
31, 32	NKTL* (223 ckm)
33	OBTL (630 ckm)
34	WRSS (292 ckm)
35	LBTL (352 ckm)
36	JKTL (38 ckm)
37	KVTL (74 ckm)
38,39,40	WKTL (1756 ckm)
41	MP Package 2 (1060 ckm)
42	Khavda-Bhuj (221 ckm)
43	Karur (10 ckm)
44	AEMIL (80 ckm)
45	WRSR (630 ckm)
46	Khavda Phase - II (354 ckm)
47	BEST Smart Metering Ltd – 10.8 Lakh smart meters
48	NE Smart Metering Ltd (APDCL smart metering project) – 7.7 Lakh smart meters

Notes:

Maps not to scale (for representation purposes only)

Assets includes fully built, under-construction projects based on regulatory - approved and bid-based tariff profiles.

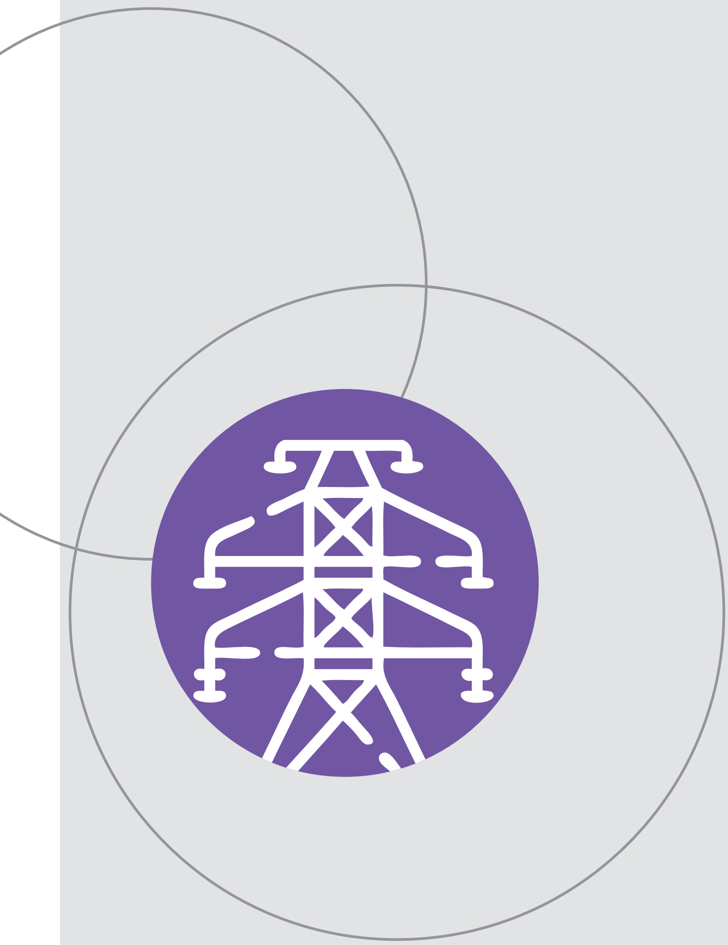
*Partial commissioning completed.

Distribution network

AEML (572 ckm)

MUL (148 ckm)

Our financial track record



Revenues
(₹ Crore)

Definition
Sales net of taxes

Why this is measured
It is an index that showcases the Company's ability to maximise revenues, which provided a basis against which the Company's success can be compared with sectoral peers.

What this means
The Company reported a 18% growth in sales revenue to ₹13,293 crore. This growth was mainly on account of commissioning new transmission projects, favourable regulatory order and a volume increase in the distribution business

Value impact
The growth in revenues provides the Company with the critical mass to amortise fixed costs, service customers with on-time and in-full deliveries and enhance profitability

EBITDA
(₹ Crore)

Definition
Earnings before the deduction of fixed expenses (interest, depreciation, extraordinary items and tax)

Why this is measured
It is an index that showcases the Company's ability to generate a surplus after optimising operating costs, providing a base for comparison with sectoral peers.

What this means
Helps create a robust surplus-generating growth engine that enhances reinvestment.

Value impact
The Company reported an EBIDTA growth of 11% in FY 22-23 on account of commissioning new projects and increased volume

PAT

(₹ Crore)

Definition
Profit earned during the year after deducting all expenses and provisions

Why this is measured
It highlights the strength of the business model in enhancing value for shareholders.

What this means
Values earned during the year for shareholders

Value impact
PAT increased by 3.6% to ₹1,281 Crore

EBIDTA margin

(%)

Definition
EBITDA margin is a profitability measure to ascertain a company's operating efficiency

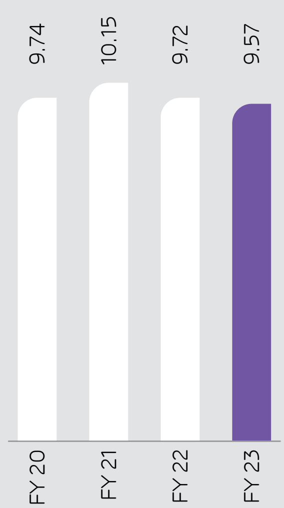
Why this is measured
The EBIDTA margin provides an idea of how much a company earns (before accounting for interest and taxes) on each rupee of sales.

What this means
This measure demonstrates the buffer in the business, which, when multiplied by scale, can potentially enhance the surplus.

Value impact
The Company has consistently maintained an EBITDA margin over 40%

ROCE

(%)



Definition
This is a financial ratio that measures efficiency with which capital is employed in the Company's business

Why this is measured
ROCE is an insightful metric to compare profitability across companies based on their capital efficiency

What this means
Enhanced ROCE can potentially drive valuations and market perception.

Value impact
ROCE stood at 9.57% during the year under review.

Gearing

(x)

Definition
This is the ratio of debt to net worth

Why this is measured
This is one of the defining measures of a company's financial health. This indicates the ability of the Company to remunerate shareholders over debt providers (the lower the gearing the better).

What this means
This indicates whether the Company enhances shareholder value by keeping the equity side constant while moderating debt.

Value impact
The Company's gearing stood at 2.68 in FY 22-23

THE ADANI PORTFOLIO OF COMPANIES

The multi-business Adani portfolio of companies is one of the most dynamic industrial conglomerates in India.

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

- Engaged in nation building
- Enhancing stakeholder value
- Enriching communities of its presence

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

The promoter

The Adani portfolio of companies has been promoted by the visionary industrialist Mr. Gautam Adani. The Adani portfolio of companies was founded by Mr. Gautam Adani in 1988 with a commodity trading business under the flagship company Adani Enterprises Limited (previously Adani Exports Limited).

The Adani portfolio of companies

Headquartered in Ahmedabad, India, the Adani portfolio of companies comprises the largest and fastest-growing portfolio of diversified businesses in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Cement, Media, Defence & Aerospace, Mining Services, Copper, Petrochemicals, Data Centre and other sectors.

The scale

Most Adani portfolio businesses are among the largest in India, marked by attractive economies of scale.

Adani Ports and Special Economic Zone Limited is the largest private sector port operator in India.

Adani Green Energy Limited is among the largest renewable energy businesses in the world.

Adani Transmission Limited is the largest private sector transmission and distribution company in India.

Adani Total Gas Limited is the largest city gas distribution business in India.

Ambuja Cement (with subsidiary ACC Limited) is the second largest cement manufacturer of India and an iconic cement brand.

Adani Enterprises Limited is India's largest business incubation company.

Adani Power Limited is the largest private sector thermal power producer in India.

Adani Wilmar Limited holds the position of being India's largest edible oil brand.

NDTV Limited is among India's most trusted media companies.

The visibility

The Adani portfolio comprises ten publicly traded companies.

The positioning

The Adani portfolio of companies has positioned itself as a leader in the transport logistics and energy utility portfolio businesses in India. This portfolio of companies has focused on sizable infrastructure development in India with operations and maintenance (O&M) practices benchmarked to global standards.

The core philosophy

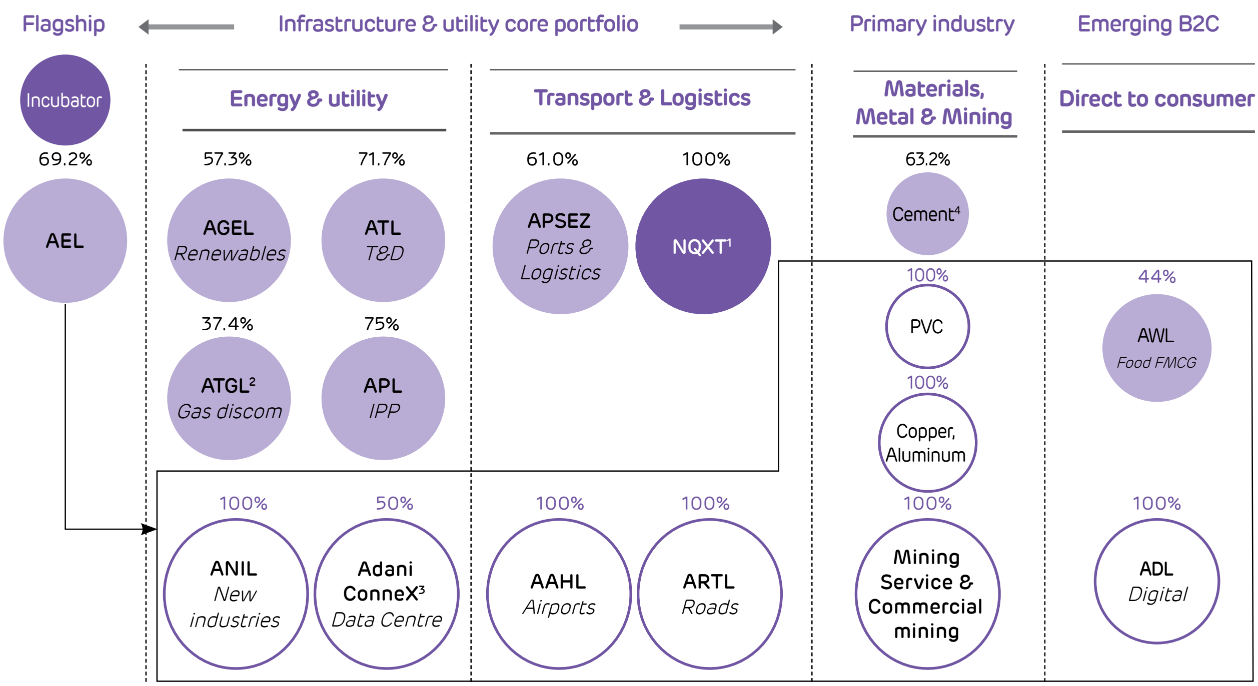
The core philosophy of the Adani portfolio of companies is 'Growth with Goodness', its beacon for sustainable growth. The Adani portfolio of companies is committed to widening its ESG footprint with an emphasis on climate protection and increasing community outreach through CSR programmes woven around sustainability, diversity and shared values.

The credibility

The Adani portfolio of companies comprises four IG-rated businesses and is the only Infrastructure Investment Grade bond issuer from India.

Adani: A world-class infrastructure & utility portfolio

adani



A multi-decade story of high growth centered around infrastructure and utility core

(%): Promoter equity stake in Adani Portfolio companies

(%): AEL equity stake in its subsidiaries

● Listed entities

❶ **NQXT:** North Queensland Export Terminal | ❷ **ATGL:** Adani Total Gas Limited, JV with TotalEnergies | ❸ Data center, JV with EdgeConneX | ❹ Cement business includes 63.15% stake in Ambuja Cements Limited which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited

AEL: Adani Enterprises Limited; **APSEZ:** Adani Ports and Special Economic Zone Limited; **ATL:** Adani Transmission Limited; **T&D:** Transmission & Distribution; **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 Limited; **IPP:** Independent Power Producer

Adani portfolio of companies: Marked shift from B2B to B2C businesses

ATGL
City gas distribution network to serve key geographies across India

AEML
Electricity distribution network that powers Mumbai, India's financial capital

Adani Airports
Operates, manages and develops eight airports in India

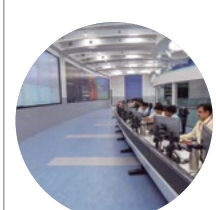
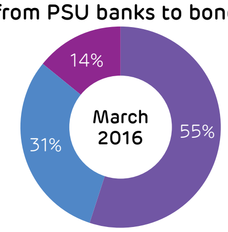
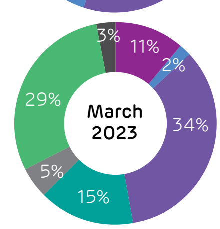
Ambuja Cements and ACC
India's most trusted cement brands with a capacity of 67.5 Mn Tons

Adani Wilmar
Among India's largest packaged foods companies comprising Fortune, India's edible oil brand leader

Adani portfolio of companies: Locked-in infrastructure growth

Transport & logistics Airports and Roads	**Energy & Utility** Renewables/ Transmission & Distribution/ City Gas/ Power Generation	**APSEZ** Adani Ports and Special Economic Zone Limited	**NQXT** North Queensland Export Terminal	**ATMSPL** Adani Tracks Management Services Pvt. Ltd. (formerly Sarguja Rail Corridor Pvt. Ltd.)
AAHL Adani Airports Holdings Ltd.	**ATL/APL/AGEL/ ATGL** Adani Transmission / Adani Power / Adani Green Energy / Adani Total Gas	**ANIL** Adani New Industries Limited (a green hydrogen ecosystem)	**ARTL / AWL** Adani Road Transport Limited / Adani Wilmar Ltd	**T&D / IPP** Transmission and Distribution / Independent Power Producer

Adani portfolio of companies: Repeatable & proven transformation investment model

	Phase	**Development**		**Operations**	**Post operations**
Activity	Origination	Site development	Construction	Operation	Capital management
	• Analysis & market intelligence • Viability analysis • Strategic value	• Site acquisition • Concessions and regulatory agreements • Investment case development	• Engineering & design • Sourcing & quality levels • Equity & debt funding at project level	• Life cycle O&M planning • Technology-enabled O&M	• Redesigning the capital structure of assets • Operational phase funding consistent with asset life
Performance	•India's largest commercial port (at Mundra)	• Completed one of the longest private HVDC line (Mundra – Mahendragarh)	• 2,140 MW hybrid cluster operationalised in Rajasthan in FY 22-23	• Energy Network Operation Center • Centralised continuous plants monitoring across India on a cloud based platform	• First GMTN of US$ 2 Bn by an energy utility player in India and sustainability- linked bond • AGEL tied up 'Diversified Growth Capital' with a revolving facility of US$ 1.64 Bn for fully funding its project pipeline • Issuance of 20 and 10-year dual tranche bond of US$ 750 Mn Green bond issuance of US$ 750 Mn
	Highest margin among peers 	Highest line availability 	India's first and world's largest solar-wind hybrid cluster 	Centralised continuous monitoring of solar and wind plants across India on a cloud-based platform 	**Debt structure moving from PSU banks to bonds**   ● PSU banks ● Private banks ● Bonds ● NBFCs & FIs ● DII ● Global International Banks ● PSU-capex LC

How Adani portfolio of companies performed in FY 22-23

EBIDTA (growth %)

		FY 22	FY 23
APL	4%	13,789	14,312
APSEZ^	21%	10,607	12,833
ATL	11%	5,493	6,101
AEL	112%	4,726	10,025
AGEL	61%	3,926	6,331
ATGL	11%	815	907
Ambuja Cement, consolidating ACC		NA	4,173
AWL		1,736	1,661

EBITDA

- *AEL EBITDA grew on the back of growth in the incubating businesses (Airports, Roads) and Integrated Resource Management*
- *APL EBITDA improved due to improved tariff realisations and higher prior period income recognition*
- *APSEZ EBITDA growth was on account of an increase in cargo volume, operational efficiency and cost restructuring*
- *^APSEZ EBITDA excludes forex; APSEZ FY 21-22 EBITDA excluded ₹210 Crore of SRCPL and GPL acquisition cost*
- *Ambuja Cement (consolidating ACC) changed its financial year end from December to March (figure for the current year is for 15 months and not comparable with the previous 12 months, ended December 31, 2021*
- *Ambuja Cement (consolidating ACC) became a part of Adani portfolio following acquisition in September 2022*
- *ATGL EBITDA grew due to increased sales volume, coupled with an improvement in the operating margin and cost optimisation*
- *ATL EBITDA grew on account of higher revenues in the transmission and distribution businesses*
- *AGEL's growth in EBITDA was supported by increased revenues and cost efficiencies brought in through analytics-driven O&M*

PAT (growth %)

		FY 22	FY 23
APL	118%	4,912	10,727
APSEZ	9%	4,953	5,392
ATL	4%	1,236	1,281
AEL	218%	777	2,473
AGEL	99%	489	973
ATGL	5%	505	530

The Adani portfolio of companies' platform comprises foresight, operational excellence, outperformance and leadership

The Adani portfolio of companies' businesses

- Incubation
- Energy & utility
- Transport & logistics
- Materials, metals and mining
- Direct-to-consumer

The Adani portfolio of companies' growth platform

- Betting on India
- Strategic big picture
- Making outsized investments in futuristic infrastructure
- Investing at a competitive capital cost in a relatively low commissioning time
- Creating long-term revenue visibility
- Ensuring attractive margins

The Adani portfolio of companies

India overview: We, at Adani, believe in and bet on India. In the last three decades, India has not just grown faster; but has also compressed the GDP growth of the earlier decades into fewer years. India is expected to transition from a US$ 3.75 Trn economy to a US$ 5 Trn economy in the next few years.

At Adani portfolio of companies, we proactively invested in businesses that are expected to ride India's middle-income consumption engine. The Adani portfolio of companies invested not on the basis of what is, but on what can be. By making disproportionate investments, it intends to shift the needle not just for its investee Company but for the country as a whole - with the objective of extending access, reducing costs, widening the market and, in doing so, helping strengthen India.

Competitive advantage: At the Adani portfolio of companies, we believe that the ability to make a significant national contribution can only be derived from a broadbased competitive advantage that is not dependent on any one factor but is the result of an overarching culture of excellence – the coming together of adjacent businesses, deep sectorial experience, ability to commission projects faster than the sectorial curve, competence to do so at a cost lower than the industry average, foresight to not merely service the market but to grow it, establish decisive sustainable leadership and evolve the Company's position into a generic name within the sector.

Relatively non-mature spaces: The Adani portfolio of companies has entered businesses that may be considered 'maturely non-mature'. Some of the businesses can be classified as mature, based on the enduring industry presence and the conventional interpretation of their market potential; these businesses can be considered non-mature by the virtue of their vast addressable market potential and the superior Adani portfolio of companies value proposition. The result is that the Adani portfolio of companies addresses sectorial spaces not on the basis of existing market demand but on the basis of prospective market growth following the superior Adani sectorial value proposition.

Outsized: The Adani portfolio of companies established a respect for taking outsized bets in select sectors and businesses without compromising Balance Sheet safety. The portfolio of companies establishes a large capacity aspiration that sends out a strong message of its long-term direction. Its outsized initial capacity establishes economies of scale within a relatively short time horizon that deters prospective competition and generates cost leadership (fixed and variable).

Technology: The Adani portfolio of companies invests in the best technology standards that could generate precious additional basis points in profitability and help more than recover the additional cost (if at all) paid within a short tenure. This superior technology standard evolves into the Company's sustainable competitive advantage, respect, talent traction and profitability.

Execution excellence: The Adani portfolio of companies has built a distinctive specialisation in project execution, one of the most challenging segments in India. The portfolio of companies has established benchmark credentials in executing projects faster than the sectorial average by drawing from the multi-decade Adani pool of managerial excellence across a range of competencies. This capability has resulted in quicker revenue inflow, increased surplus and competitive project cost per unit of delivered output.

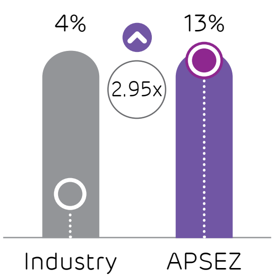
Flexible capital structure: The Adani portfolio of companies has created a robust financial foundation of owned and borrowed funds. This enhanced credibility makes it possible for the Adani portfolio of companies to mobilise resources from some of the largest global lenders at around the lowest costs. This approach helps transform these marquee institutions from mere lenders to stable resource (fund or growth) providers for the long-term.

Ownership

The Adani portfolio of companies comprises a high promoter ownership, validating a commitment and ownership in projects.

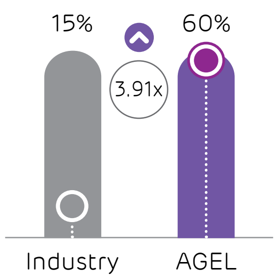
Adani portfolio outperformance

Cargo volume
(MMT)



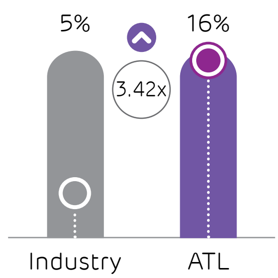
2014	972	113
2023	1433	339.30

Renewable capacity growth
(GW)



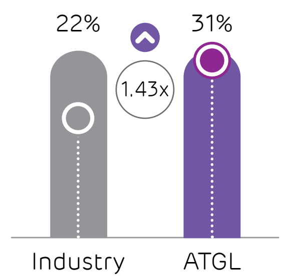
2016	46	0.3
2023	125	8.086

Transmission network growth
(ckm)



2016	3,41,551	6,950
2023	4,71,341	19,779

City gas distribution growth
(GAs covered)



2015	62	6
2023	295	52

Transformative model driving scale, growth and free cash flows

GW: Gigawatt, **GAs:** Geographical Areas, **MMT:** Mn metric tonne, **CKM:** Circuit kilometer

The Adani portfolio: Establishing benchmarks

Largest

India's largest commercial port (Mundra)

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

India's largest private sector ports company

World's largest wind-solar hybrid operational power project - 2,140 Mw in Rajasthan

Biggest

Port company enjoying the highest margin among peers

Among the highest transmission line availability benchmarks in India

Largest airport infrastructure company in India

One of India's largest port-based edible oil refinery with a capacity of 5,000 MT per day

Leading edible oil player (number two in Wheat Flour and number three in Basmati Rice)

Quickest

648 MW solar power plant

The Kamuthi plant was commissioned in only nine months

Longest

897 ckm

The length of one of the India's longest intra-state transmission lines that was completed (Ghatampur Transmission Limited)

CHAIRMAN'S MESSAGE

Your group will continue to consolidate what it has built while looking at expanding its horizons.

Dear Shareholders,

A few months ago, I heard a new term called Permacrisis. I learnt that the Collins dictionary had defined it as 'An extended period of instability and insecurity'. It also chose it as the Word for the Year 2022. Interestingly, I also learnt that two other words that were in the running for the top spot were 'quiet quitting', which meant doing the bare minimum duties at work (in rejection of competitive careerism) and 'vibe shift', which meant a significant change in the prevailing culture. What I find fascinating is that in the post-Covid world, these words accurately summarise changes that we see happening around us.

A Global Reset is Underway

There can be no denying that the world is continuing to be hit by multiple shocks, be it the climate emergency, geopolitical disequilibrium, supply chain and energy volatility, or persistent inflation. What does make the situation a permacrisis is the fact that we have never had a time wherein all these events happened simultaneously and without a clear solution in sight. Add to this the opportunities and challenges because of the technological revolution, especially the breathtaking advances in artificial intelligence, and what we have is a massive potential reset in the existing global operating models. The future of work, the future of learning, the future of medicine, and in some ways, the future of economic growth itself will need to be reset. Therefore, as we end one financial cycle and begin another, it is important to step back and assess the global economic situation and India's position as a part of this landscape.

India – The Beacon of Hope

While economic cycles are getting increasingly hard to forecast, there is little doubt that India, already the world's fifth largest economy, will become the world's third largest economy well before 2030 and, thereafter, the world's second largest economy by 2050.

It is well understood that for any economy to lay the foundation of growth, a stable Government is critical. We have seen this impact with the implementation of several structural reforms that are critical for strong, sustainable, and balanced growth. This stability, coupled with India's young demographics and continued expansion of internal demand, is a potent combination.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades. The United Nations Population Fund (UNFPA) projects that India's median age will be just 38 years even in 2050. Over this period, India's population is expected to grow by approximately 15% to 1.6 Bn, but the per capita income could accelerate by over 700% to about US dollars 16,000. On a purchasing power parity basis, this per capita metric could be three to four times higher. The growth of this consuming middle-class is expected to insulate us to some extent from global recessions as our growth is primarily driven by domestic demand. This, in turn, should drive a surge in private and government expenditures, as well as attract increasing foreign direct investments.

We have the statistics to prove it. Following independence in 1947, it took us 58 years to get to our first Trn dollars in GDP, 12 years to get to the next Trn and just five years to the third trillion. I anticipate that within the next decade, India will start adding a trillion dollars to its GDP every 18 months, putting us on track to emerge as a 25 to 30 Trn dollar economy by 2050. This could potentially drive India's total market capitalization to over US US$ 40 Trn, an approximate 10x expansion from the current levels.

I urge you to reflect on these incredible possibilities. India's success story of balancing economic growth and a vibrant democratic society has no parallel and a result, my belief in the India growth story has never been higher.

Our nation's demographic dividend is expected to drive consumption and accelerate the growth of a tax paying society at a record pace over the next three decades.

The Short selling Incident

Let me now address the short-selling issue that impacted us early this year. On the eve of our Republic Day, a US-based short-seller published a report just as we were planning to launch the largest Follow-on Public Offering (FPO) in India's history. The report was a combination of targeted misinformation and outdated, discredited allegations aimed at damaging our reputation and generating profits through a deliberate drive-down of our stock prices.

Subsequently, despite a fully subscribed FPO, we selected to withdraw and return the money to our investors to protect their interests. The short-selling incident resulted in several adverse consequences that we had to confront. Even though we promptly issued a comprehensive rebuttal, various vested interests tried to opportunistically exploit the claims made by the short seller. These entities engaged and encouraged false narratives across various news and social media platforms. Consequently, the Hon'ble Supreme Court of India constituted an Expert Committee to look into this matter. It comprised individuals known for their independence and integrity. The report of the Expert Committee was made public in May 2023.

The Expert Committee did not find any regulatory failure. The Committee's Report not only observed that the mitigating measures, undertaken by your company helped rebuild confidence but also cited that there were credible charges of concerted destabilization of the Indian markets. It also confirmed the quality of our Group's disclosures and found no instance of regulatory failure or any breach. While the SEBI is still to submit its report in the months ahead, we remain confident of our governance and disclosure standards.

Adani Group – Resilient, stronger and record results for FY 22-23

Over the past three decades, I have learnt that growth comes with its set of challenges. Every challenge we have faced has made us more resilient. This resilience is vindicated by the outcomes we deliver.

Our FY 22-23 operational and financial results are as much a testimony to our success as a testimony to the continued expansion of our customer base – be it on the B2B side or the B2C side. Our Balance Sheet, our assets, and our operating cashflows continue to get stronger and are now healthier than ever before. The pace at which we have made acquisitions and turned them around is unmatched across the national landscape and has fuelled a significant part of our expansion. Our national and international partnerships are proof of our governance standards. The scale of our international expansions has been validated by our successes in Australia, Israel, Bangladesh, and Sri Lanka.

82%

PAT growth, FY 22-23

Some Group Highlights

Our Group is now constituted of 10 publicly traded entities, each with its own set of successes. I have listed below some key highlights across the various businesses.

1. The Adani Group of companies set new financial performance records with:
    a. Total EBITDA grew by 36% to ₹57,219 Crore,
    b. Total income grew by 85% to ₹262,499 Crore, and
    c. Total PAT grew by 82% to ₹23,509 Crore.
2. The Group's deleveraging program of US$ 2.65 Bn for the Adani portfolio companies was completed successfully and further improved our Net Debt to run rate EBIDTA ratio from 3.2x to 2.8x in FY 22-23.
3. Our flagship company, Adani Enterprise Limited (AEL) continued to successfully demonstrate its incubation capabilities with new businesses accounting for 50% of its EBITDA in FY 22-23.
    a. Of the several projects underway, two key ones include the Navi Mumbai Airport and the Copper Smelter, which are on schedule.
    b. The Integrated Resource Management (IRM) volume increased by 37% to 88.2 MMT versus 64.4 MMT in FY 21-22
    c. In the area of the media business, AEL acquired New Delhi Television Ltd (NDTV) and a 49% stake in Quintillion Business Media Limited.
4. We are set to play a critical role in India's Net Zero carbon footprint journey. The renewable energy business, Adani Green Energy Limited, commissioned the world's largest hybrid solar-wind project of 2.14 GW in Rajasthan; the operational renewable energy portfolio grew 49% to over 8 GW, the largest operational renewable portfolio in India.
5. The backward integration plans in the renewable energy value chain progressed as planned.
    a. A new solar module line plant of 2 GW was operationalised and
    b. The existing 1.5 GW module line was upgraded to 2.0 GW using the TOPCON Cell Technology.
6. The ports business continued to be the pillar of strength on all fronts. APSEZ continues to be amongst the most profitable port operators globally with a port EBITDA margin of 70%.
7. Adani Power Ltd. successfully commissioned the 1.6 GW ultra-super critical Godda power plant and is now supplying power to Bangladesh, which marks our entry into transnational power projects.
8. The transmission and distribution businesses set new benchmarks. The Mumbai distribution business achieved a reliability of 99.99% and was ranked the number one discom by the Union Ministry of Power.
9. Adani Total Gas Ltd, expanded access to clean cooking fuel to 124,000 households last year with a 46% increase in revenue to ₹4,683 Crore and is transforming into a full spectrum sustainable energy provider following its foray into the e-mobility and biofuel businesses.
10. Lastly, on the partnership front, we continue to attract global investment partners aligned with our long-term approach of building and operating world-class assets. In March 2023, we successfully executed a secondary transaction with GQG partners of US$ 1.87 Bn despite volatile market conditions.

Its all about a Better Tomorrow

The India in which we live today is the most exciting land of opportunities with blossoming entrepreneurial spirit. Every day is a beginning of something new, innovative, and transformative. We have always believed in our 'growth with goodness' philosophy and our track record speaks for itself. Your Group will continue to consolidate what it has built while looking at expanding its horizons. Our customers speak for us, our investors speak for us, our shareholders speak for us, and our results for speak for us. On behalf of your Company, I reaffirm and assure that we are committed to the highest levels of governance and regulatory compliance.

In closing, let me emphasise how grateful I am for all your support. It has been the greatest source of my strength and it is my promise to you that I will do my utmost to uphold the trust you have put in me and my team.

Thank you.

Gautam Adani

MANAGING DIRECTOR'S COMMUNIQUÉ

Adani Transmission is evolving into an Energy as a Service organization

Anil Sardana, Managing Director, explains the metamorphosis of ATL into a consumer-facing organization

The principal communication is that the management is proposing to change the name of Adani Transmission to Adani Energy Solutions Limited.

The renaming of the Company was warranted by the Company's entry into the power distribution space following the acquisition of the power distribution business of Reliance Infrastructure Limited, subsequent expansion, acquisition of MUL and the application of a parallel license (second) in Maharashtra and Uttar Pradesh and the proposed likelihood of various initiatives expected to lead the Company into a new future.

The renaming comes at the right time as India is passing through an unprecedented optimism, marked by upsides coming out of a range of government reforms, pandemic resilience, global broad basing of supply chains giving rise to the China +1 phenomenon, increased consumer aspirations and the sustained Indian economic growth.

India is poised at an inflection point where it stands to correct decades of extensive product or service under-consumption across the decade, helping retain its position among the fastest growing global economies. The result of this sustained transformation is also that India is likely to graduate from the fifth largest to the third largest economy by 2030.

At Adani Transmission, we recognise that the priority of the day is not more of the same; the priority is to create differentiation. We are placed at an unprecedented moment in our sector: the evolution of digital technologies, the rise of renewable energy as an irreversible phenomenon and the need for choice within the electricity retail sector are helping create exciting opportunities.

It is an irony that in a country of 1.4 Bn customers – the largest in the world, considering that India surpassed China as the world's most populous nation in early 2023 - one of the last choice-less service frontiers is electricity. This is an irony at various levels: one, electricity delivery is ubiquitous and yet the space is monopolistic; the space influences national competitiveness and yet this remains a high cost input for consumers on account of virtually no competition in last mile electricity delivery; it provides room for competition through the open access route and yet that space is bereft of a competitive presence; it is one of the largest customer-facing opportunities in the country and yet remains one of the most conventional.

At Adani Transmission, we believe that the time has come to leverage the undeniable: scale, spread, coverage across the last mile and a growing consumer appetite. A modern India needs wider electricity choice and corresponding solutions. This represents the backdrop of why a company that focused on the rapid scaling of its national transmission line network across the last seven years is now intending to use this foundation to graduate to the next orbit.

The operative word in the Company's desired transformation is 'solution'. Until now, the transmission side of the business was engaged in B2B engagement; the Company addressed the government's need for transmission lines, which was remunerated on the basis of the uptime of these nationally dispersed assets. By solutionising the business, the Company is making the decisive extension to B2C engagement with downstream commercial and industrial consumers across the Indian landmass.

This extension of the business model will evolve the Company from being a mere provider of transmission line uptime that facilitated the transfer of bulk electrons, into a company that will now possess a larger skin in the game. The Company will now be empowered to capitalise on the competitive procurement of renewable energy and bundle it with conventional energy, storage and provide solutions to customers through innovative structured state-of-the-art solutions with 100% uptime.

This supplementary business will prove win-win: it will leverage the Company's validated competence in delivering electrons from point to point in a predictable manner; it will enable the customer to access renewable energy at a competitive price (given the Adani portfolio large renewable energy), the supplying company's insight into the transmission sector and the government's support in removing wheeling charges for the delivery of renewable energy. This coming together will benefit source provider, coordinator, line provider and customer.

The solutionisation of this proposition will be emphasised through the following priorities: it will address a customer's need to graduate to a cleaner and cheaper energy source when compared with the fossil fuel-derived alternative; it will be available round the clock; it will enhance a customer's business competitiveness; it will enhance the country's manufacturing competitiveness and acceptability of its 'green' products across the world. The ripple of this solution will extend beyond the Company or customer; it could potentially embed renewable energy in our lives and make Indian a cleaner nation. When this transpires in the most populous country, the external ripple effect could help make the world cleaner and help counter climate change. The result is that the combination of the ripples – internal and external – could deepen our influence in countering the biggest crisis humankind has faced in recorded history.

As a priority, the solution will address large industrial consumers, marked by a critical consumption mass on the one hand and their presence within a geographically compacted area, resulting in enhanced transmission economies. The solutions could liberate these customers from commissioning captive renewable energy capacities within their operating premises and utilise every surplus space for direct manufacture instead; besides, the green energy supply could enhance the credit rating of that business, strengthening overall competitiveness. The result is that our solution will be directed to taking the business of our customers ahead and strengthening India one business at a time. We also believe that by providing this last mile solution to where it matters most – the manufacturing or service sector – we are reinforcing the Make in India momentum, catalysing livelihoods, and widening the national prosperity circle.

What makes this personality extension exciting is that places on companies like ours the responsibility to seek wider and innovative opportunities to solutionise and transform lives. The pipeline from our company to the consumer is the principal physical asset for our business; the electrons we transfer within is predictable; what we do with those electrons at the landfall point will influence the impact we have on the customer, region, and nation.

Two solutionisation aspects will provide readers an indication of what lies in store. At Adani Transmission, one of the outcomes of global warming will be the need for enhanced cooling. As disposable incomes and temperatures rise, the one product whose sale will accelerate will be air-conditioners. Herein lies the irony: the more temperatures rise, the more air-conditioners will be sold, and the more temperatures will rise yet again as a result (on account of the heat being generated leading to an urban phenomenon recognised as the 'heat island' effect). The result could be a vicious cycle where the warm will become warmer largely due to the antidote being employed.

This extension of the business model will evolve the Company from being a mere provider of transmission line uptime that facilitated the transfer of bulk electrons into a company that will now possess a larger skin in the game.

At Adani Transmission, we believe that by the virtue of being connected to consumers through transmission cum distribution lines (in-sourced and outsourced), we will be competently placed to provide a responsible cooling solution. The nature of this cooling solution could be vastly different from the conventional boxed format that is currently in vogue. For one, this solution could be graduated from homes to entire districts; the solution could be driven by renewable energy; the solution could be considerably cheaper than the prevailing electricity tariff; the solution would not generate heat; the solution would not entail complex wiring across customer locations.

The nature of this solution could prove nationally transformative. India is a tropical country and the extension of cooling from exclusive luxury to a democratic utility could enhance livability and productivity for millions. Besides, there is a vast runaway for cooling solutions: per capita air conditioner consumption is a mere 8% of Indian homes when compared with 50% in China and 110% in Europe. In India's forthcoming prosperity round, the need for cooling solutions could increase faster than in the past; by proposing an alternative beyond the expensive energy-guzzling box could result in the biggest cooling leap without a corresponding impairment in environment integrity. By reconciling a growing need with a clean solution, we would have provided an enduring solution – the biggest comfort shift for the world's largest population in the shortest time and at the lowest cost.

The second dimension of the solutionisation presently underway at our company is related to smart meters. The government has mandated the use of smart meters for every residential or commercial consumer. This smart meter is an intelligent box that sits inside every premises and serves as the informed accountant; it does not merely record the quantum of electricity consumed within the premises, but more: the hours of consumption, consumption pattern of appliances and other information that could provide insights of where electricity costs could be saved. This represents the next frontier that graduates the information coming out of a consumer's premises from the conventional (units consumed and the cost to be paid) into a variety of insights that transform the consumer's experience. Considering that India needs 250 Mn smart meters and ATL possesses the capability to provide a quarter of this large quantity indicates the extent of opportunity to not only influence what goes into the smart meters but also what it generates by way of information. The latter is expected to influence the informed nature of solutions we provide to millions of consumers across India.

Adani Transmission is at the cusp of evolving its personality. From a 'hard' company we are emerging as a combination of 'hard' and 'soft'; from a conventional transmission asset provider, we are graduating to Energy as a Service organization.

This personality leap is expected to help us transform yet again, deepen our competitiveness, widen our consumer relevance and enhance our personality as a company that customers adore.

Anil Sardana
Managing Director

FROM THE DESK OF CEO - TRANSMISSION

Building productive long-term assets

Bimal Dayal,
Chief Executive Officer - Transmission

Overview

At Adani Transmission, we recognise that we are engaged in building a lifeline in the world's fastest growing economy.

We are engaged in business with responsibility: we recognise that if the world's most populous nation is to enjoy access to a cleaner, economically productive and fulfilled existence, our business will need to play a decisive role in making that a reality.

The reasons are not far to seek.

One, seminal changes have transpired across the last few decades in the world; the one reality that has not altered is that the role of electricity in our lives has only increased. This represents the fundamental rationale of our existence.

Two, even as old energy forms are going out of currency and new forms are emerging, the enduring reality are that electricity are playing a more intensive role in our lives, translating into a secular increase in per capita electricity consumption. The operative point is that there is not just an increase in the number of people the world over; each individual is using more electricity than what her or his equivalent did about fifty years ago.

Three, the irreversible reality is that electricity will continue to be routed from one point to another. This is becoming increasingly relevant in a world where renewable energy is being generated from dispersed locations (as opposed to fossil fuel-driven energy that was localised as per geographic origin). The more dispersed the locations from where renewable energy can be generated (sunlight and wind are more universal than coal, for instance), the larger will be the need for transmission lines.

In view of these realities, the power transmission sector is entering a golden age. A number of countries will need to replace their legacy lines with modern equivalents while also commissioning new lines. These twin growth engines are expected to sustain the growth of the sector for years to come.

Competitive advantage

At Adani Transmission, we are positioned to address this unprecedented opportunity.

Across the last decade, the Company has grown from scratch to the largest private sector power transmission company in India. The Company has acquired the critical mass that is comparable with global peer companies.

The Company is seized of the country's widening needs for the future. It possesses a Balance Sheet that has empowered it to bid for new transmission projects being announced by the country; it possesses subject matter experts – some of the most knowledgeable and experienced within the sector – who make competitive bidding and projects award a reality; its competence has translated into a capability to work on concurrent multiple projects on the one hand and commission them around the quickest commissioning tenures on the other. We have taken this competence to its logical conclusion: our commissioned assets deliver an uptime that is arguably the highest in the sector.

The result is not just pockets of standalone competence within our company; what Adani Transmission has been able to showcase is an aggregation of three distinctive capabilities – the capacity to bid competitively for large transmission line projects, the ability to commission these around the quickest implementation benchmarks and the capacity to design these networks in a manner to sustain them around the highest uptime. The complement of 'largest-quickest-highest' represents the basis of our long-term competitiveness, translating into sectorial outperformance.

The result is that we are not just commissioning assets for the day; we are building national infrastructure expected to endure across the decades. During the productive life of these assets and our contract tenure, the Company is expected to generate robust annuity incomes, enhancing revenue visibility and strategic predictability. A combination of these realities indicates that we are engaged in the building of an institution with multi-decade relevance.

Even as the business is positioned to be long-term in influence, Adani Transmission is addressing this commitment with urgency. We are a company with a mission; we are driven by passion; we are engaged in building futuristic assets. This commitment to national competitiveness was reflected in the last financial year when the Company was engaged in building four transmission projects with an aggregated coverage of 1,312 ckm. Besides, at a time when some countries and continents have reported power delivery bottlenecks due to inadequate infrastructure, we take pride in being a business directed to take India ahead.

The power transmission sector is entering a golden age. A large number of countries will need to replace their legacy lines with modern equivalents and also commission new lines.

FROM THE DESK OF
CEO - DISTRIBUTION

Mumbai Distribution - a harbinger of change

Kandarp Patel,
Chief Executive Officer - Distribution

Overview

When ATL acquired the Mumbai power distribution business from Reliance Infrastructure in 2018, it inherited a company with a mixed legacy. On the one hand, it was a business that had been in existence for more than a century, marked by institutionalised experience, knowledge, and insight; on the other hand, it was a legacy utility in a regulated business.

We embarked on a journey to transform the Company's positioning, committing to transform an expectation of predictable power delivery to consumer delight. The Company recognised that this transformation would warrant a complete reimagining of how power utilities are run in India, graduating from being one of the many power distribution companies into one that would be recognised as an industry model.

Re-imagining the business

The AEML management embarked on the most challenging exercise: it set about recreating its organizational culture keeping the customer at the centre of all change.

The Company laid out a new way of working. In the past, rules had been created well beyond the need for regulatory compliance; there were protocols for everything; most of these protocols suited a traditional DISCOM operation. One of the first things that the new management encouraged and advocated was an environment where any rule or reality could be questioned – without fear of reproach. Over the last four years, a new culture began to emerge where change was celebrated.

The Company took this improvement to the next leg when it undertook a business process re-engineering exercise to align all processes with customer focus. Digital transformation in customer centered processes as well as in digitizing internal resource deployment through handheld productivity tools and analytics significantly leapfrogged our operations to address customer issues quickly and satisfactorily, whilst keeping costs in check.

The third change that the new management implemented was a mindset that celebrated excellence over size. Teams began to draw out initiatives that would enhance operating standards, responsiveness to unforeseen market realities (especially during natural disasters), identify waste and simplify business processes.

The fourth change at the Company was the creation of a leadership pipeline. The pipeline was not only related to succession planning for longstanding managerial positions; it was about creating teams of passionate competent professionals addressing specific challenges with the objective to generate disproportionate outcomes. The creation of this leadership bench infused a new vigour, brought young engineers to positions of responsibility and helped create positive change catalysts across strategic positions.

The fifth change was focused capital expenditure that yielded the highest value for the buck. This was done to generate faster operational efficiencies. Following these investments, the incidence of faults declined, and systemic stability increased. In the last financial year, faults reduced by 6% despite increase in overall sales by around 11%.

Structural shift

In 2020, the Company made an unprecedented reduction in tariffs by 17%, strengthening its value proposition. During the year under review, the Company's cost structure was threatened by an unexpected increase in resource costs. The cost of imported coal increased with a similar cascade on the cost of domestic coal. This reality threatened to increase tariffs, a setback to the Company's commitment to enhance tariff affordability.

AEML transformed this challenge into an opportunity, The Company had, over the preceding years, retrofitted boilers at its Dahanu power generating station with flexibility to shift from imported to domestic coal (of different calorific value) whenever the situation warranted. During the last financial year, the Company exercised the option to shift. When the cost of imported coal appreciated, AEML moved to use domestic coal to ensure impact of such imported coal prices are not weathered by its customers. This move was evident in the latest Mid-Term Review by the MERC, wherein AEML reported the lowest tariff increase, underperforming inflation, resulting in securing the most affordable tariffs in its licensed area.

During the last financial year, AEML procured renewable energy in a sizable quantum for the first time. This momentous decision was inspired by the Company's commitment made to its investors that 30% of its distributed energy would be renewable by the end of FY 23, which stands fulfilled.

The structural shift in the business towards consumer centricity underpinned by structural reforms in the distribution sector allows us to bring the best in power distribution.

This timely switch resulted in a decline in the Company's resource cost; during the year under review, the Company increased tariff by a mere 2% whereas its principal competitor increased tariff by 11%. By under-performing inflation, AEML demonstrated consistently superior value for its retail and commercial consumers and helped narrow the pricing gap with its principal competitor.

The resources switch represented the start of a long-term trend to evolve the resource mix from fossil fuels to clean energy long-term renewable power purchase agreements to reduce cost. Besides, the Company intends to increase the portion of renewable energy in its resource mix to 60% by 2027; this would be the next decisive trigger in moderating tariff, enhancing consumer value and helping make the world cleaner.

Virtuous cycle

At AEML, the increased proportion of renewable energy in the resource mix has initiated a virtuous cycle that is expected to enhance value for the Company and consumer.

A reduction in the Company's overall resource cost is expected to moderate tariff for consumers. This reduction is now providing AEML with a wider operating room to market services to commercial consumers, the more profitable customer segment on account of its sizable demand on the one hand and relatively attractive consumer tariff on the other.

During the last financial year, AEML enlisted Mumbai Metro as a customer for its two operating lines. This breakthrough was facilitated by the Company's stability in delivery, superior uptime, and lower costs. At AEML, we believe that this enlistment represents a validation of the Company's competitive dynamics, which should translate into even larger consumer wins and market share across the foreseeable future. Besides, this competitiveness is expected to deepen following an increased proportion of renewable energy being utilised in the Company's energy mix across the next four years.

At AEML, this virtuous cycle will be accelerated by the Company's focus on stronger working capital management. During the last financial year, AEML grew its business without increasing its working capital outlay (same as in FY 22), indicating a superior management of cash flows. During the last financial year, AEML moderated non-critical costs, a significant part of which was passed on to consumers (helping moderate the impact of an increase in resource costs). The Company continued to protect its cash collection efficiency at around 100%. The Company moderated overheads and increased revenues from non-tariff assets, strengthening capital efficiency. Besides, the Company continued to deepen vigilance across its service footprint, helping moderate transmission & distribution losses from around 7% to 6% within a year. A similar vigilance on longstanding receivables from defaulting consumers strengthened cash inflows.

Looking ahead

At AEML, our objective is to generate cost reductions, moderate tariffs, widen market share, enhance revenues, and build a stronger company.

During the current financial year, the Company will deepen investments in digitalization that help moderate costs and increase consumer convenience, strengthening market share.

Going ahead, the Company possesses a robust growth foundation. The Company's capital expenditure programmes until 2030 achieved financial closure, enhancing visibility for capital expenditure programs and organizational stability.

Our Distribution business is poised to grow following the expected materialization of licenses in new geographies. It is our endeavor to take the AEML success story to other geographies by offering a superior value proposition to customers.

Under the same umbrella, we have just embarked on our journey of installing and maintaining smart meters throughout the country, leveraging opportunities that are created through state tenders. During the year under review, we secured two smart metering projects in BEST and APDCL totaling 18.5 Lakh smart meters. Value engineering in AEML's own smart meter journey has enabled us to be best placed to win these opportunities through strategic partnerships in the smart meter value chain.

Validation

In FY 23, AEML was rated as the number one power distribution company in India by Power Finance Corporation and Ministry of Power.

This acknowledgement, coming within five years of the Company's acquisition by the Adani Group, is a validation of our commitment to prioritise performance.

AEML prioritised the role of governance in the business through the active participation of four Directors who are Independent or deemed independent.

Our business is adequately funded for the needs of the moment and foreseeable future, enhancing stakeholder trust.

Our business is utilizing a larger proportion of renewable energy than possibly any other distribution company in India, underlining its environmental promise.

Our business is deepening an investment in process-strengthening digitalization, enhancing checks, balances and controls leading to sound governance.

FROM THE DESK OF OUR CFO

Our resilient business model makes us future-ready

Rohit Soni,
Chief Financial Officer

Overview

When Adani Transmission Limited came into existence, the business was structured around the 4R's – robustness of assets, resilience of the business model, risk management across functions and responsibility across engagements.

The consistency with which these business imperatives were applied has begun to translate into visible outcomes with a growing critical mass. During the year under review, your company reported ₹13,293 Crore in revenues, a 18% increase over the previous financial year; it reported ₹6,101 Crore in EBITDA, a 11% growth over the previous financial year; it strengthened net worth by 16% to ₹12,760 Crore.

In a business that is fundamentally addressing the long-term, we believe we have demonstrated the discipline to stay the course, build patient multi-decade assets, sweat our assets at levels considerably higher than the industry average, negotiate debt at progressively lower costs than the prevailing sectorial average, keep bidding or acquiring new transmission projects and, in doing so, build our business in a patiently sustainable way.

At first glance, these numbers may appear relatively modest given the number of years we have been in business. However, the business needs to be understood for the numbers to be appreciated. The business of erecting, commissioning power transmission lines is typically front-ended capex; the returns climb towards the latter end of the contracted period. In this long-term business, the first number of years are marked by sustained investments of surpluses into building a critical mass, and the creation of long-term assets where neither the upsides of critical mass nor compounding are visible.

Discipline

If there is one word that has influenced our business model during this period it is 'discipline'. This discipline is visible at various levels and across priorities.

One, this infrastructure business – like most of the sector - is patiently long-term in character. The business is devoid of sudden spurts in profits and margins; patient players need to make decisive investments coupled with operating discipline to derive even a 100-bps improvement in their operating margins.

Two, competitiveness in this business is derived from scale; the larger a company becomes, the greater the possibility of deriving economies of material procurement, surveillance, knowledge and people competence. However, to get to a position of scale, a company like Adani Transmission is required to keep bidding for new transmission lines or acquiring existing capacities.

Three, while our transmission lines are in the field and running from district to district, much of the competitiveness is derived from the finance room. In this capital-intensive business, competitiveness is derived from the capacity to create a sustainable capital management plan that maximises the availability of debt and moderates the cost at which it is available. This may appear as a relatively simple exercise in negotiation; however, this competence is derived principally from the strength of an international credit rating, the capacity to evoke the trust of large lending institutions, offer bonds that balance mutual interests (lender and borrower) and structure these bonds across the long-term aligned with asset longevity.

Four, what has been described is based on an understanding of risk at a moment in time. However, we do concede that it would be impossible to predict how interest rates, credit rating, currency values and economic realities may evolve. Each time interest rates move, the viability of long-term infrastructure projects can be affected, putting a premium on the need to lock interest rates and currency values linked to these rates at the time of loan mobilization and taking the unforeseen financial risk out of the business.

Five, in a business that is geographically dispersed, there is always a danger of a storm in one region tripping a line into downtime, or this reality transpiring in various locations at the same time. In such a business, there is a premium on the need to deploy people or technologies to monitor asset performance and ensure uptime anytime, every time and everywhere.

The bottom line is that what appears to be a staid business at first glance is indeed challenging when examined closer, marked by industry players seeking to exit when their margins or cash flows thin. The business warrants the capacity to fulfil obligations made in the past, address the needs of the day and plan for tomorrow.

If there is one word that has influenced our business model during this period it is 'discipline'. This discipline is visible at various levels and across priorities.

Prepared

Now that one has explained the various challenges of the business, permit me to explain how Adani Transmission Limited has emerged as one of the most excitingly successful exciting players in India and the world over.

In a business where it would have been challenging to grow with speed from scratch, the Company has established one of the most inspiring track records: the Company has grown from 2 lines to 26 transmission lines in just seven years. The Company grew annual revenues 18% compounded across the period. By the close of the year under review, Adani Transmission's power transmission business was present in 14 Indian States. The Company is the largest in India's power transmission private sector.

In a business where one needs to possess adequate liquidity to address the financial obligations of the day, Adani Transmission has not only done so on time and in full but gone out to acquire other transmission companies using its resources. By the close of the year under review, the Company had acquired 10 transmission and distributions Special Purpose Vehicles; of the total gross block of ₹20,775 Crore on its books, around 50% been acquired; every single acquired transmission line was profitable and value-accretive. In addition to making investments on the transmission side, the Company acquired Mumbai's power distribution company, the largest such acquisition in India's distribution sector.

In a business where the national opportunity is almost always larger than the capital available, there is a premium on a robust capital management plan that mobilises the largest quantum at the lowest cost in the quickest time and with the longest repayment tenure. The result is that Adani Transmission collateralised its assets to mobilise larger debt. This did not risk the Company's Balance Sheet because the debt was backed by credible operational assets with long-term relevance and excellent uptime within India's power transmission sector (99.7%, FY 22-23). Even as we collateralised these assets, we did so with a measure of discipline: we moderated any risk of pyramidised failure where the probable under-performance of any transmission asset (however remote) could have on collateralization and other subsequent assets or to mobilise larger debt. We kept these proportions under control as ascertained by our Risk Management Team overseen by our Board of Directors. By the close of the year under review, the average long-term debt on our books was for 98 months; the longest loan tenure that we negotiated was for 360 months, by far the longest loan tenure negotiated for any infrastructure project in India. The long-term tenures took the pressure off debt repayment and ensured that we would be adequately liquid to accelerate asset building during the first decade of our existence.

In a business where economic realities transform with speed, we ring-fenced our debt cost from changes in interest rates or currency swings. At the time we mobilised the debt in foreign currency, we paid a small premium that would protect us from any change in repayment conditions across the debt tenure. By transforming every debt variable into a constant, we enhanced the predictability of our repayment quantum and terms at the outset. The result is that we created one of the most predictable and sustainable financial architectures within our business, translating into the highest credit ratings accorded to any infrastructure company in India (capped at the sovereign rating).

In a business marked by challenges related to project commissioning – inclement weather, field conditions, right of way commodity price movements, pandemic-induced restrictions, interest rate increase and the availability of labour – your company established an inspiring track record. During the year under review, your company commissioned four projects largely on schedule, which had commenced during pandemic restrictions. By the close of the year under review, the Company was engaged in the construction of nine projects that should be commercialised across the foreseeable future.

In a business that has been marked by extensive inflation, the Company showcased its customer -centricity during the last financial year. In the wake of the Russia-Ukraine conflict that strengthened the cost of fuel and other commodities, there was a need to pass cost increases to customers.

In a country where there is a premium on the ability to deliver renewable energy to consumers, your company played a market-leading role. The distribution side of the Company's business delivered 30% of its electricity mix through renewable power, completely in line with the commitment made to Mumbai consumers. The proportion of renewable energy in the mix is probably the largest across all distribution companies in India, underlining the Company's commitment to be benchmarked with the best international standards. Multiple awards and recognitions validate the

Company's competitive advantage as well as capacity to grow the business in a holistically responsible manner.

In a business that is nationally dispersed, the Company's centralised electronic nerve centre began to deliver the upsides of centralised surveillance. The centre monitored 30 pan-India installations; the centre leveraged its resident multi-functional knowledge to ensure high asset utilization as well as responsiveness during unforeseen downtime. The result is that the Company's transmission assets delivered an uptime of 99.7%, and generated a ₹96 Crore incentive.

During the year under review, your company created a foundation for sustainable growth: the distribution side of the business embarked on ₹1,450 Crore of capital expenditure completely through earnings and no debt. Credit rating agencies affirmed their ratings during a challenging last quarter of FY 22-23, validating business model robustness. The Company did not announce any dividend, preferring to redeploy all its earnings and strengthening the flywheel effect.

At Adani Transmission, we are optimistic that the disciplined core of our business continues to be protected. This is expected to accelerate the flywheel during the current financial year and even faster across the foreseeable future, enhancing value for those associated with our company.

Rohit Soni, Chief Financial Officer

18

% growth in the Company's grew annual revenues in FY 22-23

13,293

₹ crore, Revenues generated by the Company in FY 22-23

CSO'S MESSAGE

Integrating ESG with business processes for building a better tomorrow

Santosh Kumar Singh
Chief Sustainability Officer

Dear stakeholders,

Adani Transmission Limited (ATL) continues to maintain its leadership in the country's private power transmission and distribution sectors.

ATL is attractively placed to achieve its ambitious vision to commission 30,000 ckm by 2030.

ATL has established a credible track record in constructing and operating transmission lines assimilated into the national and state grids within the allotted and agreed timeframes as per bid conditions. Besides, ATL has delivered better than normative line availability for earning revenues as a part of the Business-to-Business (B2B) model. ATL is also engaged in the Business-to-Customers (B2C) segment through Mumbai electricity distribution, for which it sources power from generating companies, including a 500 MW conventional fuel-based power plant outside Mumbai. ATL also took over MPSEZ Utilities Limited (MUL) for power distribution in Mundra SEZ. Over the years, success for the Company has been derived through material issues that have been consistently identified through stakeholder engagement; the performance against these have been transparently disclosed. ATL identified climate change adaptation, mitigation and bio-diversity management as material issues (in addition to other core material issues) given the nature of the Company's business.

ATL's infrastructure warrants Right of Way through different geographies for which responsible community engagement is necessary for the social license to construct and operate. ATL mobilises funds from different routes, including the bond market; it is committed to different environment and social standards like TCFD (Task Force on Climate-Related Financial Disclosures), IFC Environment and Social Standards, Equator Principles, Principle of Responsible Investing (PRI), ESG Metrics of World Economic Forum, Standards for Sustainability Reporting published by Global Reporting Initiatives (GRI) and UN Global Compact Principles. The investor and lending institutions are also concerned about governance practices that prompt investment decisions. The material issues are being addressed on priority with a long-term strategic plan. This report addresses the management's approach on material issues frequently required by investors.

At ATL, we take the subject of environment compliance and responsibility seriously. At the start of the year under review, the Company had targeted a position among five leading Indian electric utility companies for ESG performance. ATL achieved this distinction; it now aspires to be ranked within leading global companies in this respect in three years.

At ATL, the effectiveness of our ESG delivery is derived from its alignment with the strategic vision enunciated by ATL's Board of Directors. The result is that ESG not peripheral to the Company; it has been integrated into the business. For effectiveness, ATL's ESG framework addresses three strategic pillars - 'Commitment towards Global Climate Actions', 'Corporate Citizenship Enabling Social Transformation' and 'Responsible Business Practices'.

At ATL, the effectiveness of our overarching vision has been ensured by the enunciation of key performance indicators addressing the strategic pillars. ATL's governance commitment extends beyond the basic compliance requirements of Securities and Exchange Board of India (SEBI) and the Companies Act, 2013. Besides mandatory Board committees, as per applicable regulations, the Company established a Corporate Responsibility Committee to oversee that the principles of sustainability are embedded into the organizational mindset. By a resolution of the Board of Directors, responsibilities related to regular ESG performance monitoring, reporting and public disclosures were delegated to the chair of the management (Chief Executive Officer).

At ATL, structured teams support the CEO in discharging this function. At the strategy level, an Apex ESG and Sustainability Committee comprises functional leaders and operating site leaders, chaired by the CEO. At the operational level, an ESG Working Group (ESGWG) is a cross-functional team guided by the Chief Sustainability Officer. For energy, quality, environmental and other business aspects, ATL's management systems are benchmarked in line with ISO standards. Management representatives from different systems support the CEO in ongoing performance improvement.

AT ATL, we adopted credible international frameworks and standards aligned with our ESG disclosures. The Company disclosed climate change and risk management measures around the CDP platform. It disclosed the performance of material issues as per GRI Standards and Sustainable Development Goals (SDGs). It mapped disclosures in line with TCFD recommendations and UNGC principles in the ESG

ATL has established a credible track record in constructing and operating transmission lines assimilated into the national and state grids within the allotted and agreed timeframes as per bid conditions.

section of the Integrated Report and dedicated Sustainability Report. Its structured materiality assessment for reporting and public disclosures comprises a process of stakeholder identification and engagement guided by GRI and ISO standards. Its inside-out view of material issues is calibrated with periodic stakeholder engagement for prioritised disclosures. Its improvement initiatives across ESG pillars are identified by the working group. It implemented a Clawback Policy and is in the process of developing a Diversity & Inclusion Policy in line with the expectations of prominent ESG evaluation agencies (S&P Global, Morgan Stanley Sustainability Index and Sustainalytics). The result is that our reporting discipline has been influenced by some of the most credible international institutions and agencies.

ATL had outlined targets in line with Sustainable Development Goals (SDGs). The one goal adopted is SDG-13 for Climate Action. ATL became a member of UNGC during the year under review, strengthening its SDG-13 commitment. The Company's target for GHG emissions reduction has been expressed in absolute terms and is intensity-based in line with India's Nationally Determined Contribution. A Sensitivity Analysis helped assess climate change-related risks inherent in ATL's operations. It conducted a climate scenario-based analysis using IPCC's RCP 4.5 (medium emission) to assess climate risk and impact for new projects.

ATL is undertaking Climate Change Risk Assessment for its entire portfolio. The Company submitted its target to SBTi in line with the 1.5°C trajectory. It committed to become a 'net zero company' by 2050. It outlined short-term and medium-term targets, remaining committed to reduce its absolute Scope-1 and Scope-2 GHG emissions 72.7% by FY 31-32 and Scope-3 GHG emissions 27.5% by FY 31 (using FY 19-20 as the base year). It disclosed alignments with TCFD recommendation in the public domain through its Sustainability Report. The result was that S&P Global rated ATL as a company aligned with all eleven TCFD elements and fully aligned with six elements; it also became a constituent company in the FTSE4Good index series.

ATL is developing high voltage transmission lines to evacuate electricity from renewable energy generation hubs and transmit to load centers and megacities. In a first-of-its-kind national initiative, ATL rolled out 'green tariffs' to reinforce its alignment with SDG-7 'Affordable and Reliable Energy'. The Company was one of 20 Indian companies to sign UN's Energy Compact. The goal of Adani Electricity Mumbai Limited (AEML), a part of ATL, is to increase the share of renewable power procurement from 3% to 30% by FY 22-23 (achieved) and to 70% by FY 29-30, aligned with its commitment to SDG 07. AEML achieved its enunciated FY 22-23 target to increase the renewable energy share to 30.04%. It intends to achieve 40% reduction in GHG emission intensity by FY 24-25, 50% reduction by FY 26-27 and 70% reduction by FY 29-30, aligned with SDG 13 for Climate Change Mitigation. The Company empowered Mumbai customers to select the renewable energy option in power supply and earn Green Power Certificates, transforming them into active participants in helping the world moderate its carbon footprint.

ATL recognises that decarbonization initiatives will succeed only if they are driven across the supply chain. ATL engaged with suppliers and endeavored to bring them on CDP's disclosure platform in partnership with CDP India. The Company was recognised

30,000
ckm, ATL is attractively placed to achieve its ambitious vision to commission by 2030.

with a 'Supply Chain- High Level Engagement Award' by CDP for engaging the highest number of companies among all its corporate members during the year under review.

All subsidiaries and 100% ATL operations are covered by the Integrated Management System (IMS) for Quality, Environment, Safety, and Energy and Asset management and certified against ISO standards for these aspects that are ISO:9001, ISO:14001, ISO 45001, ISO 50001 and ISO: 55001, respectively. The Company widened the scope of its management system by adopting Business Continuity (ISO: 22301), Information Security (ISO: 27001, ISO 26000 and ISO 27031), Management Representative (MR) and IMS Governing Council.

ATL had embarked on an ambitious zero waste-to-landfill target some years ago. During the year under review, the Company received the 'Zero Waste to Landfill' certification, diverting more than 99% waste away from landfills. The Company implemented a Bio-diversity Policy to conduct business with no-net loss to biodiversity. ATL is a signatory to the India Business and Biodiversity Initiative, a Ministry of Environment, and with the Forest and Climate Change initiative of Confederation of Indian Industry (nodal agency). ATL was assessed across biodiversity and ecosystem services for its thermal power plant at Dahanu. The Company is working on a no-deforestation approach, ensuring that whenever forests are impacted by its infrastructure, adequate afforestation compensation is made.

The Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their disposal covered the trade of plastic waste. In 2019, the Conference of the Parties to the Basel Convention decided on ways to address plastic waste. In line with the clarion call by the Honorable Prime Minister of India to phase single-use plastic items out by 2022, the Ministry of Environment, Forest and Climate Change, Government of India notified the Plastic Waste Management Amendment Rules, 2021, on 12 August 2021. ATL commenced working proactively in this direction and during the year under review, the entire company was certified as single-use plastic-free, complying with Sustainable Development Goal #12 (sustainable consumption and production patterns).

ATL embarked on the goal to become 'net water neutral' across its transmission business. A Sensitivity Analysis analysed baseline Water Stress Level and Drought Risk Level across key operating sites using India Water Tool and WRI's Aqueduct Tool. ATL developed and implemented a water augmentation plan by enhancing community water resources and rainwater harvesting. During the year under review, ATL was declared 'Net Water Positive' for 100% of its operational assets.

At ATL, ESG aspects and risk management were facilitated by an Enterprise Risk Management System, based on the COSO framework guided by the Chief Risk Officer. The risk management framework comprised provisions to evaluate, prioritise and escalate risks to the highest governing body. A Risk Management Committee at the Board level governed and guided risk management within the Company.

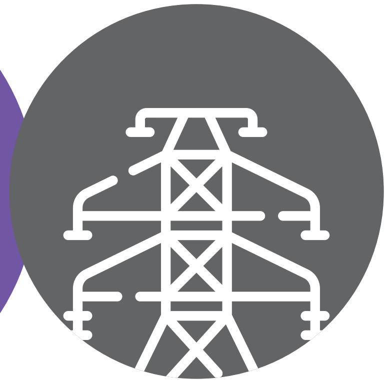
ATL's ESG initiatives and goals have been covered in this report in a detailed manner. The Company intends to deepen its engagement with stakeholders and welcomes feedback at cso.transmission@adani.com

Santosh Kumar Singh
Chief Sustainability Officer

PART 2

HOW WE ARE BUILDING FOR TOMORROW

Building a Better Tomorrow



India is one of the most exciting global economies.

The country is building its infrastructure in a larger way with unprecedented capital outlays.

At the Adani Group, we have built our various businesses around this national priority.

At Adani Transmission Limited, we are investing in the national growth story by growing our company across two businesses – power transmission and power distribution.

As a result, we are now among the best positioned companies in India's power sector to benefit from infrastructural changes and power sector reforms.

This is what we mean by 'Building a better tomorrow'

Building

We are building our company around an enunciated governance framework

We are making progressively larger investments across businesses

We are doing so with a complete ecological respect for sites and their hinterlands

We are investing in the most advanced digital technologies

We are committed to moderate the gestation between investment and returns

We are building the largest Indian capacities for infrastructure and services, addressing existing and prospective needs

We are perpetually rethinking our business to position ahead of industry curve

We own a responsibility in building national infrastructure lifelines directed to taking India ahead

Better

Cleaner India

More empowered India

More competitive India

Accelerated India

Rurally transformed

Lower income equity

Healthier India

More informed India

More secure India

More proactive India

Wider choice

More resilient India

More adaptable India

Technologically advanced India

Tomorrow

We are building our business to deepen our positioning as a responsible global citizen

We are building our business to enhance India's competitiveness in a modern world

We are building to moderate cost per unit of power delivered, enhancing customer delight

We are building to evacuate power (especially renewable) with speed across the Indian landmass

We are building so that the net outcome of what we have built enhances livelihoods and prosperity

We are building so that the net outcome of our business enhances value and safety for all our stakeholders

We are building with the objective to deliver considerably superior outcomes over convention

We are building with the objective to deliver positive financial outcomes at scale, strengthening reinvestments and business sustainability

Our promise

- We will procure 60% of our power from renewable sources for our distribution business by FY 26-27; we achieved 30% in FY 22-23
- We will reduce GHG emissions intensity in AEML by 40% by FY 24-25, 50% by FY 26-27 and 60% by FY 28-29
- We achieved zero waste to landfill across all operational sites and are committed to remain this way
- We eliminated the use of single-use plastic and are committed to remain this way

What India will be like tomorrow, say in 2030

DRIVEN BY RENEWABLE ENERGY

IMPROVED QUALITY OF LIVING

ENHANCED PER CAPITA INCOME

HIGHER ASPIRATIONS AMONG INDIANS

GREATER AUTOMATION IN MOST LIVES

SUPERIOR INTRA-NATION CONNECTIVITY

DEEPER DIGITALIZATION FOOTPRINT

ENHANCED NATIONAL COMPETITIVENESS

SUSTAINED POPULATION GROWTH

INCREASED ENERGY CONSUMPTION

BIG DATA FOR CONSUMER ANALYTICS

SUPERIOR CONSUMER SERVICE DELIVERED BY POWER UTILITIES

SUSTAINABLE EMPHASIS ON NEW PRODUCTS

EXTENSIVE WOMEN'S EMPOWERMENT

HIGH FARM INCOMES DERIVED THROUGH SUPERIOR TECHNOLOGY

REDUCE INCOME INEQUITY; HIGHER FINANCIAL INCLUSION

BETTER HEALTHCARE; INCREASED LIFESPANS

CLEANER URBAN AIR

HIGHER EXPORT INCOME

LARGER HOMES

How Adani portfolio businesses are building for a better tomorrow for India

MINING DEVELOPMENT AND OPERATIONS	COMPRESSED NATURAL GAS	ROADS AND HIGHWAYS CONSTRUCTION
SOLAR AND WIND ENERGY GENERATION	DATA CENTER MANAGEMENT	
GREEN HYDROGEN PRODUCTION	DEFENCE PRODUCTS	AIRPORTS INFRASTRUCTURE MANAGEMENT
	RESIDENTIAL PIPED NATURAL GAS	MEDIA AND ENTERTAINMENT
COPPER MANUFACTURE	RENEWABLE ENERGY GENERATION	AGRO PRODUCTS DISTRIBUTION
PETROCHEM MANUFACTURE	PACKAGED FOODS AND BRANDED EDIBLE OILS	
WATER MANAGEMENT; ELECTRIC CHARGING		PORTS AND TRANSPORT UTILITY SERVICES
POWER GENERATION, TRANSMISSION AND DISTRIBUTION	INDUSTRIAL PIPED NATURAL GAS	CITY GAS DISTRIBUTION
SMART METERS INFRASTRUCTURE		DIGITAL LAB; BIOGAS GENERATION

This is a picture of tomorrow's India

India projected to emerge as a **US$ 26 Trn economy by 2047**

India is likely to emerge as the **third-largest economy by 2030**

Indian retail industry (US$2 Trn, 2032) likely to become **top three in demand growth**

Indian household income **expected to rise 40% by 2030**

Indian households likely to grow from **289 Mn in 2020 to 354 Mn by 2030**

India is likely to continue to be the **youngest country**

India is likely to attract total FDI of **US$ 475 Bn in the next 5 years (2022-27)**

India's projected population of **1.51 Bn by 2030**

India's working-age population is expected to reach **1 Bn by 2030**

India's bilateral trade agreements to increase with **developed countries**

(Sources: Economic Times, Live Mint, IBEF)

Why ATL is poised at an opportune moment to build for tomorrow

The India story

India is the world's fifth largest economy and expected to emerge as the third largest by 2030. Besides, India's economic size of more than US$ 3 Trn is likely to grow to US$ 5 Trn by the end of this decade. These projections indicate that growth of the retrospective decades (seven-and-a-half for the sake of convenience) is likely to be replicated in the next one decade. This makes India the next outsized growth story that could drive the global economy.

Distribution reform

The reforms are not only the power generation or transmission side; the reforms are moving towards the distribution sector, a segment of the Indian electricity sector that is yet to feel the full impact of positive change. Privatisation of the power distribution sector is evident in India's Union Territories and likely to be widened across the country's urban locations. Enabling provisions in the Electricity Act 2003 are also paving the way for parallel distribution licenses across the country. This is expected to widen the consumer's choice in terms of service providers, a space where ATL is already present (through AEML and MUL).

Aligned with national policy

The Prime Minister of India, made five commitments at the COP26 in 2021. India would take its non-fossil energy capacity to 500 GW by 2030. India would meet 50% of its energy requirements from renewable energy by 2030. India would reduce its total carbon emissions by one billion Tons from 2021 to 2030. India would reduce the carbon intensity of its economy by more than 45%. India would achieve its net zero target by 2070. These commitments will not only take India's respect ahead in the global community of nations; it could make India a global model at scale within two generations.

Investment priority

Traditionally, India's power generation capacity exceeded its transmission line capacity. In the 2012-2017 period, national generation capacity grew 64%; transmission capacity grew by a third. India's MVA/MW ratio was reduced to 2.3x (7.0x global standard). This imbalance is beginning to correct, which could lead to a ₹8.2 Trn opportunity in 10-15 years.

Energy efficiency

The National Mission for Enhanced Energy Efficiency (NMEEE) aims to improve energy efficiency. According to the Central Electricity Authority's latest report of October, 2020 the T&D losses had declined to 20.66% in 2018-19, from 21.04% in 2017-18, and 21.42% in 2016-17. India's T&D losses have been over 17% of generation, which is more than twice the world average. The ideal level of T&D losses ranges between 6-8%. Besides, Integrated Power Development Scheme assists State distribution utilities in reporting higher T&D efficiency through corresponding incentives. (Source: indiatimes.com)

Renewable energy

Solar energy is expected to account for 18% of total power generation capacity in India by 2030; coal's share in the electricity generation mix will decrease to 50% by 2030. At the pace of investment being implemented, there is a possibility that by 2040, the two contrasting energy forms could converge in the low percentage thirties. The power (along with wind energy) will need to be evacuated from generating points with speed, creating a considerably larger market for power transmission infrastructure.

Cooling as a Service

India Cooling Action Plan (2019) developed under Ministry of Environment, Forest & Climate Change with support from Bureau of Energy Efficiency emphasises on overwhelming need of space cooling and has encouraged use of energy efficient and sustainable technologies, such as District cooling and Thermal energy storage. ATL has ventured into the District Cooling domain and set up Adani Cooling Solutions Limited (ACSL).

Digitalisation

ATL introduced advanced technologies for the first time in the power transmission sector and is taking this momentum ahead through forward-looking investments in unmanned sub-stations, drones, robotic arms and hot line maintenance.
The Company was one of the first Indian utilities to invest in advanced Supervisory Control and Data Acquisition (SCADA) technology and Geographical Information System (GIS), enhancing outcomes. On the utility side, the Mumbai Distribution business introduced a slew of customer initiatives like chat bots, voice bots, payment kiosks, video call centres, digital modes for payments and other workforce productivity tools like auto work allocation, fleet management, contract labour management systems etc, in order to deliver an affordable, reliable and superior customer value.

Smart meters

The Company is extending into the business of smart meters to enhance an understanding of individual power consumption patterns and costs. The introduction of smart meters will introduce the sector to a completely transparent and flexible way of working, representing the next generation in consumer engagement, cash recovery and systemic loss moderation. The Indian government directed that all meters must be converted to smart meters by 2026 – a market of 25 crore meters. ATL has won 2 smart meter projects in BEST and Assam (APDCL). Company would be spending majorly of next 30 months in line with annual capex guidance. The Company would be executing the project capex over 30 months in line with the annual capex guidance.

Replacement demand

Some of the optimism related to the Indian power transmission sector is derived from the fact that as India's power consumption intensity grows, a number of legacy power transmission lines will need to be replaced with modern equivalents, providing the sector a second wind. India has around 4,713,41 ckm of transmission lines as on March, 2023; a part of this asset base could be upgraded or replaced, strengthening prospects. (Source: PIB)

Policy

The Supreme Court's appointed committee issued a directive that all transmission lines up to 33 kV would be converted or added through cables while all extra high tension lines above 33 kV would continue to be overhead (and provided proper bird diverters of different specifications standardised by Central Electricity Authority). This paves the way for India's transmission unfettered growth.

Scale of transformation

India's line capacity is expected to five-fold to an estimated 828,000 ckt km by 2034. This indicates that what India grew in terms of transmission capacity across more than 70 years is expected to be five-folded in a little more than ten years. This is expected to make the Indian power transmission sector one of the most nationally transformative across the coming decade.

Investment

The Indian power sector is likely to attract investments worth ₹9-9.5 Trn (US$ 128.24 - 135.37 Bn) between FY 19-23. By 2026-27, the country's power generation capacity could be close to 620 GW, of which 38% would be from coal and 44% from renewable energy sources. The FDI in India's renewable energy sector stood at US$ 12.47 Bn (~₹1 Trn) in FY 22-23. (Source: IBEF)

Power for All

India linked all villages to 24x7 electricity in 2020, a platform for increased consumption. This will be catalysed by Deen Dayal Upadhyay Gram Jyoti Yojana (DDUGJY) and Integrated Power Development Scheme (IPDS).

Budgetary allocation

In the Union Budget 2023-24, the government allocated ₹19,500 Crore for a PLI scheme to enhance the manufacture of high-efficiency solar modules, which should have a trickle-down impact on the transmission sector.

Unique

India is possibly the only instance of a country that is the third largest global electricity consumer and yet under-consumed at less than 1500 kwh consumption per capita. This makes India mature and yet-to-mature at the same time, indicating a large room for an electricity consumption shift.

Competitive bidding

The Indian government is increasing the role for tariff-based competitive bidding. It extended the TBCB coverage to HVDC plans in addition to the established segments. This will widen the space for competitive companies like ATL – one of the most competitive in the world in line commissioning costs - to succeed in.

Government policies

The Indian government announced policies enhancing the role of renewable energy in the country's electricity mix. The government permitted 100% FDI in renewable energy, electricity, and power generation and distribution sectors. This could create unprecedented capacity, strengthening power transmission sector demand.

Green hydrogen

The emergence of green hydrogen as a potentially clean energy source with mass application capability is expected to transform India. This energy source is expected to replace oil imports with indigenously produced green hydrogen. The introduction of green hydrogen will accelerate the commissioning of large transmission corridors, emerging as new 'oil pipelines'.

Consumption outlook

India has established itself as a major player in the global energy market, ranking third in terms of primary energy consumption, trailing behind the United States and China. Projections indicate that India's energy demand will undergo an annual growth rate exceeding 3% until 2030. By 2040, India is anticipated to account for a substantial 25% of the global energy demand. Presently, India holds a 6.1% share in global primary energy consumption, and this proportion is expected to escalate to approximately 9.8% by 2050 under the stated policy scenario. (Source: IEA)

ATL: Where business commitment begins with responsible governance

Overview

At ATL, ESG defines our personality.

While we may be engaged in the business of infrastructure construction and maintenance; fundamentally, we are engaged to enhance stakeholder trust. This puts a premium on clarity, transparency, responsibility and accountability,

We are engaged in a business where customers need to provide us contracts, employees need to work with us, vendors need to provide resources and capital equipment, lenders need to provide debt, shareholders need to provide net worth and communities need to facilitate our engagement in the areas of their presence. As a result, building trust across stakeholders is not peripheral to our business but integral to it.

At ATL, governance is doing the right things more than doing things right – a focus on integrity more than efficiency – because we are convinced that organizations high on their ethical mooring can also be sustainably successful.

Our governance rating

ATL was rated by CRISIL in the top three in India's power sector for its ESG rating

59
ATL score in the 2022 S&P Global Scores

31
World electrical utility average, 2022 S&P Global Scores

3.3
ATL's FTSE score, 2022

2.7
World average FTSE score, 2022

Our governance commitment

At ATL, we believe that at the heart of our ESG commitment lies an operating discipline. This discipline has been drawn from learnings of the earlier years.

Board of Directors: At ATL, the success of our strategic direction is influenced by the premium on Board composition, comprising achievers of standing. The Board comprises a good proportion of Independent Directors, who can speak their mind and influence the Board.

Benchmark:The business is focused on becoming or maintaining its status as a private sector leader, whether this be in relation to the pace, scale, or scope of results.

Stakeholder value: The Company is engaged in business to address the needs of all stakeholders; this focus is periodically verified and validated through engagements with stakeholders

Integrity: The Company is committed to do the right things (preceding doing thing the right way), putting a premium on intent, vision, strategic direction and integrity above all

Credit rating: The Company's credit rating is the highest in India's infrastructure sector and benchmarked with the national sovereign rating

Clean: The Company is committed to the use of clean resources and technologies. AEML achieved a 30% renewable energy input in Mumbai's delivered electricity mix in FY 22-23

Responsibility: The Company has an ESG-compliant business model with a de-risked approach; it established global corporate credibility marked by robust governance and disclosures

Controlled growth: The Company recognises the value of measured expansion as opposed to unrestrained growth – without straining the Balance Sheet, talent or goodwill.

Hurdle rate: The Company will bid for projects with a minimum indicated rate of return, a hedge against prioritising revenue growth above profit growth; this strategy will guarantee that the Company's expansion remains profitable, and its Balance Sheet stays adequately liquid - the basis of its sustainability.

Clarity: The Company works with a documented and defined debt size with indicated limits for gearing (debt-equity ratio), debt costs and debt tenures, eliminating the role for arbitrary decision-making.

Adjacency: The Company will operate in areas of core or adjacent competence, eliminating the role for unrelated diversifications that could compromise stakeholders returns

Transparency: The Company commits to transparent financial information, displaying credit ratings (the highest in India's infrastructure sector) that enhance lender trust.

Long-term: The Company will deepen its long-term business approach, marked by prudent investments in resources, technologies, personnel and clients. The Company will seek to arrive at a balance of tactical conservatism and strategic boldness.

Commitment: The promoter will outline the strategic direction; the professional management will address day-to-day management and target achievement

Environment: The Company's environment commitment will be centred around the utilisation of ecologically friendly resources, reducing its carbon footprint through optimal design, moderating fossil fuel use, and embracing counter-climate change.

Social: The Company will deepen investments in vendors and customers, employee wellbeing culture, and community responsibility, deepening eco-system stability

Digital technology: The Company has deepened its systemic stability through an extensive investment in digital technologies

Propriety: At ATL, we will continue to do the right things in the right way. This commitment has manifested in our gender respect, zero tolerance for sexual harassment, impatience with ethical transgressions, commitment to recruit without prejudice and appraise without partiality, respect for the dignity of people and the integrity of the environment.

Process-driven: At ATL, we deepened investments in processes and systems. This framework – processes as well as IT foundation - represents a scalable foundation that will enable the Company to grow profitably is a sustainable way

Audit and compliance-driven: At ATL, we strengthened an audit-driven and compliance-driven approach, enhancing the credibility of our reported numbers, influenced by prudent conservatism in accounting treatment

Plus-factor: ATL extended compliance beyond the statutory, reflected in a commitment to demanding ESG global standards. The Company is committed to a position among the top ranking ESG companies in the world, benchmarked around the highest ESG standards.

WHAT MAKES US DIFFERENT

At ATL, we believe that most battles are won by speed, speed and speed

Overview

At Adani Transmission, we believe that there is only one way we can address a sector with unlimited potential: with speed.

This approach can be addressed at two levels – engage in the accelerated commissioning of assets or acquire assets of competing companies.

Even as the Company has commissioned several greenfield transmission lines around the shortest tenures within the industry, it is its capacity to acquire assets and companies that has created a niche for the Company within the country's power transmission and distribution sector.

Big picture

Adani Transmission is the largest private sector power transmission and distribution company in India. This status has been achieved in no small measure by the capacity to acquire assets and companies.

These acquisitions validated the Company's capacity to identify, engage, negotiate, acquire, integrate and rejuvenate the target in line with the Company's existing standards.

The Company's distinctive ability to acquire is offset by the fact that similar instances among its competitors are few.

Defining acquisition

The most defining acquisition by the Company was in the power distribution space when the Company acquired Reliance Infrastructure Limited's integrated generation, transmission and distribution utility in FY 18-19 (acquired company renamed Adani Electricity Mumbai Limited).

Through this single acquisition, the Company emerged as one of the largest power distribution companies in India. AEML's distribution network (400 sq km) addresses the electricity needs of 12 Mn+ consumers in India's financial capital (Bandra to Bhayandar on the western side and Sion to Mankhurd on the eastern side). The value of the franchise is reflected in the status of Mumbai as among the world's 10 most prominent commerce hubs. This business accounted for 67% of the Company's revenues in FY 22-23.

10
Number of acquisitions by the end of FY 22-23

20,775
₹ Crore, investment in Gross fixed assets by the end of FY 22-23

Acquisition effectiveness

The Company made the first acquisition in the country's power distribution sector; it accounted for seven acquisitions in the power transmission segment. The acquisitions proved value-accretive through the effective leverage of Group strengths. The Company grew its business through long-term debt (matched with asset life in some cases that graduated the debt to quasi-equity). The Company replaced bank debt with bonds, strengthening interest cover; its capital management programme helped sustain robust assets into the long-term.

The performance of each of these acquired transmission lines was strengthened through the interplay of technology investments, digitalised surveillance and diverse terrain experience that translated into enhanced line availability a financial turnaround. At the close of the year under review, the average line availability of the acquired transmission networks was 99.7% and each line was profitable.

Acquisitions record

The Company acquired transmission lines from KEC, Reliance Infrastructure Limited, GMR and Kalpataru Power Transmission Limited.

It acquired Adani Transmission Bikaner Sikar Private Limited (ATBSPL) from KEC Limited with a line length of 343 ckm in 2018.

It acquired Aravali Transmission Service Company LTD. (ATSCL) (97 ckm) and Maru Transmission Service Company LTD. (MTSCL) (300 ckm) from GMR Group in 2016.

It acquired Warora Kurnool Transmission Limited (line length ~1756 ckt km) from Essel Infraprojects Limited.

It acquired Alipurduar Transmission Limited (line length ~650 ckt km) from Kalpataru Power Transmission Limited.

It announced the acquisition of Mahan Sipat Transmission Line from Essar, which will 673 ckt kms inter-state transmission project under the CERC regulated return framework.

It acquired MPSEZ Utilities Limited (an intra-Group transaction that is expected to emerge as the largest Discom in the country in terms of Mn units and load handled (to be upgraded with 400 kV connectivity).

Sustainability

The Company received Sustainable Performance Award from World CSR for best-in-class sustainability performance monitoring and disclosures

The Company was awarded Enlightened Growth Leadership Award 2022 for best-in-class sustainable business practices from Frost & Sullivan Institute

The Company received Platinum Award in Restorative category and Silver Award in Innovative category at 43rd CII National Kai-Zen Competition amongst 70 companies

The Company won CII's Operational Sustainability Competition - Platinum, Gold and Silver award in Environmental and Economic Sustainability Category

The Company won Corporate Governance Award 2022 for Excellence in Corporate Governance from Greentech Foundation

The Company received a felicitation from Ministry of New and Renewable Energy (MNRE) for submission of energy compact goals at United Nations at COP26

The Company was rated by S&P Global being aligned with Task Force on Climate-related Financial Disclosures (TCFD) with six aligned elements

The Company figured in top three companies in India's power sector in ESG Yearbook released by Crisil in May 2022

The Company announced its commitment to become Net Zero by 2050

The Company won Greentech Safety Excellence Award 2021 for outstanding Safety excellence

The Company won Greentech Transformative Human Resource Award 2021 – Employee Engagement Category

The Company became a signatory to the UN Energy Compact to further the SDG 7 (Affordable and Clean Energy)

The Company received Climate Action Programme (CAP) 2.0° Oriented Award in the Energy, Mining and Heavy Manufacturing category from Confederation of Indian Industry (CII)

Awards for our company

AEML, Mumbai's primary and preferred power utility, is also India's number one power utility, according to the Ministry of Power's 11th Annual Integrated Rating and Ranking for Power Distribution, a report prepared by McKinsey and PFC.

Received the Emerging Company of the Year Award - 2022 at the ET Awards on Corporate Excellence in recognition of its growth, scale and sustainable business practises

Received ICAI Awards for Excellence in Financial Reporting for the year 2021-22 (Plaque in Infrastructure and Construction Sector Category for a turnover above ₹500 Crore

Recognised the US$ 700 Mn revolving facility as a Green Loan by Sustainalytics

Recognised by ICAI for contributing to SEBI ICAI BRSR back testing exercise

Won the prestigious IMC Ramkrishna Bajaj National Quality Performance Excellence Award 2021 in the Service Category

Won IPAC Power - Portfolio Financing Deal of the Year for Adani Gujarat and Maharashtra transmission line portfolio

Won Global Sustainability Leadership Award in Best Sustainable Strategies - Power Industry category

Certified as a Great Place to Work, reflecting a collaborative culture, positive work environment and vibrant practices

Won Product Innovation Award and Quality Improvement in Processes Award at Greentech Quality and Innovation Summit 2022

Won Platinum Award from CII under Innovation in Office category for presenting a case study at National Office innovation Competition

Won prestigious PeopleFirst HR Excellence Awards 2022 for leading practices in Employee Engagement and Talent Management

How we performed across our distribution (AEML) and smart metering business

Supply reliability: Maintained supply reliability at an impressive 99.9% (ASAI)

Energy demand: Recorded a significant YoY increase in energy demand (units sold) by 13.7% to reach 9,062 Mn units

Distribution losses: Reduced distribution losses to 5.93%, showcasing improved operational efficiency

Collection efficiency: Achieved collection efficiency above 100%, indicating effective revenue management

Revised Aggregate Revenue Requirement and tariff: Received an order from MERC with a revised ARR and tariff structure, enabling the liquidation of ₹18 Bn in regulatory deferral balance over a two-year period

Affordability: AEML reported the lowest tariff rise, even under-performing inflation, among its peers, providing the most affordable power for consumers in its licensed area.

Smart metering: Secured two smart metering orders (BEST and APDCL), aggregating 18.5 Lakh smart meters, enhancing digital transformation and efficiency in metering operations.

Sustainability Linked Bond: In line with our commitments, AEML achieved over 30% renewable power for its entire customer base from a baseline of 3% in 2019. At the same time, AEML reduced its emissions intensity by 38% from the defined baseline.

Technical papers

CIGRE India journal: Improving transient performance of transmission lines (paper published in CIGRE India journal, volume 11, January 2022)

CIGRE Paris session 2022: Health indexing and reliability assessment of EHV SF6 circuit breaker (paper selected in CIGRE Paris Session 2022) Utility experience of real time monitoring of 765kv circuit breaker and reactor using advanced sensors and cloud-based asset performance management (paper selected in CIGRE Paris Session 2022). Detection of power swings on evacuating transmission line and mitigation by adaptive logic at generator (Synopsis Submission). Unmanned EHV grid substations with centralised - real time - remote operation, control & monitoring. (Synopsis Submission) Comprehensive analysis, diagnosis & early corrective actions for internal anomalies of large transformer (Synopsis Submission) Innovative technique to arrest hydrogen leakage through the generator stator bar - without stator bar removal (Synopsis Submission) Utility experience in COVID times - presented at the centenary session of CIGRE Paris 2021 CIGRE (Centenary Session)

NEW UNPRECEDENTED CATALYST

The 'GH' factor has emerged as the biggest gamechanger in the Indian power transmission sector

Overview

Just when most analysts had begun to ask 'what next' following the government's rollout of increased power transmission projects, there has emerged possibly a decisive game-changer.

The prospects of this game-changer are summarised in two words: 'Green hydrogen.'

At Adani Transmission, we expect India's Green Hydrogen ambition to initiate a renewable energy, power transmission and storage super-cycle. To achieve India's green hydrogen production capacity of 5 Mn metric Tons per annum by 2030, India will need to invest approximately ₹8-9 Trn (US$ 97.9-110 Bn) in capital expenditure. (Source: ICRA).

This projected outlay is expected to be spread across a little more than a quarter of a century, a vast and sustainable opportunity. Interestingly, the aggregate investment comprising renewable energy generation, transmission and storage is likely to be 7x that of electrolysers, a large and robust back-end that will make the green hydrogen dream reach the last consumer.

Power transmission investment is expected to lead the capital expenditure cycle. This commissioning cycle is expected to be 3-3.5 years ahead of the green hydrogen cycle on account of the segment representing the longest lead item in the value chain. In the last five years, the installed capacity of renewable energy in India has increased by 226%. The country aims to raise its installed renewable energy capacity to 450 GW by the end of 2030. The country's weak transmission grid remains a serious hurdle for renewable energy initiatives. Every year, hundreds of renewable energy projects are forced to halt in the advanced planning phases due to transmission line upgrade delays and associated costs. Since renewable energy projects are typically located in distant places far from major cities, transmission becomes challenging. This puts a premium on the government to announce quicker and larger orders across the next couple of years to be in time for its renewable energy target by FY30.

Game-changer

The green hydrogen space is projected to emerge as an energy game-changer for India for good reasons.

- The country is backed by a national policy that should make it one of the largest renewable energy producers by the end of the decade. This foundation of renewable energy will represent a platform on which a sizable green hydrogen presence can be built in India.
- India will be self-sufficient for its renewable energy needs from within. This will help create a value chain on which sizable downstream green hydrogen capacity, marked by economies of scale. The result is that India can potentially emerge among the most competitive green hydrogen producers in the world – the ability to supply large quantities at among the most attractive prices.
- Much of the appetite of India's green hydrogen production is expected to be consumed by the country's manufacturing industries. This is expected to transform India into a 'green' producer across a range of products, a competitive advantage in a world turning to environmentally responsible manufacturing.
- India could emerge as a green hydrogen exporter, a development that could prove transformation for its Balance of Payments, currency strength and national competitiveness.
- India is already the third largest hydrogen consumer (largely imported), a large base waiting to be replaced with green hydrogen. The Indian government could encourage green hydrogen production through firm buyback commitments (as has been done for ethanol), providing a fillip for its Green Hydrogen Policy.
- India's Green Hydrogen Policy sets an enabling framework for reducing the cost of production. This indicates that the Company will play an active role in moderating intermediate costs – through Production Linked Incentives, for instance - that make it possible to make green hydrogen among the most competitive energy forms in the country. The green hydrogen space is presently open (unlike solar modules, lithium batteries or semiconductors) with no country dominating supply chains; the government's policy could facilitate a robust domestic ecosystem that could be globally competitive.

In view of these developments what could not have been foreseen even as recently as a few years ago is now likely to materialise inspiring optimism that the power transmission sector is poised for years of sustainable growth.

We have evolved into a digitalised business focusing on power transmission and distribution

Overview

Power transmission is critical in the transfer of electricity from the point of generation to consumption. In a world where power generation needs to be located away from consumption hubs for reasons of environment integrity, there is a premium on effective and efficient transmission. These imperatives are being facilitated by digitalised interventions.

The digitalization of power transmission indicates the integration of digital technologies like sensors, communication systems and data analytics into the management and operation of power transmission systems.

The superior integration of digital technologies facilitates real-time monitoring and control resulting in efficient resource use, enhanced grid stability and the integration of renewable energy.

The result is a premium on the responsible application of digital technologies in power transmission systems.

Technologies deployed at ATL

Supervisory Control and Data Acquisition (SCADA): This technology remotely monitors and controls power transmission systems.

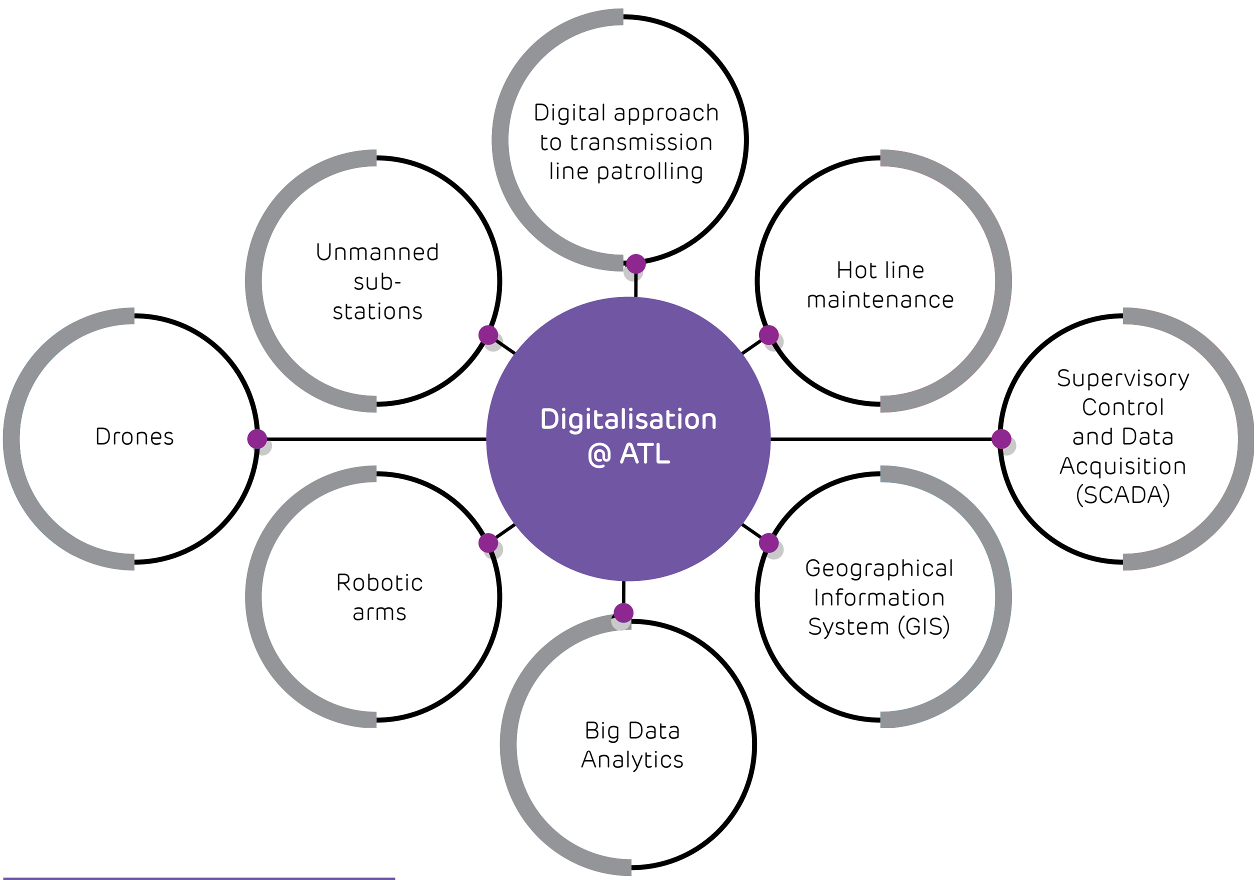
Distribution Management Systems: This technology manages and controls grid power distribution.

Distributed Energy Resources: This technology integrates solar panels and wind turbines into the grid, enhancing power availability.

Internet of Things and communication network: IoT devices and communication network help transmit data from sensors and other devices to a central location, facilitating analysis, monitoring and control.

Intelligence and machine learning: These technologies help analyse data to predict issues, optimise the grid and improve systemic reliability; they help reduce costs and increase renewable energy integration

Digital twin technology: Collaborated with academia to develop Digital Twin model of transmission lines. Digital twin technology helps create virtual power transmission models that anticipate real faults



ATL digitalization upsides

Proactively prevent failures	Lower transmission losses	Integration of renewable energy sources	Superior line utilisation
Lower inspection, maintenance and repair costs	Safer inspections and maintenance	Improved cybersecurity	

DISCIPLINE

How ATL has strengthened its business model through an overarching discipline

Complement

At ATL, we are a complement of two businesses – transmission and distribution (comprising an integrated generation capacity), which effectively covers the entire power sector, making the Company growth-ready in a transforming economic landscape.

Revenue visibility

At ATL, virtually all our revenue is predictable and visible, whether this comprises transmission business revenues in the form of lease rentals collected from the government or whether it is in the form of payment for electricity delivered through its power distribution business (based on predictable use).

Optimal debt

At ATL, our business has been built around a complement of debt and net worth. The equity been infused by the promoters through acquisition coupled with occasional equity dilution to institutional stakeholders with a long-term focus. This periodic net worth infusion has helped right size the Company for sustainable growth.

Revenue stability

At ATL, we enjoy long-term concession life (~35 years + 30 years of remaining asset life). The revenues earned by the Company are independent of the quantum of throughput transmitted. A pooling mechanism de-risks cash flows. More than 49% of its revenues were derived from sovereign-rated counter-parties in FY 22-23.

Safety

The business model is unique – it combines the predictability of a fixed return instrument and the upside associated with a risk instrument addressing a large growth headroom. This makes it possible to service the diverse risk appetites of lenders and investors seeking security and/or growth.

Financial discipline

ATL's Capital Management Programme comprises debt synced to asset life; debt cost has periodically declined, widening margins. The hedged dollarised debt constitutes 74% in FY 22-23 and possesses a maturity of five years or more.

Competitive infrastructure

ATL has leveraged scale and established a vendor system to drive cost economics. The Company implemented IMS, 5S, QC, Six Sigma and Lean for process standardisation and efficiencies. The Company optimised fund costs through its disciplined Capital Management Programme. The Company reported one of the lowest costs per ckt km and O&M costs among global peers.

Discipline

The growth of the distribution side of the business has been funded until the end of the decade; the business achieved financial closure for all capital expenditure to be undertaken, enhancing predictability. Besides, the growth delivered by the business during the last financial year was funded using the same debt outlay. The Company enjoys a revolving construction facility for US$ 700 Mn from international banks for its under-construction transmission network portfolio.

Sustainability

ATL is engaged in businesses addressing a critical national requirement. The Company invested in business platforms for sustainable scalability. The Company entered into long-term relationships with principals and stakeholders, enhancing business continuity. The Company's comfortable Net debt/ EBITDA enhanced credit rating attractiveness

Strategic

The Company enjoys the highest international credit rating in India's power infrastructure sector. It increased TBCB share of assets (ckm) in the total portfolio from 0% in FY 15-16 to 70% in FY 22-23.

Acquisitions

The Company's acquisitions fast-tracked growth by removing the project commissioning risk. The Company turned around every single acquisition to profit; the enhanced systemic availability delivered annual incentive incomes. Acquisitions since inception accounted for 67% revenues in FY 22-23

Outcomes of our value-accretive model

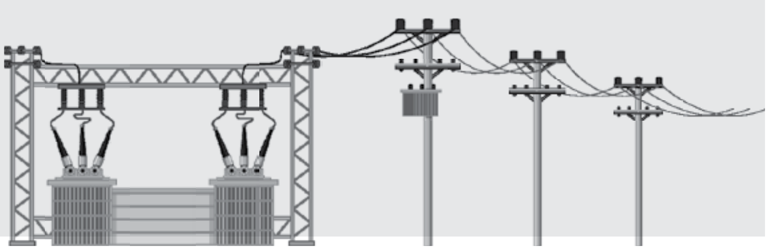
ATL is India's largest private sector transmission and distribution company.

The Company grew transmission capacity ~3.5x in eight years with a presence in 14 Indian states. It reported ~17.3% EBITDA CAGR from FY 15-16 to FY 22-23.

The Company delivered among the highest returns among global transmission players in the regulated return framework (ROA) in a study conducted across industry players in South Australia, Florida, California, UK and Hong Kong.

The Company enjoyed a market share of 20% in the Indian transmission sector's TBCB bids in FY 22-23.

The Company reports among the highest EBITDA margins in India's T&D sector.



STRATEGIC INSIGHT

The judicious and balanced role of debt in our business

Overview

In most companies that seek to enhance value in a sustainable way, the presence of debt on the books is seen as something to be eliminated.

At Adani Transmission, we have taken a contrary view.

We believe that contracted debt is good; a prudent balance of debt and net worth is better; a prudent balance of fixed priced and currency-neutral debt with long tenures the best of all.

Before we get into the mechanics of how we have structured our debt, it would be relevant to explain why we have debt on our books at all – and how debt is likely to prove value-accretive in a large and sustainable way across the coming years.

Explanation

These are some reasons why debt is integral to the business of Adani Transmission.

One, we are an infrastructure business; we construct, operate and maintain transmission network in exchange for an annuity income. The infrastructure business is capital intensive and requires support to fund projects. Considering the long-term nature of contracts, stable cash flow profile, robust regulatory framework and strong tangible asset base, financial institutions and investors are comfortable to lend for these projects with a longer maturity profile. The result is that infrastructure companies generally have a higher debt on their books than companies in other sectors, covered by secured revenue and a strong tangible asset base. The result is that the conventional measure of debt-equity ratio is limiting; the 'Debt divided by EBITDA' is more indicative of our prudence (lower the better) than infrastructure companies in developed countries.

Two, debt in a business with a multi-decade asset longevity and high multi-year revenue visibility is not a risk. We consider the debt to be value-accretive. Debt makes it possible to enhance earnings per share; long-term debt (98 months average for Adani Transmission as on 31st March 2023) serves the role of quasi-equity.

Three, the quantum of debt that we consider optimal is usually indicated by the quantity that we will be able to comfortably service without compromising our credit profile and rating. At Adani Transmission, we have net debt of ₹280 Bn as on March 2023. This indicates that some of the most demanding rating agencies in the world and India consider the increased debt on our books as prudent and business-strengthening.

Four, as we commission more projects, due to the economies of scale the internal rate of return on our projects increases. This shows that we have a sufficient delta (spread) to cover our operating costs. We start to experience economies of scale benefits as we get bigger and better. Our bottom line is disproportionately impacted by this delta.

Five, at our company, tenor of the debt is usually matched to the productive life of the corresponding transmission line. The result is that the debt is serviced (repaid or interest paid) from the returns generated from that asset. By matching prudently, we have minimised the possibility of a repayment recourse to the Company's Balance Sheet, short-term market risk and economic uncertainty. The Company introduced a 30-year paper, the first of its kind, in March 2020; it completed the first US Dollar bond issuance of US$ 1 Bn by a private integrated utility (AEML) from India in February 2020.

Six, the Company developed and implemented robust Capital Management Framework to fund the Growth Aspiration in the sustainable manner. The Company has a strong track record in raising funds through different instruments across the world. We issued fresh equity to mobilise sizable net worth (the Company sold a 25.1% stake in AEML for ₹32 Bn to marquee investor Qatar Investment Authority). In May,22, International Holding Company PJSC (IHC), the Abu Dhabi-based conglomerate, invested ₹38.5 Bn in ATL.

Seven, the entire debt on the Company's books is hedged against foreign exchange fluctuations, enhancing stability, liquidity and visibility. The Company's debt has been hedged using different instruments across long-term hedges.

Conclusion

ATL's Transmission business delivered an operating margin of ~91% for FY 22-23, possibly the highest in the country's transmission segment, influenced by its consistent business philosophy.

The Company's competitiveness was reinforced by the fact that it was the first Indian integrated transmission and distribution company to be internationally credit rated. The Company was classified as Investment Grade (IG) – BBB- by Fitch and Baa3 by Moody's.

One of the subsidiary companies was rated at AAA by Domestic Agency, the first instance in the Adani Group.

In view of these realities, debt does not represent a weakness on our Balance Sheet; it indicates that we continue to be optimistic of our sectorial prospects; we continue to be confident of our capacity to service debt and pay interest.

Big numbers

FY 23	FY 22	FY 21
4 Net debt to EBITDA	4.2 Net debt to EBITDA	3.8 Net debt to EBITDA
98 Months, tenure of the long-term debt on the Company's books	110 Months, tenure of the long-term debt on the Company's books	118 Months, tenure of the long-term debt on the Company's books
9.1 % Average cost of debt	9.3 % Average cost of debt	9.2 % Average cost of debt

EXCELLENCE DRIVER

We have brought to our business one of the most competitive platforms in the world

Overview

In a governance-driven world, the one big change to have transpired over the last decade has been the introduction of the tariff-based competitive bidding format. The departure from the conventional project assignment approach indicates that companies need to price their bid services lowest to be awarded a contract. The result is a corresponding premium on the need to moderate costs, enhance leanness and increase overall viability.

As a forward-looking company, Adani Transmission has strengthened its competitiveness through various initiatives. The success of its competitiveness has translated into outperforming growth. Even as the size of India's transmission sector line capacity (ckm) grew 38% in the seven years ending FY 23, Adani Transmission line capacity (ckm) increased 185%. This growth and sustained outperformance are unusual in a capital-intensive infrastructure sector in India.

Competitive: Adani Transmission is one of the most competitive transmission infrastructure companies in the world. The Company's cost per ckt km of capacity commissioned is among the lowest in the world (Source: internal study). This has helped the Company compete effectively while bidding for new projects. The Company delivered an operational EBITDA margin of ~91% in FY 22-23, possibly the highest in the country's power transmission segment.

Predictable: The Company has created a predictable structure with scope of minimal impairment on account of external disturbances. The Company's debt is volatility-proof, marked by a predictable interest rate across its multi-year tenure irrespective of changes in the borrowing currency or interest rate environment – a comprehensively ring-fenced and hedged approach.

Project wins: The Company has emerged as a market leader in the TBCB-based environment. This is an intensive segment, marked by open and transparent competition where the lowest tariff bidder is awarded projects. The Company enjoyed a market share of 20% in the Indian transmission sector's TBCB bids in FY 22-23.

Credit rating: The Company's competitiveness was reinforced by the fact that it was the first Indian integrated transmission and distribution company to be internationally credit-rated. The Company was classified as Investment Grade (IG) – BBB- by Fitch, Baa3 by Moody's. Two subsidiary companies were rated AAA by a domestic agency, the first such instance in the Adani Group.

Resource efficiency: The Company's 30 installations pan-India for its power transmission business would normally have warranted a large deployment of people. This would have increased costs and eroded margins. Besides, a legacy approach would have translated into a delayed response to line downtime. The Company addressed these risks through the commissioning of a centralised electronic nerve centre called ENOC in Ahmedabad that monitored asset health in real time and responded with speed to deviations.

Capacity utilisation: Much of the Company's competitiveness has been derived from its high operating efficiency. For the last five years, the operating efficiency of the Company's transmission never declined below 99.6%; during FY 22-23, it was 99.7%. The Company generated an aggregate incentive in the transmission of more than ₹300 Crore from the customers across the five years ending FY 22-23 for delivering line availability higher than the contracted level; the incentive for FY 22-23 was ₹96 Crore.

Technology: The Company has transformed the face of the sector through digital investments, some of which were introduced for the first time in India. The Company has extended the frontier through unmanned sub-stations, drones, robotic arms, hot line maintenance and by being among the first Indian utilities to invest in advanced Supervisory Control and Data Acquisition (SCADA) technology and Geographical Information System (GIS). Besides, the deployment of industrial cloud (ENOC) has enhanced systemic utilisation and moderated costs. Advanced smart meters could transform the subject of consumer engagement in the distribution sector.

Big numbers

48
%, revenue share from TBCB projects in the Transmission business, FY 23

43
%, revenue share from TBCB projects in the Transmission business, FY 22

32
%, revenue share from TBCB projects in the Transmission business, FY 21

BUSINESS DRIVER

ATL: Driven by a culture of passion

Overview

ATL has been a consistent outperformer, emerging as India's largest private sector power transmission company within less than a decade of entering the business as a standalone company. This outperformance has been driven by a distinctive passion of building the largest, the longest, in the quickest, at the lowest cost with the highest uptime.

Our passion

Driven by the Adani Group's commitment to build for tomorrow	Commitment to establish benchmarks as opposed to following them	Balanced complement of vision, challenge, empowerment, talent and technology
Commitment to retaining our positioning as one of the most competitive power transmission companies in the world	Capability building through a sustained training environment that takes competencies ahead	Commitment to a culture of continuous and sustainable improvement – process and products

The outcomes of our passion

- Respect for creating sectorial benchmarks
- Accelerated projects completion
- Ability to manage concurrent projects across geographies
- High project execution standards – in terms of continuous cost effectiveness and environment cum safety integrity
- ERP implementation for disciplined project implementation
- Robust process framework enhancing business continuity
- Effective resource management, moderating costs

REPORT PROFILE

Approach to Integrated reporting

In this year's Integrated Report, we showcase how ATL enhances value for its stakeholders. Through this Report, the Company has disclosed financial and non-financial performance related to, 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 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. On the other hand, 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 Transmission Limited (ATL) and its significant subsidiary, which includes Mumbai Generation, Transmission, and Distribution (GTD) operations that are operated under the umbrella of Adani Electricity Mumbai Limited (AEML). Details pertaining to the distribution business of AEML are outlined in a dedicated section, located on Page 102. This section provides 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 have 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, Corporate responsibility Committee (CRC), Remuneration & Nomination, and Securities Transfer, review specific reports and recommend them for approval by the Board. For the financial year 2023, DNV GL Business Assurance India Private Limited conducted assurance on selected environmental, social, and governance indicators to validate their accuracy.

Additionally, our statutory auditors, Deloitte Haskins & Sells LLP (Firm Registration no. 117366W/W-100018), have audited our annual financial statements. The scope and conclusions of their audit can be found in the Independent Auditor's Report, along with the Company's annual financial statements, all of which are available in the report for reference. These assurance activities contribute to ensuring transparency and accountability in our reporting processes.

The Board of Directors and management team acknowledge their responsibility for ensuring the credibility of this Report. They have been actively engaged in a thorough review process, demonstrating their 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 inputs and consider it integral to our commitment to transparency and continuous improvement. To provide feedback, stakeholders can reach out to 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 recognise 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 six key Capitals: Financial, Manufactured, Intellectual, Human, Social and Relationship, and Natural. This monitoring 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.

Capitals and their impact

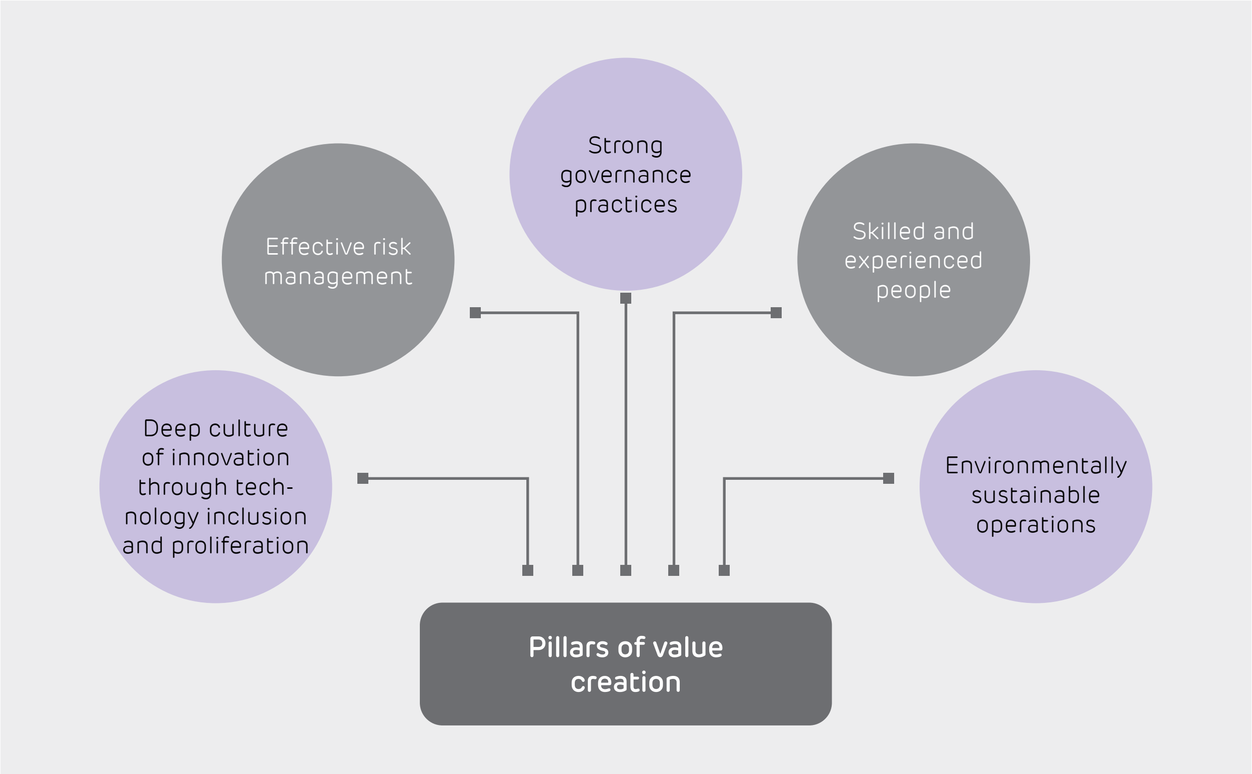
The various Capitals influencing our business and their impact

	Financial Capital	Manufactured Capital	Intellectual Capital
What it is	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, knowledge-based assets
Management approach	Create value for stakeholders through sustainable growth	Resilient assets and equipment to deliver services to customers	Consider sustainable innovation as a strategic element of the Company
Significant aspects	▪ Balanced and diversified growth ▪ Sound financial structure ▪ Operational excellence ▪ Sustainable outcomes and returns	▪ Number of products and brands ▪ Other assets ▪ Assets commissioning	▪ Digitalisation for efficiency ▪ Disruptive technology and business models ▪ Collaborate with partners for innovative business solutions and early integration ▪ Technology identification, inclusion and proliferation

	Human Capital	Natural Capital	Brand Capital	Social and Relationship Capital
	Employee knowledge, skills, experience and motivation	Natural resources impacted by the Company's activities	Ability to enhance a positive recall in the minds of all consumers and customers	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 brand 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 ▪ Wellbeing of the workers and dignity of workers ▪ Zero incident programme
	▪ Employee well-being ▪ Talent management ▪ Diversity, equal opportunity ▪ Learning & development ▪ Innovative approach ▪ Tech orientation	▪ Climate change ▪ Preservation of biodiversity ▪ Management of environmental footprint ▪ Operational excellence and energy efficiency	▪ Brand extensions ▪ Strong recall ▪ Value creation ▪ Brand association and affiliations	▪ Stakeholder engagement ▪ Community support programmes ▪ Human rights ▪ Brand management ▪ Transparency and good governance ▪ Corporate reputation

Our value-creation paradigm

Capitals	Key indicators	Output
Financial capital	EBIDTA: ₹6,101 crore Earnings per share: ₹11.1 ROCE: 9.57% RoNW: 12.37% Cash profit: ₹3,411 crore	Responsible financial growth and shared profitability
Manufactured capital	Operational transmission lines: 15,371 ckm Generation capacity: 500 MW Solar power capacity: 3.36 MWp Presence in States: 14 Distribution area and consumers: 400 sq. km (AEML) and 12 Mn+ consumers	Acquisitions, sustainable expansion of transmission lines
Human capital	Employees: 5,002 Age profile: 31% <45 years Employee benefits: ₹1,148 Crore Training: 225789 person-hours	Recruiting, developing and caring for diverse and inclusive workforce
Intellectual capital	Real-time tracking Brand name Business processes: Agile and synergy IT enablement in project and operations E-Vidyalaya (Skillsoft Percipio) for corporate learning	Differentiating solutions through responsible innovation
Natural capital	Significant investment in eco-friendly technologies Recycled quantum: 1,89,211 KL Reduction in hazardous waste generation: 36% Afforestation: 441.19 hectares	Preserving biodiversity and renewable resources, reducing water and energy consumption, emissions and waste
Social and Relationship capital	CSR expenditure: ₹33.09 Crore *(consolidated basis)* Vendors: 4,000+ Primary consumers: over 12 Mn Community lives touched: 7.3 Mn % of consumer complaints resolved: 99.4%	Livelihood development, climate action (water harvesting & energy), social infrastructure


Strong governance practices
Effective risk management
Skilled and experienced people
Deep culture of innovation through technology inclusion and proliferation
Environmentally sustainable operations
Pillars of value creation

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 engagement process

- Identify
- Customise
- Prioritise
- Validate
- Present

Stakeholder group	Why they are important	Their interests	Mode, frequency of engagement	Topics of engagement	Activities
Employees	Our employees are at the center of all our operations. Their collaborative skill and expertise are essential for our growth	▪ An inclusive work culture ▪ A spirit of innovation while interacting with a unique set of markets and customers ▪ Enriching career and development opportunities ▪ Learning	▪ Periodic engagement with the CEO ▪ Senior management interactions ▪ Quarterly appraisals ▪ Performance Management System ▪ Sustainability Portal ▪ Intranet ▪ Online issues resolution ▪ Call center for support ▪ Direct communication with senior leaders ▪ Grievance mechanism ▪ Whistleblower (Integrity cases) ▪ Virtual engagement initiatives ▪ Health initiatives – physical and mental ▪ Health portals ▪ Project-linked engagement surveys ▪ Recognitions through the portal	▪ Local employment generation ▪ Happy and productive employees ▪ Employee growth and development ▪ Human rights ▪ Safety ▪ Diversity and equal opportunity ▪ Community initiatives	Engagement is fostered through regular interactions between senior management and employees. We conduct various programs to develop the skill sets of our employees. We also focus on employee welfare by gauging employee expectations and conduct specific engagement events for different groups. The Company has adopted an open-door policy where any employee has access to the Company's leadership at any point of time
Partners and suppliers	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	▪ Open, transparent and consistent process ▪ Willingness to adopt supplier-driven innovation ▪ Participation in supplier forums ▪ Creation of opportunities	▪ Operational review – Ongoing ▪ Engagement forums – Ongoing ▪ Specific category and service partner meet – Annual ▪ Supplier satisfaction survey – annual ▪ Supplier portal	▪ Supplier engagement and development ▪ Compliance with regulatory/ statutory requirements ▪ Nurturing ▪ Supplier feedback	To ensure quality and compliance with applicable environmental, social and governance standards, we engage closely with our suppliers for audits, training and knowledge exchange

Stakeholder group	Why they are important	Their interests	Mode, frequency of engagement	Topics of engagement	Activities
Investors and shareholders	As providers of capital, they are key to our growth and expansion plans	▪ Safe, strong and sustainable financial performance ▪ Progress on environment, social and governance matters	▪ Quarterly investor calls/ presentations ▪ Annual General Meeting ▪ Integrated Annual Report ▪ Annual Sustainability Report ▪ Investor conferences, non-deal roadshows (NDRs), investor days	▪ Credit rating ▪ Sustainable business model ▪ Governance ▪ Return on net worth/ Earnings per share ▪ Communication with investors	We strive to maintain profitability with cost management efforts for better efficiency and sustainable growth
Regulators and policymakers	Key for ensuring compliance, interpretation of regulations and uninterrupted operations	▪ Strong capital base and liquidity position ▪ Robust standard of conduct ▪ Positive sustainable development, both environmental and social	▪ Continued engagement and representation ▪ Quarterly and Annual Compliance Reports ▪ Performance reports ▪ Workshops ▪ Panel discussions with nodal industry bodies and industry associations ▪ Steering Committees	▪ Governance ▪ Transparency and disclosures ▪ Investor security ▪ Representation with regulators ▪ ESG aspects ▪ Reporting	We focus on creating a business-friendly environment that supports overall industry growth

Stakeholder group	Why they are important	Their interests	Mode, frequency of engagement	Topics of engagement	Activities
Customers	Customer feedback, or as we call it, the Voice of Customer, is key to process improvements, quality enhancement, service performance and cost optimization	▪ Differentiated service offering ▪ Digitally enabled and positive experience ▪ Participation in various industrial forum	▪ Project feedback through surveys – Operational and mid-level contacts – Quarterly ▪ Customer experience survey – CXO and senior level contacts – Annual ▪ Customer visits – Quarterly ▪ Steering Committee meetings for big customers – Quarterly	▪ Digital disruption ▪ Customer need identification and satisfaction ▪ Brand ▪ Customer privacy ▪ Product portfolio ▪ Feedback	Our endeavor is to provide our customers value-added and competitive solutions tailored to the present and future needs of their end users
Communities and NGOs	A harmonious relationship with the communities where we operate is key to our social license to operate; they are our partners in progress	▪ Positive, social and economic contribution ▪ Support for the long-term ▪ Climate change and environmental issues	▪ CSR initiatives – Ongoing ▪ Volunteering activities ▪ Community need identification – Ongoing as per CSR project requirement ▪ Community engagement initiatives ▪ Impact assessment studies	▪ Local employment generation ▪ Gender equality ▪ GHG emissions ▪ Waste management ▪ Community initiatives ▪ Knowledge sharing ▪ community service	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

Materiality assessment

Issues that impact value creation

Overview

Material matters are those that impact, or could impact, our ability to create value over the short, medium and long term as we pursue our ambition to build a sustainable future. These material issues have been arrived at based on our regular stakeholder engagements, our risk management process and market monitoring. We continuously manage these issues to achieve our objectives.

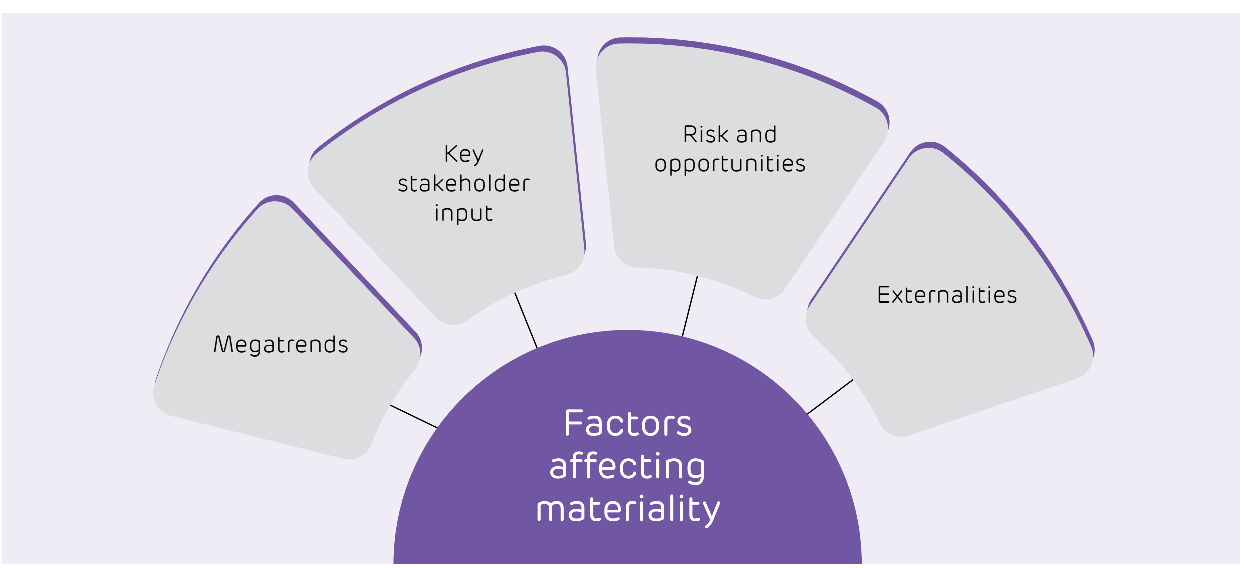
Comprehensive materiality assessments play a crucial role in identifying the key areas that have the greatest potential to influence long-term value creation. At ATL, we are committed to conducting thorough materiality assessments by engaging with stakeholders and conducting external impact assessments, especially in relation to our operations and projects.

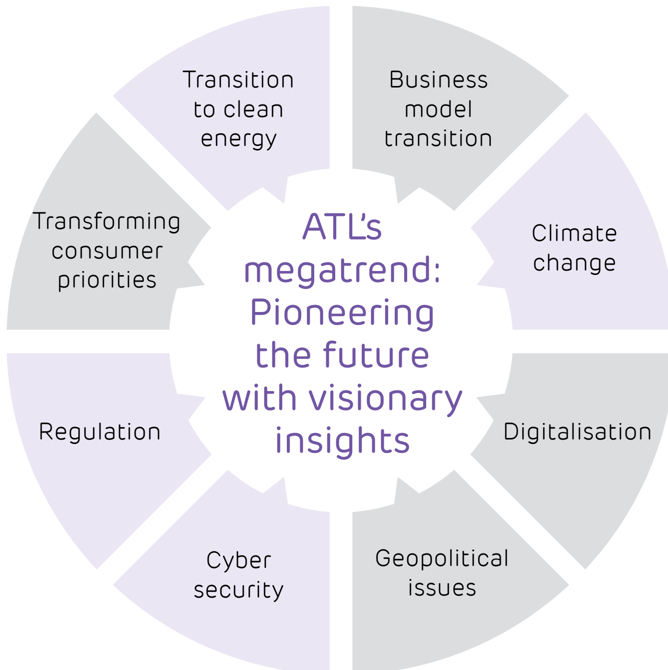
To ensure effective stakeholder engagement, ATL established a robust governance structure. Our Stakeholder Relationship Committee, directly overseen by the Board of Directors, reviews and guides the organization's stakeholder engagement activities. The Chief Sustainability Officer (CSO) is responsible for developing and maintaining the stakeholder engagement strategy and processes at the executive level. The Board of Directors receives regular briefings on the effectiveness and progress of stakeholder engagement activities on a quarterly basis.

ATL implemented detailed procedures for stakeholder identification, prioritization, and engagement. We incorporated stakeholder accountability, engagement, and grievance redressal mechanisms into our Integrated Management System, adhering to the requirements of ISO 9001, 14001, 45001, and 27001 standards. Our stakeholder identification and engagement processes are also guided by ATL's CSR policy.

To ensure ongoing alignment and synchronization, we periodically evaluate our priorities. This evaluation encompasses integrated risk management, strategic planning, stakeholder engagement, operational performance, and reporting. We believe that it is essential to align material topics with environmental, social, and governance (ESG) risks. This approach enables the integration of long-term risks into our Enterprise Risk Management (ERM) framework, providing strategic clarity and facilitating the allocation of corresponding resources.

The identification of material topics extends beyond the aforementioned process. ATL gathers insights from a variety of sources, including global trends, rating agencies, externalities, and key stakeholders. This diverse input enables us to create short, medium, and long-term value by staying informed and responsive to emerging challenges and opportunities.





Process

ATL has undertaken an extensive examination of the environmental, social, and governance (ESG) topics that could potentially impact our financial performance and hinder our value creation potential in the short, medium and long term. This comprehensive analysis takes into account the priorities of our stakeholders, including investors, and considers ESG risks and opportunities, megatrends, and external factors. By conducting this analysis, we aim to proactively address and mitigate potential risks while capitalizing on emerging opportunities in line with stakeholder expectations.

Scope and boundary

ATL, and its subsidiaries, including AEML

Identify

Key stakeholder perspective

Investor perspective

Megatrends

Externalities

Risks and opportunities

Prioritise

Parameters that impact our ability to create value in the short, medium and long-term

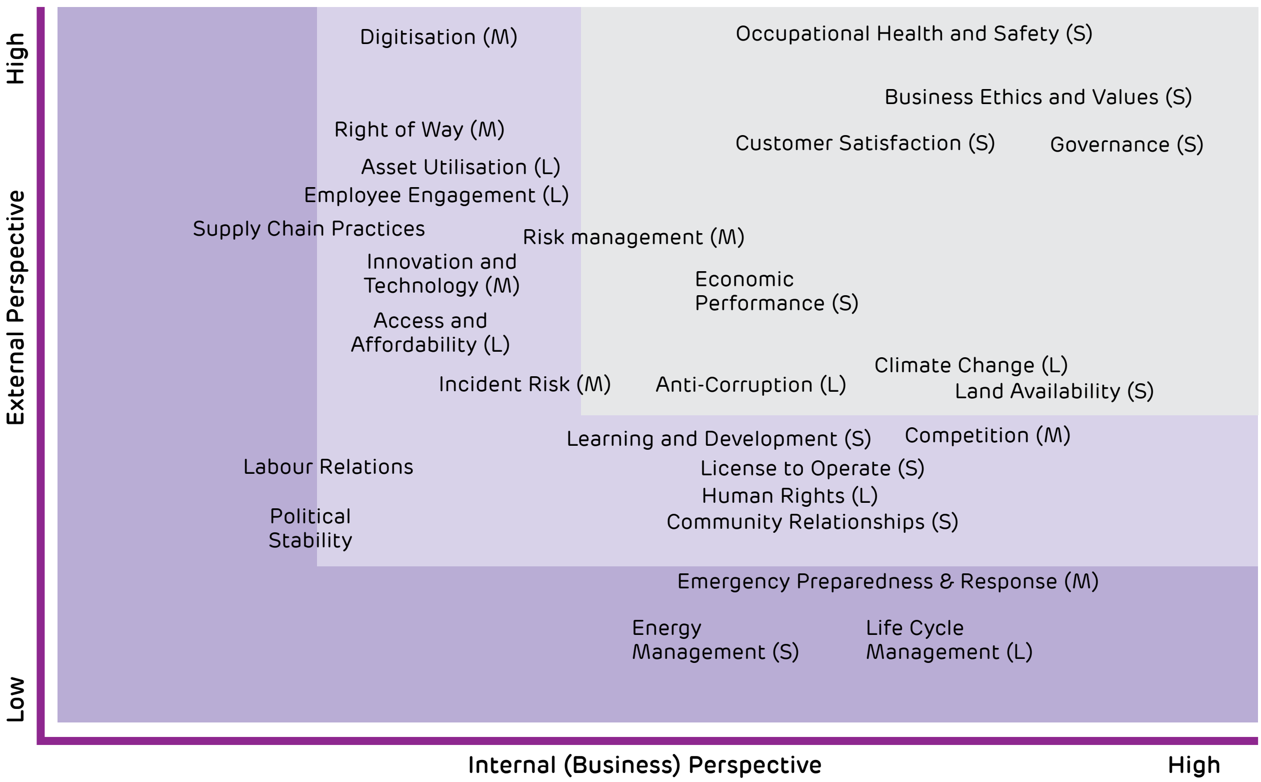
Management review

Review of prioritised topics by the top management

Materiality map

The identified topics are assessed using a rating scale that considers both their significance to the business and external perspectives. This scale ranges from low to high, with the most material topics positioned in the right corner, followed by topics of medium importance in the middle, and those of lesser concern in the left corner. Additionally, the topics are evaluated based on their potential impacts in the short, medium, and long-term, denoted as S, M, and L, respectively.

While most topics can be evaluated within a specific time frame, it is important to note that certain issues, such as business ethics, may have an ongoing and continuous impact on the business, regardless of the time frame. Therefore, these topics are considered significant regardless of the time horizon and are given due attention in our assessment process. By employing this comprehensive evaluation approach, we ensure that we are aware of and prepared to address the most material topics that could influence our business in different time frames and uphold our commitment to responsible and sustainable practices.



Content marked in purple are material topics that do not have a time frame and are carried out on a continuous basis

ATL key material topics Capital-wise

Stakeholder group	Key material topics impacting capitals
Financial Capital	Economic performance, governance, emergency preparedness and response and competition
Manufactured Capital	Asset utilisation, Right of Way and land availability
Human Capital	Occupational Health and Safety, Employee Engagement, Labour Relations, Human Rights and Incident Risk
Intellectual Capital	Digitalisation and innovation and technology
Social and relationship Capital	Business ethics and values, supply chain practices, access and affordability, license to operate, community relationships, political stability and customer satisfaction
Natural Capital	Biodiversity and climate change

Roadmap

Our Group-level targets are aimed at prioritising areas for delivering long-term value. They are complemented by business-specific metrics.

Environment

Parameters

- Technological advancement for minimal downtime during maintenance, leading to better availability and increased EBITDA
- Rooftop solar installation at substations for auxiliary power consumption
- Renewable power procurement
- Reduction in pollution due to fly ash utilisation
- Reduction in water usage

Targets

- Rooftop solar installation at all operating and under-construction substations
- Renewable power procurement: 60% by FY 26-27 and 70% by FY 29-30
- Greening of substations
- Water conservation through rain water harvesting

Social

Parameters

- Better vendor management – development of local workforce to meet industry best benign practices
- ~100% supply reliability for 12 Mn+ Mumbai customers
- Customers shifting to ATL's distribution business
- 24x7 customer care availability – better responsiveness, lesser consumer attrition and stable cash flows

Targets

- Strong focus on social upliftment and safety through various community programmes and safety initiatives
- 'Quality of life' imperative being pursued through capacity building social initiatives with marginalised communities
- Skill development programmes for women being administered

Governance

Parameters

- Board independence
- Related Party Transactions (RPT) as per covenanted structure
- These factors have led to the highest international rating in the transmission sector in India – leading to cost savings and access policies & framework to a larger pool of capital

Targets

- Independent Directors in all subsidiaries, Board and Committees
- RPT policy applicable to all subsidiaries

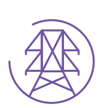
ATL's success blueprint: Unveiling strategic priorities for sustainable growth

Issues that impact value creation

Strategic focus areas	Key objectives	Capitals impacted	Key material topics impacting capitals
Safety culture	▪ Safety is an area for continuous improvement and has a strategic objective of zero fatalities ▪ Raise safety awareness with safety champions ▪ Committed to minimising health and safety risks ▪ Administering learning modules for various activities		▪ Mandated sub-contractors to meet its safety requirements and developing technology options to monitor compliance ▪ Prepare and implement a safety improvement plan ▪ Taking leadership positions through a safety culture
ESG integration	▪ Development of a highly skilled diversified workforce ▪ Conduct business according to the highest ethical and regulatory standards ▪ Ensure long-term business sustainability ▪ Improve quality of life through capacity building and counselling		▪ Focus on power procurement from renewable energy sources ▪ Strong focus on social empowerment and safety through various community programmes ▪ Ensure climate awareness, readiness and realignment
Efficient capital allocation and execution capabilities	Leveraging strong project execution, project management expertise and infrastructure		▪ Complete existing projects on time, cost and quality with safe working ▪ Pursue new growth opportunities in a disciplined manner, focusing on returns and long-term sustainable value creation

Strategic focus areas	Key objectives	Capitals impacted	Key material topics impacting capitals
Portfolio of efficient operating assets	Be among the best-run power T&D assets across the Indian power sector	 	▪ Maintain high availability through efficient O&M and operational excellence ▪ Strong growth potential through TBCB transmission projects ▪ Acquisition, new license, franchise and PPP opportunities in the T&D space
Robust financial profile	Maintain healthy margins and return ratios		▪ Continued improvement in performance ▪ Maintain a strong financial profile and pursue value-accretive growth in the Mumbai business as well as new transmission opportunities ▪ Sufficient cash balance and working capital lines tied up
Business excellence	Create a vision for the future and a sustained continuous improvement model	 	▪ Establish trigger mechanisms for emerging risks ▪ Benchmark in-process and outcome parameters to global standards; pursue meeting or beating them.

 **Financial Capital**

 **Manufactured Capital**

 **Intellectual Capital**

 **Human Capital**

 **Natural Capital**

 **Social and Relationship Capital**

How ATL is building a scalable financial foundation

Overview

At Adani Transmission, our brand is our most valuable asset. The Company's brand is woven around one word: 'trust'. Our stakeholders trust us for complete compliance and addressal of their expectations.

Even as ATL's brand does not figure on the Balance sheet, it influences the Balance Sheet in various ways: no industrial mishaps, no loss of lives during operations, no shopfloor accidents that could have harmed workers, no HSE transgressions that attracted censure, no disruption in supplies to customers and no quality deviations leading to customer attrition. The result of the credible brand outcomes has been responsible citizenship.

Principal challenges, FY 22-23

In its day-to-day business operations, the Company is exposed to tangible and intangible challenges. One of the challenges the Company faced the year under review was the mobilisation of low-cost growth capital and capex funding in a rising interest rate scenario. The Company was required to counter commodity inflation, especially on the steel, aluminum, copper and semi-conductor side. The business encountered foreign exchange risks due to volatile currency movements capped by the outperformance of the INR across emerging market peers. There was a need for timely and prudent capital allocation. The Company needed to identify growth avenues without compromising safety.

Mitigation outcomes

AEML continued to remain competitive in the Mumbai power distribution space. It provided a unique proposition of competitive tariff and renewable energy (30% of the energy mix). The Company aligned costs that translated into a minimal price increase for customers despite inflation, emerging as the most competitive power utility for Mumbaikars. The Company maintained its market share in tariff-based competitive bidding on the transmission side despite a competitive environment, commodity inflation, and higher financing costs.

Our differentiated features

Disciplined reliability: ATL delivered aggregate system availability of 99.7% in FY 22-23 and added 1,704 circuit kms to the operational network (totaling 19,779 circuit kms) with four transmission bid projects commissioned during FY 22-23. The Company bagged two transmission projects (Khavda II-A and WRSR lines) and two smart metering projects (BEST and APDCL) through competitive bidding in FY 22-23.

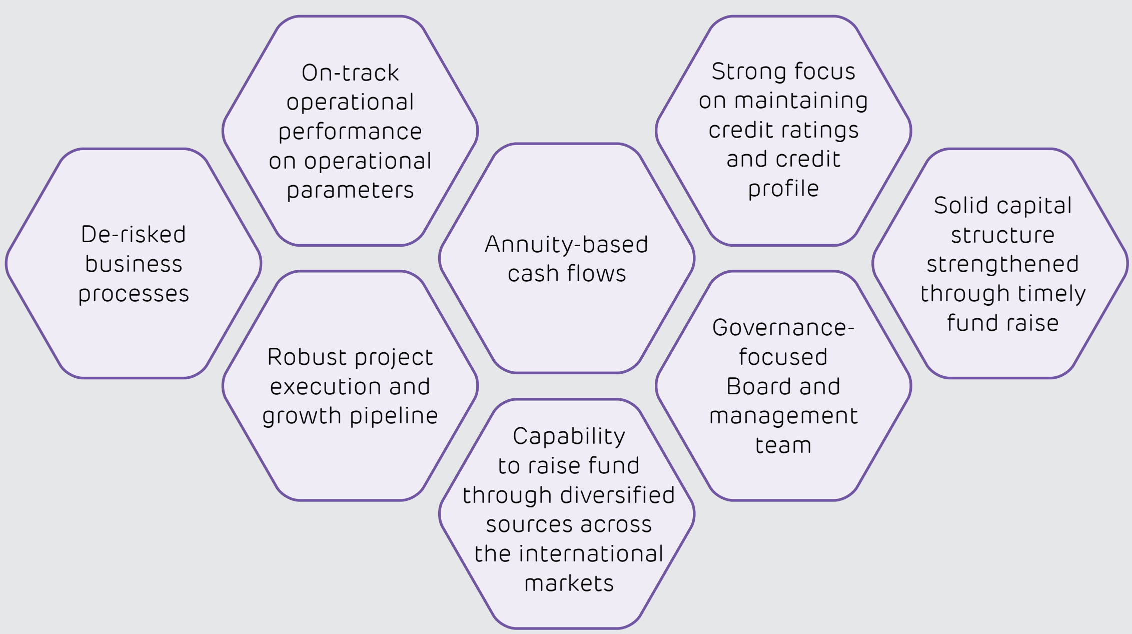
Resilient business model: The Company's business portfolio consists of robust transmission and distribution assets with a track-record of unmatched operational efficiency in terms of system availability, supply reliability, distribution losses, and collection efficiency (both segments). The business provided predictable revenues and cash flows.

Value creation: The Company provided a value-accretive proposition for stakeholders by the virtue of superior capital allocation, investment-grade rating, credible credit profile, and bond buyback.

Sustainable development: The Company pledged to become net zero in terms of carbon footprint by 2050, showcasing its commitment to limit global warming to 1.5 °C above pre-industrial levels. The Company's operational sites were certified as single-use plastic free, zero waste to landfill, and net water-positive by independent agencies (DNV, Intertek, and CII).

Customer-centricity: The Company protected the interests of consumers by blending its electricity mix with an enhanced proportion of renewable energy, moderating inflation, and making a negligible tariff revision.

Our financial strengths



Achievements, FY 22-23

- The Company pivoted refinancing sources and raised domestic bonds on operational transmission assets amidst an unfavourable global fixed income market.
- The Company entered equity partnerships with capital infusion from IHC.
- The Company secured AAA rating for the transmission assets of Western Transmission Gujarat Limited from domestic rating agency.
- The Company reported a consistent improvement in profitability across business segments, touching ₹1,281 Crore in PAT.
- The Company maintained liquidity and debt thresholds despite macro headwinds that could have affected the Company's international Investment Grade rating.
- The Company improved the ring-fencing of Obligor group assets by replacing the parent company with a step-one subsidiary in a credit-neutral exercise.
- In AEML business, the capital expenditure of ₹1,450 crore was funded through internal accruals and no debt. AEML reduced its working capital requirement from ₹1,045 crore in December 2022 to ₹500 crore as on 31st March 2023 through efficient cashflow management.
- The Company received a regulatory order from Maharashtra Electricity Regulatory Commission with a revised average rate of return and tariff allowing the liquidation of ₹18 Bn regulatory deferral balance across two years. Despite a rise in tariff, AEML remained the most competitive amongst discoms in the region.
- The Company received a regulatory order from Maharashtra Electricity Regulatory Commission on Maharashtra Eastern Grid Power Transmission Limited to recover past dues to the tune of ₹15 Bn over period of two years.
- The Company's share of renewable energy procurement increased to 30% at the end of 31st March 2023, as committed under the July 2021 security lending and borrowing scheme issuance.
- The Company's smart metering business emerged as a growth driver with two project wins.

Outlook, FY 23-24 and onwards

The Company intends to achieve 30,000 ckm transmission assets by 2030. The Company is expected to maintain a 20-25% market share in TBCB transmission bids. It is expected to sustain a best-in-class EBITDA margin (transmission business). The Company will continue to grow its regulated asset base through capital expenditure and improved profitability in its existing discoms, Adani Electricity Mumbai Limited (AEML) and MPSEZ Utilities Limited (MUL). In the smart metering space, the Company intends to gain 20-25% market share over the long-term. Further, the Company plans to secure a parallel license and emerge as a preferred energy supplier in new geographies in the country.

How we have emerged stronger

Explored new avenues of financing	Maintained competitiveness in transmission bids	Timely project execution and project financing	Hedging and improved resource planning
Enhanced liquidity and maintenance of debt thresholds	Affirmed credit rating	Achieved cost efficiencies and a stable operating margin	On boarding strategic international partners IHC and GQG

Innovative ventures: Impactful projects of ATL

Transmission network

1,704
CKM, Capacity added in FY 22-23

3,120
CKM, commissioning planned in FY 23-24, which includes 1756 CKM in WKTL, India's largest single TBCB project executed

4,408
CKM, Projects under construction as on 31st March 2023

Transformation capacity

5,500
MVA commissioned in FY 22-23

12,736
MVA commissioning planned in FY 23-24

19,736
MVA under construction as on 31st March 2023

Overview

At Adani Transmission, we believe that competent project management represents the building block of long-term competitiveness. The priorities in project management comprise the capacity to commission on schedule and within the budgeted cost, making it possible for the Company to get into revenue earning mode as envisaged.

Over the years, this goalpost has shifted; the Company has graduated from commissioning projects on schedule to commissioning them before schedule and below estimated costs. The result is that the Company creates a decisive competitive advantage even before the first rupee has been earned, resulting in a long-term competitive platform marked by a relatively low cost per unit of transmission than the sectorial average.

Regardless of a delay in project handover the capacity to commission a project quicker and at a cost lower than the sectorial average is not just a one-off achievement at the Company; it represents a benchmark to be sustained or improved upon.

The Company has progressively invested in its projects team comprising subject matter experts and professional competence, making it possible to utilise the experience of the past to address the challenges of the present. This competence is reinforced by cross-functional collaboration and communication that helps dissolve organizational silos, leading to improved performance. A culture of feedback and evaluation helps enhance team outcomes; a goal-oriented approach enhances efficiency and productivity.

Key highlights, FY 22-23

- Adani Transmission is the fastest growing and largest private transmission and distribution company in India. It is committed to sustainable growth and emphasises environmental preservation. The Company's goal is to contribute to India's economic and sustainable development through its various initiatives.
- ATL commissioned Green Energy Corridor-II Projects through the Tariff Based Competitive Bidding (TBCB) mode. These projects will facilitate the transfer of power from renewable energy sources in the Kutch area of Gujarat (Bhuj complex) to the Lakadia region. The projects will facilitate power dispersal from renewable sources to beneficiaries. These projects will transmit 100% green energy, supporting the Company's commitment to sustainability.
- Under the Western Region Strengthening Scheme – 21 (WRSS – 21) Part – A, ATL commissioned:
  - 765kV D/C Bhuj PS(PG) – Lakadia PS line adding transmission network by 214 CKM
  - Implemented the Loop in Loop out (LILO) connection in the circuits of the 400kV D/C Bhachau – EPGL line at Lakadia PS involving 78 CKM.
  - Established a 765/400 kV Lakadia PS with transformation capacity of 3000 MVA.
- For the transmission system associated with renewable energy generation at Bhuj-II, Dwarka and Lakadia, ATL commissioned 765 kV D/C Lakadia-Banaskanta Line adding another 352 CKM to transmission network.
- Under Jam Khambaliya Transco Limited, ATL commissioned Transmission System for Jam Khambaliya Pooling Station and Interconnection of Jam Khambaliya Pooling Station for Providing Connectivity to RE Projects (1500 MW) in Dwarka (Gujarat) and Installation of 400/220 kV ICT along with Associated Bays at CGPL Switchyard.
- Establishment of Jam Khambhaliya Pooling Station for providing connectivity to RE projects with transformation capacity of 2000 MVA
- Interconnection of Jam Khambhaliya Pooling station by Extension of Essar-Lakadia/ Bhachau 400 kV D/C (triple snowbird) line upto Jam Khambhaliya PS along with bays adding 38 CKM to transmission network.
- The Company installed 400/220 kV ICT along with Associated Bays at CGPL Switchyard adding 500 MVA to transformation capacity and making grid resilient against weather and natural calamities
- NTPC Ltd. planned to establish a 1980MW (3x660MW) thermal power project at North Karanpura in Jharkhand. ATL commissioned 400 kV D/C North Karanpura – Chandwa (Jharkhand) PS transmission line with quad moose conductor for immediate evacuation from North Karanpura (3x660MW) generation project by adding 76 CKM to transmission network. Another transmission line - North Karanpura to Gaya - is under construction by ATL to evacuate the rest of the power.
- The Uttar Pradesh government planned to add 1320 MW though the Obra-C (2x660 MW) thermal power project;

construction of the transmission network was awarded to ATL. ATL commissioned 400 kV D/C Jaunpur-Obra transmission line (334 CKM) to strengthen power evacuation to facilitate power evacuation from the thermal power plant in Uttar Pradesh.

Challenges and mitigation

The Company encountered dense forest area when implementing a transmission line from North Karanpura to Chandwa. Further, this transmission line was built to evacuate 1st Lot of power from TPP. To obtain forest clearance, the Company made significant efforts in adhering to the required procedures and regulations. It conducted a thorough assessment of the project's impact on the forest area and developed comprehensive mitigation plans. The Company engaged in consultations with relevant stakeholders, including local communities and environmental authorities, to address concerns and incorporate their feedback. It demonstrated a commitment to environmental preservation by proposing measures like afforestation and habitat restoration. By demonstrating compliance with environmental norms and actively engaging with stakeholders, the Company successfully obtained the necessary forest clearance for its project and completed the transmission line timely so that power does not get bottled up.

Severe Right of way (RoW) issues led to a prolongation of the projects 765 kV Bhuj – Lakadia Transmission Line and 765 kV Lakadia Banaskantha Transmission line. ATL's mitigation measures involve effective stakeholder engagement, proper land identification procedures with support of administration and conflict resolution techniques.

Strengths

Focus on stakeholders: ATL differentiates itself from competition by prioritizing timely projects delivery and quality standards. The Company values stakeholder feedback as a tool for process improvement.

Embracing digital transformation: ATL embraces digital transformation and leverages data analytics to gain valuable insights.

Employee development: ATL prioritises employee development to enhance motivation and productivity through regular training, career growth and promoting work-life balance.

Supply chain management: ATL supports supply chain management to ensure timely delivery of materials and services. Through technology adoption, the Company enhanced transparency and efficiency in its supply chain and also gaining supplier confidence.

Sustainability: ATL prioritises corporate social responsibility and sustainability initiatives, considering the impact of project work on the environment and society, strengthening its brand respect.

Business-strengthening initiatives

ATL delivers time-efficient outcomes through robust project management

ATL focuses on flexibility, collaboration and rapid iteration, enhancing responsiveness to market conditions

ATL shapes project management outcomes through data analytics and customised software

POWER DISTRIBUTION

How we reinforced our power distribution business in FY 22-23

Overview

The power distribution business of ATL is Adani Electricity Mumbai Limited (AEML). The Company was formed following the acquisition of Reliance Infrastructure Limited's generation, transmission and distribution utilities. The Company enjoys more than nine decades of rich operating experience and represents a robust platform for sustainable growth.

AEML possesses a distribution network encompassing more than 400 sq km and over 12 Mn consumers from Bandra to Bhayandar on the western side, and Sion to Mankhurd on the eastern side). AEML distributed 2056 MW of electricity at peak demand in FY 22-23 through an efficient distribution network backed by best-in-class technology-driven customer service.

The Company aims to become the largest power distribution business in India's private sector across the parameters of superior service, rich multi-decade experience, proactive technology investments, operational excellence, judicious capital management and renewable energy procurement. The Company is poised to expand its presence from a limited geographic penetration to emerge as a national player across the foreseeable future.

Principal challenges addressed

The Company addressed challenges comprising the increased cost of power, maintenance of legacy infrastructure, sustained power theft and losses, load management and peak demand, need for cleaner energy, consumer grievance management and a need for improved service quality. The Company rose to the challenge of providing reliable, affordable and sustainable electricity to consumers.

The Company faced challenges in the implementation of the delivery of 220 kv GIS conversion scheme following the pandemic-induced lockdown in China.

The Company engaged in periodic interactions with EPC contractors and original equipment manufacturers for timely GIS equipment delivery. This helped shrink the time taken for equipment delivery.

The Company faced a challenge due to the non-availability of partners to deploy advanced metering infrastructure.

The Company on-boarded original equipment manufacturers to drive the initiative.

The Company faced challenges due to the non-availability of in-house resources to deliver initiatives identified as a part of the business process re-engineering exercise.

The Company outsourced resources to mitigate the challenge.

The Company could have suffered due to a lack of skillsets for the adoption of new and emerging technologies.

The Company adopted the Percipio platform for upgrading the technical and managerial skillsets of employees.

The Company lacked cybersafe backup solutions to safeguard against ransomware attacks.

The Company implemented the airgap backup solution to improve cyber resilience.

The Company faced challenges as testing through conventional equipment could have resulted in delays and safety concerns.

The Company deployed the latest technology instruments and tools with multiple functionalities and Internet of Things compatibility.

The Company followed the conventional cable fault pin-pointing and diagnostic methods

The Company deployed advanced cable fault locators that resulted in efficient and accurate diagnostic results.

Our principal differentiators

At AEML, customer-centricity and digitalisation formed the core of its operational excellence. The Company's digital initiatives (video contact centre, field force automation with apps like My Work and Asset Care) were rolled out to enhance the customer experience and improve productivity.

Our strengths

- Reliability and cost effectiveness
- Quality power and quick consumer services
- Renewable energy integration
- Highest safety standards
- Robust high tension and low-tension network

Our digital responsiveness

- The Company engaged in the digitalisation of internal processes and field operations with the help of mobile apps like My Work and Asset Care
- The Company digitalised smart self-service kiosks and the video contact centre. Advanced metering infrastructure strengthened consumer service
- The Company installed smart meters that optimised expenses for disconnection and reconnection on account of remote handling.
- The Company installed a workforce management system to enhance field performance monitoring using mobility services, geotagging and geo-fencing; this provided optimum routing and end-to-end integration for better control.
- The Company commenced the use of robotic process automation bots to automate mundane tasks.
- The Company adopted visualization tools like Power BI and SAP BO to empower data-driven decision making

How we transformed to emerge stronger

- Digitalisation
- Business process re-engineering
- Customer-centric approach
- Dedicated efforts to reduce transmission and distribution losses

CASE STUDY

How we improved customer convenience through the video contact centre

At AEML, we introduced video calling facility for consumers to connect with customer service teams as per their convenience. Customers are encouraged to initiate video calls using the mobile app, website, chatbot and Whatsapp (with the option to initiate an adhoc call immediately or schedule appointment by selecting a date, time slot and agent). The agents can also schedule appointments on behalf of customers. The centre provides state-of-the-art comprehensive facilities comprising white board, supervisor console, silent barge-ins, conference facility, call recording, access control on permission, informative videos while on hold, and alerts on elongated calls, among others.

CASE STUDY

How we delivered fast service responsiveness during the last few years

9th May 2022

110 kV tripping affected 20 power transformers and 2,72,556 customers.

Average power supply was restored with supervisory control and data acquisition in just five minutes.

06th July, 2022

220 kV tripping affected eight power transformers and 76,123 customers.

Average supply was restored with the help of supervisory control and data acquisition in just one minute.

11th February, 2023

220 kV tripping affected seven power transformers and 57,271 customers.

Supply was restored with the help of supervisory control and data acquisition in 5 minutes.

Key initiatives, FY 22-23

- The Company sought to expand its power distribution business into new geographies as a parallel power distribution licensee as per the provisions of the Electricity Act 2003. The Company applied for distribution licenses with the state electricity regulatory commission covering Thane, Bhandup, Mulund and Navi Mumbai in Maharashtra and Ghaziabad Municipal Corporation and Gautam Buddha Nagar district in Uttar Pradesh. The Company is evaluating similar geographies pan-India
- The Company ventured into the parallel distribution licensee, among pioneering initiatives in the country.
- The Company competed with well-established and well-entrenched incumbent utilities in acquiring customers.
- The Company provided prospective customers with reliable quality power around at an affordable tariff
- The Company launched next generation kiosk machines at seven locations to enhance service.
- The Company empowered consumers to avail 'self-help' facilities like register complaint, update contact details and update the PAN/ GST number, among others.
- The Company started a project vertical to address transmission and distribution projects, a holistic interdependence of both, considering the growing energy needs of the Mumbai Metropolitan Region.

How these initiatives will transform the business

- Expansion to the new geographies
- Increase the topline and EBITDA
- Obtain targeted returns on the invested capital
- Increased valuations of the business

Highlights, FY 22-23

- The Company's collection efficiency stood at more than 100%.
- The Company reported an increase in revenue gap on account of an increase in power purchase costs, impacting cashflows temporarily
- Adani Transmission had committed to increase the share of renewable power procurement from current 3% to 30% by 2023, which was achieved
- The Company developed a day-ahead demand forecasting solution using advanced analytics that resulted in more than 98% accuracy.
- In line with our commitments, AEML achieved over 30% renewable power for its entire customer base from a baseline of 3% in 2019. At the same time, AEML has also reduced its emissions intensity by 38% from the defined baseline.
- The Company implemented green tariff to support ESG initiatives, currently 30.04% is from green source
- AEML had the lowest tariff rise for FY 23-24 and FY 24-25 in the latest Mid-Term Review by the MERC, even under-performing inflation, among its peers, providing the most affordable power for its consumers in its licensed area.

Technological achievements

- The Company deployed cable diagnostics through state-of-the-art technologies, resulting in lower fault pinpointing time
- The Company conducted evaluation and benchmarking of advanced diagnostic technologies like online monitoring of decision support system and customer support system assets
- The Company designed and implemented special connectors to reduce low voltage panel failure cases.
- The Company installed HDPE outer jacketed cables for improved system reliability due to reduced external damages.
- The Company conducted arc flash hazard analysis through support systems to understand simulated boundaries and PPE requirement.

Way forward

The Company is expected to invest aggressively in customer acquisition and seek opportunities in new geographies. The Company intends to increase its electric vehicle charging portfolio and improve the percentage of renewable energy in the current portfolio.

Critical schemes like 220 kV Chembur and 220 kV Aarey AIS to GIS conversion are expected to be completed in 2023-24. The HVDC project is expected to be in construction phase; a new 200kV GIS substation project in Chandivali is expected to be initiated.

The Company is expected to enhance information technology resources and graduate the role of information technology from a cost center to revenue generation. The Company aims to enhance awareness of cyber security practices. The Company intends to further its adoption of cloud to enhance agility, scalability and a faster go-to-market.

How we increased consumer value

System availability

99.996
%, System availability, FY 22-23

99.995
%, System availability, FY 21-22

99.993
%, System availability, FY 20-21

Impact: Increased systemic reliability

Tariff change*

8.57
Tariff (₹ per kwh) after April 2023

7.43
Tariff (₹ per kwh) after April 2022

7.44
Tariff (₹ per kwh) after April 2021

Impact: Tariff decline in three years compared to FY 20-21

E-payment receipts

75
% of receipts through e-payment, FY 22-23

70
% of receipts through e-payment, FY 21-22

67
% of receipts through e-payment, FY 20-21

Impact: Improved cash flows

Cash collection efficiency

>100
%, for FY 22-23

>100
%, for FY 21-22

<50
%, during April, 2020

Impact: Enhanced liquidity

*The Company's maintaining an average increase per unit was less than its competition

SAIDI (disruptions)

22.35
Minutes per consumer per year, FY 22-23

23.63
Minutes per consumer per year, FY 21-22

34.58
Minutes per consumer per year, FY 20-21

Impact: Total sustained interruption duration for the average customer during a predefined period of time.

SAIFI (disruptions)

0.70
Events per consumer per year, FY 22-23

0.82
Events per consumer per year, FY 21-22

1.11
Events per consumer per year, FY 20-21

Impact: Average number of sustained interruptions per consumer during the year.

CAIDI (interruption)

31.74
Customer average interruption duration index, FY 22-23

28.95
Customer average interruption duration index, FY 21-22

31.11
Customer average interruption duration index, FY 20-21

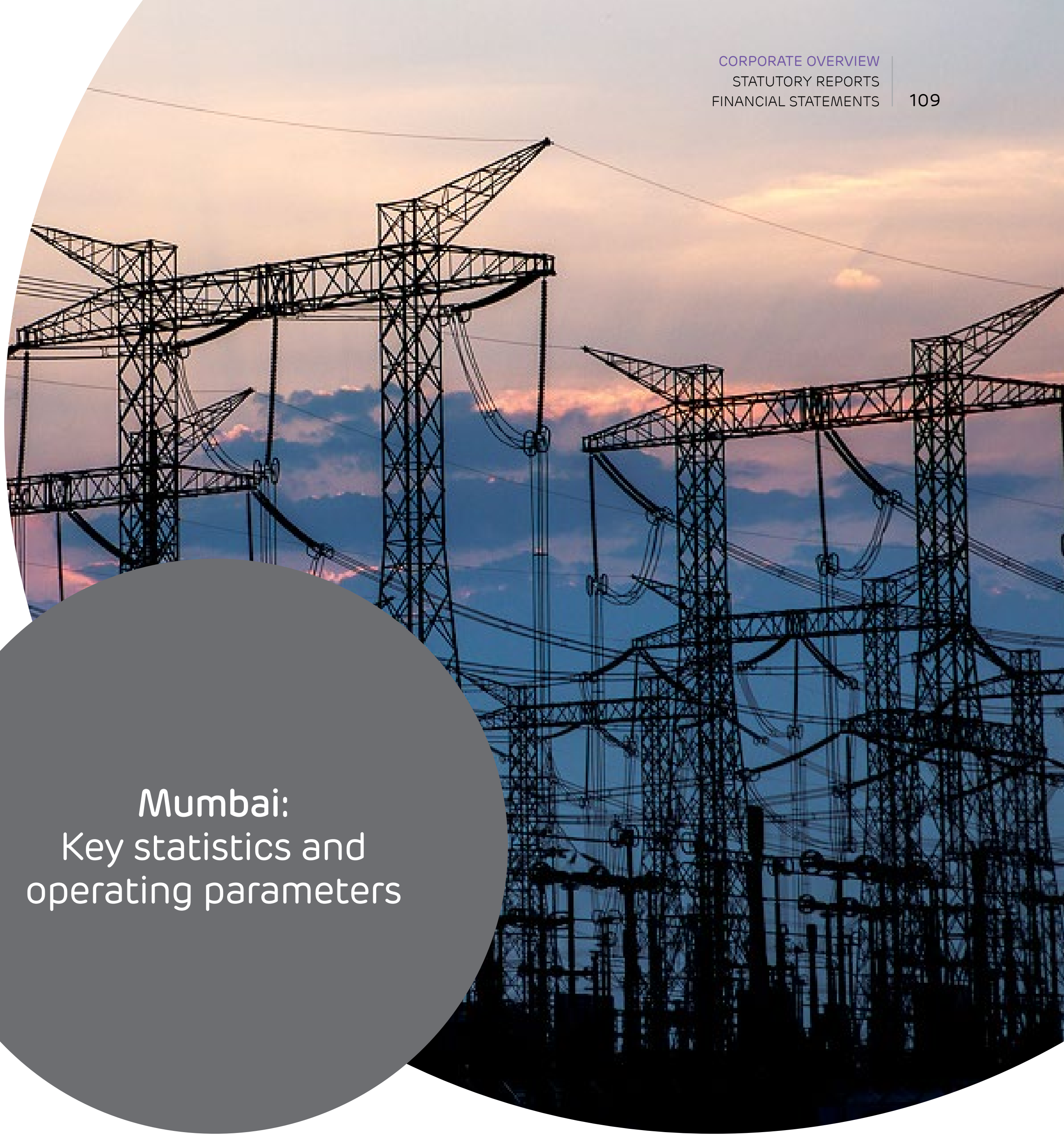
Impact: Average length of a sustained customer interruption during the measurement period

Complaints decline

7.25
%, decline in Commercial complaints in FY 22-23 compared with FY 21-22

7.43
%, decline in commercial complaints in FY 21-22 compared with FY 20-21

Impact: Higher respect for superior service



Mumbai: Key statistics and operating parameters

>400	12+	>2056	>9062	>240
Area (sq. km)	Connected consumers (Mn)	Maximum demand (MW)	Sale in Mn units (including wheeling)	Consumption / consumer / month (units)

ATL: Our business development momentum

Overview

At ATL, our goal is to build enduring assets marked by efficiency. By modernizing networks, the Company aims to reduce energy losses and enhance operational excellence. The Company's focus on technological innovation, superior performance and sustainability sets it apart. The Company invested in automation and digitalization to improve process predictability and productivity. This initiative extends beyond optimizing manpower or cost-effectiveness to enhancing reliability, efficiency and performance.

Initiatives

- ATL transformed from a fast-growing company to a mature asset operator. The Company generates a growing quantum of free cash flows with limited greenfield projects risk.
- The Company implemented energy-saving initiatives to generate cost savings and minimise environmental impact. Through phased measures, the Company reduced its environmental footprint through changes in equipment design and replacement
- The Company established a cutting-edge Energy Network Operations Centre to enable remote control of sub-stations through unmanned technology-driven vigilance
- The Company moderated water consumption at sub-stations and aims to achieve net zero water consumption in the long run.
- The Company's compliance extended beyond statutory requirements, demonstrated through compliance with demanding ESG standards benefiting all stakeholders

Optimism

At ATL, we recognise the need for technology investments and adherence to the highest standards to build valuable national assets. The Company's best-in-class technology enhanced performance efficiency is comparable to global leaders. This approach was marked by benchmarked innovation and process customization.

The Company made significant contributions to the Indian power transmission sector: it grew capacities aligned with national requirements; it helped transform perception of the sector (through the construction of assets with global scale, standards, and efficiency); it helped re-rate the sector through consistent outperformance, emerging as the most valuable company in India's private transmission and distribution sector.

Outlook

ATL's initiatives address the evolving needs of a modernizing India, marked by efficient project development, operations and capital management, high return on equity and capital recycling.

A key driver of the Company's competitiveness is a strong capital management program. This program prioritises reduced interest outflow, extended debt maturity tenor, and optimised capital structure resulting in a long lifespan of capital-intensive assets. The Company undertook greenfield and inorganic initiatives within its desired risk appetite, resulting in targeted returns.

The Company made significant contributions to the Indian power transmission sector: it grew capacities aligned with national requirements

ATL: How we optimised our operations and maintenance function

Overview

The rapid economic growth in India has resulted in a significant increase in electricity demand, leading to expanded opportunities in the transmission sector. To meet this demand and align with the rising generation of renewable energy, the sector has been undergoing capacity growth. In this context, ATL (Adani Transmission Limited) has established itself as a leader in optimizing operations and maintenance (O&M) functions.

ATL places an emphasis on maintaining its assets at the optimal level through the implementation of top-tier O&M practices. Leveraging advanced diagnostic technologies, data analytics and various SME(subject matter experts), the Company ensures that its critical assets undergo rigorous condition monitoring. This proactive approach enables the early identification of potential issues, allowing for timely intervention and risk mitigation.

One of the notable achievements of ATL is the impressive aggregate system availability of 99.7% (HVDC availability of 99.96% which is a critical ISTS (Inter State Transmission System) link between western and northern Grid of India) that it achieved in 2022-23. This high level of availability reflects the Company's commitment to operational excellence and reliability in providing uninterrupted power transmission services.

Availability % (2022-23)

Sr. No	Transmission system		Regulation	Threshhold for incentives		Cumm.Ava.
				Min	Max	
1	ATIL	Asset-1 HVDC	CERC	97.50	99.75	99.96
		Asset-1 HVAC	CERC	98.50	99.75	99.87
		Asset-2 HVAC	CERC	98.50	99.75	99.64
		Tirora-Warora	MERC	NA	NA	99.88
2	MEGPTCL		MERC	NA	NA	99.85
3	CWRTL		CERC	98.00	99.75	99.94
4	RRWTL		CERC	98.00	99.75	99.75
5	STL		CERC	98.00	99.75	99.66
6	WTGL		CERC	98.00	100.00	99.75
7	WTPL		CERC	98.00	100.00	99.89
8	ATBSPL		RERC	98.00	100.00	100.00
9	ATRL		RERC	98.00	100.00	99.96
10	ATSCL		RERC	98.00	99.75	99.75
11	MTSCL		RERC	98.00	99.75	99.97
12	ATL (Alipurdar)		CERC	98.00	99.75	99.98
13	WKTL (partially operational)		CERC	98.00	99.75	100.00
14	GTL		UPERC	98.00	99.75	98.27
15	OCBTL		UPERC	98.50	99.75	99.51
16	FBTL		CERC	98.00	99.75	100.00
17	NKTL (partially operational)		CERC	98.00	99.75	99.96
18	BKTL		CERC	98.00	99.75	98.48
19	JKTL		CERC	98.00	99.75	99.99
20	LBTL		CERC	98.00	99.75	99.19
21	WTL		CERC	98.00	99.75	99.87
22	PPP-8 HPTSL		RERC	98.00	99.75	99.86
23	PPP-9 BPTSL		RERC	98.00	99.75	99.85
24	PPP-10 TPTSL		RERC	98.00	99.75	99.87

During FY 22-23, the average availability of the Company's transmission business was 99.7%

**Certified availability till May'2023*

Energy Network Operation Center (ENOC):

The Energy Network Operation Center (ENOC) was established, a first of its kind for centralised remote operation of transmission assets ranging from 33KV to the 765KV voltage level.

The network availability for both communication links in the ENOC stands at an impressive 99.7%, highlighting its reliability in supporting uninterrupted operations.

ATL prioritised the security of Energy Network Operation Center (ENOC) SCADA system with robust cyber security protocols validated by third-party certified cyber security experts to ensure protection against potential threats and vulnerabilities.

The performance of the ENOC proved to be stable. This stability is a testament to the meticulous planning and implementation of redundant components, contributing to an outstanding overall availability of 100% for the ENOC SCADA system. These investments in redundancy enhance the resilience and reliability of the system.

As a part of the ENOC platform's implementation, all 30 substations were integrated and operationalised on the main ENOC and backup system in Mundra.

Key features

- Network Monitoring System(NMS) for Traffic and networking device management
- Real-time server hardware monitoring to ensure almost 100% uptime
- Centralised Firewall Management for security
- Automatic Fault Analysis System (AFAS) evaluated faults and provided the precise location; it also generated real-time alerts to the concerned teams through SMS and Email
- Alarm analytics for creating enhanced value through SCADA signals
- Integration of PTW (Permit to work) at SCADA level for operational safety
- Integration with a Cloud Historian for data storage and feeding to analytics and asset performance management tools.

The successful establishment and operationalization of ENOC emphasises ATL's commitment to leveraging advanced technologies and control systems to enhance operational efficiency, reliability, and safety in electricity transmission. The ENOC's contribution to seamless asset management and system control positions ATL at the forefront of the industry, driving excellence and delivering on the commitment to provide reliable electricity transmission services.

Challenges and mitigation

Challenge of complexity in the system grid leading to rapid changes in system parameters: The dynamic nature of the electrical grid, influenced by factors such as power demand fluctuations, intermittent renewable energy sources, and grid disturbances, poses a challenge by causing rapid and unpredictable changes in system parameters. These changes affect the performance and operational characteristics of the grid infrastructure and connected electrical equipment leading to accelerated ageing and premature failure of equipment.

Mitigation: To address this challenge, ATL has established a centralised remote operation and monitoring center (ENOC) for 30 substations. This initiative improves operational efficiency and enables real-time decision-making. ENOC, along with data analytics and weather forecasting platforms, allows for the assessment and analysis of data from various sources within our O&M asset base. This enhances operational efficiency, improves accuracy in predictions of any abnormalities and facilitates early identification. Additionally, the alarm analytics initiative, the first of its kind, helps in avoiding equipment failure and driving improvement in our maintenance practices. Operational efficiency has been improved by removing 3 Lakh non-value-added signals, enabling us to adopt edge-based analytics.

Challenge of fault pinpointing: Climate change has impacted transmission systems. Lightning is causing transmission outages. Early detection and restoration is key for enhanced safety and system availability.

Mitigation: ATL has implemented travelling wave fault locators (TWFL) in critical lines. These locators use the principle of travelling wave detection, enabling precise fault pinpointing. By saving time during failures, TWFLs reduce the need for extensive patrols and enhance system availability. Additionally, ATL has collaborated closely with academia to develop a Digital twin model of transmission lines. This initiative has resulted in a 45%+ reduction in tripping incidents for transmission lines.

Challenge of tower failure: Transmission tower failure poses a significant challenge to the reliable operation of Power system. Such failures disrupt power flow, cause emergency outages, and potentially endanger public safety.

Mitigation: Address all tower failures through comprehensive root cause analysis, deploying expert agencies for faster restoration, prioritizing critical lines, maintaining emergency restoration system (ERS) tower availability, and involving internal experts for time-bound RCA reports. This approach strengthens transmission infrastructure resilience and ensures reliable grid operation. Notably, a 765kV double circuit line was restored within 17 days, surpassing the national benchmark time of 25 days.

Challenge in ageing of assets demanding greater condition monitoring and reconditioning: The ageing of assets presents a significant challenge, requiring increased focus on condition monitoring and reconditioning. This involves assessing and addressing the deteriorating condition of assets and to ensure optimal performance and reliability.

Mitigation: ATL adopts a holistic approach that includes asset performance management and sensorization. By implementing asset performance management systems, real-time visibility into asset performance and health is gained, enabling the prompt identification of deviations or potential issues. Field sensorization of all our critical assets plays a crucial role in collecting accurate and timely data on asset conditions, allowing for continuous monitoring and early detection of abnormalities. This proactive approach, combined with data-driven insights, empowers informed decision-making, optimization of maintenance strategies, and extension of the operational life of assets.

With all critical assets sensorised with data-driven analytics, enabling early failure prediction and resulting in substantial savings of two 765kV reactors. Moreover, a new vendor has been developed in India for critical asset repair, enhancing asset management capabilities.

Strengths

Ensured high system availability with high safety standards: ATL ensures high system availability and upholds high safety standards, guaranteeing reliable and uninterrupted electricity transmission. This is essential for meeting the increasing energy demands and ensuring the seamless functioning of the electrical grid. By prioritizing safety, ATL maintains a secure working environment, safeguarding the well-being of employees, contractors, and the public. With a strong focus on both system availability and safety, ATL is recognised as a responsible and dependable transmission company, trusted to deliver electricity efficiently and securely.

ATL responded with cluster-based cluster maintenance and moving from time-based maintenance to condition-based maintenance

Robust processes to enhance business continuity: ATL has implemented robust processes that enhance business continuity, ensuring uninterrupted operations even in challenging circumstances. These processes enable the Company to effectively manage disruptions and maintain the reliable transmission of electricity. KPI has been assigned to each process and is periodically reviewed.

Proprietary capability building in Data Analytics & Data Visualization: has developed proprietary capabilities in data analytics and data visualization. This expertise allows for in-depth analysis of operational data, facilitating informed decision-making and optimization of processes. Also, this has helped in developing our people capability on analytics and prescriptive maintenance.

Weekly collaborative calls to share lessons learned and implement innovative/digital solutions: ATL conducts regular digital/think tank to foster knowledge sharing (cross pollinate the sharing of success stories), discuss lessons learnt, and implement innovative and digital solutions across all assets. This collaborative approach promotes continuous improvement and encourages the adoption of best practices across the organization.

Adani business excellence framework: As part of the Adani Business Excellence journey, ATL has embraced various methodologies and systems to drive operational excellence. This includes implementing Lean Six Sigma principles to eliminate waste, improve efficiency, and enhance quality across processes. Additionally, ATL actively promotes Quality Circles, fostering employee engagement and collaboration to identify and address operational challenges. To ensure a holistic approach to management, ATL has implemented an Integrated Management System (IMS), integrating various ISO standards. This systematic approach enables ATL to effectively manage quality, environmental, occupational health and safety, Information security and business continuity aspects, ensuring compliance and continuous improvement.

Contractual workforce lifecycle management: ATL has implemented a comprehensive workforce life cycle management system 100% at all O&M sites for contractual workforce. By leveraging this, ATL effectively manages and optimises the utilization of contractual resources while ensuring cost efficiency and maintaining operational effectiveness. This strategic approach enables ATL to streamline workforce operations, monitor labor costs, and enhance overall productivity, contributing to the Company's success in meeting operational goals and delivering value to stakeholders.

Collaboration with academia to co-create solutions addressing challenges: ATL engages in proactive collaboration with academia to foster innovation and co-create solutions that address industry challenges (through Lean Six Sigma projects, hot spots were reduced by 60%). Through these partnerships, ATL works closely with academic institutions to develop advanced solutions, such as transient models and develop algorithms to solve complex business problems. Additionally, ATL has collaborated with academia to develop the Digital Twin model of transmission lines. This innovative approach has significantly reduced tripping incidents for transmission lines. By leveraging the expertise and knowledge of academia, ATL remains at the forefront of technological advancements and continuously improves its operations.

Structured review mechanism:ATL has implemented a structured review mechanism to ensure operational excellence and adherence to industry standards. This mechanism includes regular audits across various areas, such as fire safety, technical aspects, earthing, protection and SCADA systems, stores, Cyber security and structures. These comprehensive reviews enable ATL to assess its operations, identify potential areas for improvement, and ensure compliance with established standards and regulations.

Monthly trip analysis dashboard and detailed root cause analysis: ATL has implemented tripping analytics along with inhouse dashboards, providing in-depth analytics to the ATL team. This dashboard enables a comprehensive assessment of tripping incidents, facilitating data-driven decision-making and proactive measures for improved system reliability.

Each tripping incident undergoes a meticulous root cause analysis, generating valuable insights that are shared throughout the organization. This systematic approach for analysing trips enhances the organization's understanding of the underlying factors and fosters a culture of continuous learning and improvement.

Key highlights, FY 22-23

- Reduction in unplanned outages by 18%
- Reduction in emergency outages by 39%
- Reduction in transmission line transient faults by 10%
- Carried out live line insulator replacement in some critical assets.
- CGPL 400/220 KV extension bays added in ATL portfolio.
- AC SCADA upgradation at HVDC Mundra and Mahendragarh

Achievements, FY 22-23

- Achieved benchmark HVDC availability 99.96%
- Strategic initiative of Cluster-based maintenance system rolled out in Rajasthan.
- Green transport facility at Dhanbad substation for staff mobility.
- Various initiatives such as Sensor based lighting, demand reduction study, Automatic Power Factor Correction (APFC) installation, Renewable Energy Integration to reduce energy consumption.
- Automation of RCA information and notifications
- Audit management process automated using SAP, ensuring a specific flow aligned with relevant areas, locations, and sections, resulting in faster and accurate decision-making. Integration with the next-level failure mode and effects analysis (FMEA) enhanced process efficiency.
- Organic farming training conducted at Kanshivani village near Akola in Maharashtra Transmission line for 77 farmers under a CSR initiative.
- In Sirohi & Jalore, Rajasthan, there are 321 direct beneficiaries and more than 1000 indirect beneficiaries, totaling more than 1300 beneficiaries under Meri Sangini Meri Marg darshika CSR program.
- Pond deepening CSR activity has been completed in 5 villages of Rajasthan.

Awards and recognition

- ATL became the first Indian electrical utility to attain 'Zero Waste to Landfill' certification, 'Water Positive certification' and 'Single-use Plastic Free Company' recognition.
- ATL won the Platinum award for Restoration Management at 43rd CII National Kaizen Competition.
- ATL won Platinum award for Office innovation at the 3rd Edition of CII National Office Innovation Competition.
- ATL won Platinum award for Quality Management at 15th CII National Competitiveness and Cluster Summit.
- ATL won the Outstanding Achievements Award for Business Excellence at the 15th international business conclave by international achievers' conference.

Initiatives

Real time monitoring of power transformers and reactors using online DGA: ATL implemented online monitoring and preventive maintenance programs for enhanced availability of assets. Integration of SCADA systems and alarms, completion of OLDGA installation for all reactors and transformers, and sensor data integration in local HMI improved equipment monitoring. Installation of online oil drying units and nitrogen injection fire protection systems in critical transformers at all our substations ensured oil health and asset safety without business loss, which also helped in overcoming challenges related to the weather and helped us plan activities accordingly at on our site.

Highly qualified workforce: ATL comprises qualified professionals specializing in electrical engineering,

operations management, disaster management and project management. This expertise ensures efficient asset maintenance.

Digital transformation: ATL O&M integrates digitalization, data analytics, AWMS, 5S and Lean Six Sigma to enhance efficiency. Through digital transformation and real-time data analytics, ATL monitors all critical asset health on a real-time basis to prevent downtime. ATL team is also trained for doing in house data analysis and data visualization.

Operational efficiency: ATL incorporates 5S, AWMS, and Lean Six Sigma to drive high project maintenance efficiency. These methodologies organise the workplace, streamline maintenance processes and eliminate waste, resulting in improved efficiency and customer satisfaction.

Process-oriented approach: ATL's process-oriented approach to O&M activities ensures consistent and efficient task performance. By simplifying activities into steps, the Company eliminates inefficiencies, reduces errors and improves performance. Clear guidelines establish employee roles, responsibilities, and quality standards, improving consistency across teams and locations.

Field force mobility: ATL utilises Field Force Mobility, an integrated mobile application, with SAP LAM system to improve line patrolling efficiency in power transmission utilities. This integration enables field technicians to access real-time information and work orders on their mobile devices, enhancing on-site task performance, maintenance and repairs.

Mobile devices for line patrolling: Mobile device use for line patrol allows field technicians to capture and transmit real-time data on asset condition. This data integrates with the SAP LAM system, facilitating centralised asset management and maintenance. The system leverages this information to generate notifications, schedule tasks and optimise resource allocation.

Electromagnetic field measurement: ATL conducted Electromagnetic Field Measurement analysis on polymer insulators of crucial transmission assets, enhancing asset life; by developing inhouse solution for field mitigation.

Optimism

- The Company automated audit management, field force mobility for line cum tower inspection, and integrated RCA (Root Cause Analysis) modification, GIS (Gas Insulated Substation) and asset CBM (Condition based monitoring data into SAP.
- Natural day light harvesting implementation initiative at HVDC substation to reduce auxiliary power consumption.
- The Company implemented automated security systems and access control across sites for enhanced asset and personnel security.
- The team members also presented technical papers at the international conference in Paris (CIGRE-2022). IOT-based sensors were used for asset management of 765kV equipment and Asset Health Index of circuit breakers.
- The Company utilised Data visualization to develop in-house Dashboards.
- Standardised process for the management of change (MOC).
- Safety training, seminars, workshops, awareness, and audits were conducted. Local community was also involved in these initiatives.
- Techno-commercial function transitioned to ARIBA platform, enhancing O&M vendor experience and ensuring smooth coordination.

Outlook

- IoT and field sensors in the transmission network resulted in a real-time monitoring of the system by capturing and transmitting accurate data of various transmission line parameters across locations, facilitating efficient remote management.
- In-house hybrid patrolling with the use of UAV drones
- Live line insulator replacements
- ATL committed to achieve net zero emission by 2050; joined the UN Energy Compact to support Sustainable Development Goal 7 (Affordable and Clean energy).
- ATL pledges to grow 2.5 Lakh trees in 2023.
- Centre of Excellence for Inventory management for Adani energy businesses.
- Implementation of Digital Substations.

ATL: Deepening a culture of technological excellence

Overview

At ATL, we are committed to conduct business that requires significant investments in cutting-edge technology and the highest standards. Our goal is to develop national assets that provide exceptional utility, superior efficiency and long-lasting value. By prioritizing advanced technology and maintaining rigorous standards, we are committed to build assets that contribute to the nation's development and prosperity.

This long-term commitment has yielded tangible outcomes: ATL's implementation of state-of-the-art technology has translated into performance efficiency in line with the best global standards. The Company's approach has been characterised by innovation; its customised processes have emerged as sectorial benchmarks. Through these accomplishments, ATL has established itself as a leader in the sector, constantly pushing boundaries and setting new standards for excellence.

The success of ATL's technology-focused strategy is attributed to its approach to energy technology and digitalization implementation. This approach places a high priority on achieving asset longevity, maximizing asset availability, ensuring cost efficiency, enhancing overall performance and leveraging data analysis. By emphasizing these key areas, ATL has been able to optimise its operations, improve asset utilization, reduce downtime and make data-driven decisions that drive further advancements and efficiencies. This unwavering focus on technology, combined with a commitment to digitalization, has been instrumental in ATL's achievements and ongoing success.

The validation of ATL's technology-driven approach is evident in its continuous growth in profitability. This success has not only allowed the Company to recover its costs but has also become synonymous with its brand identity in terms of business responsibility and sustainability. By prioritizing advanced technology and operating with a sustainable mindset, ATL has established itself as a responsible corporate entity that values environmental and social considerations alongside financial performance. This alignment of profitability, responsibility, and sustainability has enhanced ATL's reputation and positioned it as a leader in the industry.

Asset performance management (APM)

An advanced system for monitoring of asset condition, health, efficiency incorporating models based on rules of physics and algorithm. Design with data-driven mechanism ensuring accurate decision-making for longevity of asset and reliability.

An architecture exists to incorporate data from sensors, Supervisory Control And Data Acquisition, Historian, Geographic Information System, and Enterprise Resource Platform. Intelligent analytics modules have been implemented for a preventive and predictive analysis of assets.

Proposed solution	▪ Asset Health Index ▪ Reliability-centered maintenance. ▪ Asset strategy using Failure Mode and Effect Analysis/Rule-based condition-based maintenance ▪ Predictive maintenance forecasting	▪ Reliability analytics ▪ Network topology or relay and IEDs (Intelligent Electronic Devices) management ▪ Video or image analytics for TL (Transmission Line) ▪ Spares inventory management
Potential opportunity	▪ O&M cost planning. ▪ MTTR (Mean Time to Repair) and MTBF (Mean Time between Failures) improvement ▪ Real-time update of key assets performance and decision support for run, repair and replacement of assets improves operating performance.	▪ Predictive maintenance strategy to reduce unplanned downtime. ▪ Root-cause analysis to reduce unexpected failure. ▪ Reliability Centered Maintenance

AI-guided alarm analytics

Real-time centralised analysis of substation event simultaneously at large scale was done with data analysis and AI tool. High value impact to cater to a growing number of substations connected with Energy Network Operation Center connected at the central level.

This is an interactive system enabling an analysis to make faster decisions and optimizing availability. It is an excellent tool to predict the nature of fault on operations based on historical data.

Proposed solution	▪ Statistical and logical analysis of data to identify frequent events or alarm to project failures in advance.	▪ Rationalization and prioritization of alarms. ▪ Root cause analysis of the failure
Potential opportunity	▪ Optimizing person-hours for study and analysis ▪ Reduced turnaround time for analysis. ▪ Identification of unreliable trends	▪ Predicting failures in advance by a co-relation of these alarms with available information ▪ Faster decision making ▪ Single source of truth for all data

Integrated project management solution (IPMS)

An excellent tool for monitoring project life cycle integrating all stakeholders' functions with end-to-end monitoring and tracking of the project. IPMS undertake proactive corrective measures to prevent project delays, budget overruns, quality issues, risk identification and mitigation, ensure adherence to safety norms enhancing transparency.

Proposed solution	▪ 3D experience platform with real-time status of business project, activity and ecosystem, connecting people, ideas and data	
Potential opportunity	▪ Tracking and monitoring of project life cycle. ▪ Optimization of manual activities brings down employee expenses and enhances employee productivity.	▪ Optimization in schedule overrun, project cost variation and timely mitigation of project risks ▪ Inventory loss reduction (difference between material procured vs used) ▪ Post analyses of project timings for planning.

Green auxiliary power for EHV substation

Innovative micro grid application to tap the potential of wind and solar energy with hybrid model using a Battery Energy Storage System, rooftop solar and micro-mini wind turbine. Efficient design installation at the substation to cater to in-house auxiliary power consumption in the greenest way.

Proposed solution	▪ Solar on spare land of sub-station or in the existing structure of the transmission line or gantry.	▪ Mounting micro wind turbines and solar module on existing structures
Potential opportunity	▪ Optimizing auxiliary power consumption from the grid ▪ Reduction in carbon footprint	

Energy knowledge management repository

This represents a digitised knowledge pool platform where knowledge is created, captured, stored, disseminated and transferred to serve business needs for decades.

Proposed solution	▪ Capture the tacit or explicit knowledge present in the system in a single digital place ▪ Ensure the smooth dissemination of knowledge across different functions and business units ▪ Create a dynamic repository and retrieval system ▪ Create a culture of knowledge sharing across functions and business users
Potential opportunity	▪ Dissemination of knowledge ▪ Capability building ▪ Central repository for knowledge ▪ Digital knowledge bank

Engineering document life cycle management system

An automatic engineering document management system among all stakeholders like partners, consultants, etc. A matrix based integrated system for document flow enhancing efficiency, reliability and accuracy.

Proposed solution	▪ Ensuring security and an effective level of taxonomy consistency for document ▪ Secured and accelerated document flow. ▪ Improving the ease and likelihood of finding information in a single online document repository. ▪ Improving external and internal collaboration to reduce time.
Potential opportunity	▪ Central repository and single source of truth ▪ Easy and speedy - data retrievals ▪ Optimise person-hours for post analysis and record for document movement analysis. ▪ Ease of access

Bill of Quantity automation for transmission line engineering design

Digitization of engineering design document for creation of a Bill of Quantity data and analysis for new design and spare management for transmission line towers.

Proposed solution	▪ Create analysis platform for Bill Of Quantity item. ▪ Development of a standard library of tower family using PDF files. ▪ Autodesk platform for generating project Bill Of Quantity using the standard library
Potential opportunity	▪ Automatic computation of Bill Of Quantity for new routes ▪ Reduction in cycle time for Bill Of Quantity preparation

Transformative technological solutions implemented by ATL

Digital route survey for transmission projects: The Company introduced a groundbreaking solution, the first of its kind in India, digitizing the manual survey process for Extra High Voltage transmission lines. This innovative approach utilises advanced Satellite Remote Sensing technology and Machine Learning algorithms. The benefits comprise: Better decision making, improved resource optimization, enhanced safety, carbon footprint savings, optimised time with enhanced accuracy and optimised human intervention.

Energy network operation center: The Company implemented a state-of-the-art centralised operation center that incorporates a SCADA solution. This advanced system empowers the remote monitoring and control of Extra High Voltage substations, featuring an advanced data hub for analytics, visual monitoring and asset diagnostics. By integrating digital and technological solutions, this cutting-edge solution enhances operational efficiency, reliability and cost-effectiveness. The benefits comprise: Reliable and redundant architecture for communication with a backup facility; remote monitoring and control operations with no manual site operation; continuous availability of expertise support to the maintenance crew on site during normal and contingency periods; quick quality decisions increasing availability with reliability, outage management and single source of interface with grid controllers; automated fault analysis with AI/ML based on signature analysis for faster diagnostic; real time and historian data pool for monitoring and analytics platform; business intelligence and modelling: leveraging analytics and ML to improve efficiency; enhancing safety; integrated cutting-edge cyber security solution for network management and resource optimization.

Asset sensorisation: The Company implemented an online measurement system that enables a real-time monitoring of asset health. This system plays a crucial role in analysing the collected data and formulating mitigation actions to prevent failures and to extend asset lifespan. The system utilises advanced sensors such as an online Dissolve Gas Analysis, gas leak sensors and partial discharge sensors. The benefits comprise a single

source of truth with reliable, accurate and automated mechanism; continuous asset monitoring coupled with the early detection of emerging faults and analysis; preventive and predictive asset maintenance plan; increased asset operational efficiency; optimised outage and downtime; asset reliability and longevity

Field force mobility solution: This unique application (mobile app) comprises comprehensive tools and features customised for monitoring and the maintenance of transmission line and substations. The solution is a user-friendly tool of the site crew to interface with centralised Enterprise Resource Platform data, work plan, outage permit, etc., enhancing efficiency and asset compliance on the go through the User Interface/ User Experience platform. The benefits comprise: Go Green Initiative – comprehensive digitization of physical formats and process documentation; real-time update of asset activities; business value enhancement with respect to data uniformity and relevant action across sites with skill sets; increased accuracy; optimised down time.

Digital Led Safety Initiative (Vehicular Safety): A mobile-based application enhances work force safety behavior while driving and riding a vehicle on site. This app helps identify improvement areas consumer wise to prevent accidents.

The benefits comprise automated tracking and monitoring of safety behavior while driving or riding; identifying high risk employees based on their driving patterns to prevent accidents; diagnosing situations better by understanding the driving and constraining forces for change.

Drones AI Guided remote inspection with visual inspection (Drone/ UAV/ Robotics): Monitoring of assets has improved with advanced robotic and drone inspection, covering critical terrains and non-accessible areas. These benefits for detecting site abnormalities avoid major dismantling, transportation etc. activities. Internal inspection is carried out for 400KV oil-filled reactor in situ condition with an advanced robot. The deployment of unmanned aerial vehicles has improved routine patrol activity for transmission lines. Drones help access remote asset elements, capturing video, picture and thermal images without risking crew safety; they enhance reliability, availability and asset life.

Collaborative project with Academia

Spinning and solar aerostat for power generation

- An out of the box solution for harnessing power from wind and solar using balloon-based wind turbine with solar aerostat to match emerging energy demand. A successful pre-feasibility study was carried out for prototype and model evaluation
- The aim is to understand the strategies, parameters, and challenges related to the deployment of electrical power generation systems using tethered aerostats for harnessing wind or solar energy
- This study focusses on the identification of a scheme for developing the system and suggests strategies for overcoming challenges

Strengths

Innovation: Collaboration for resources leverages collective expertise to drive innovation and achieve long-term impact. It aligns space-time-capital metrics to optimise resource utilization, sustainable growth and business impact through innovation.

Learning organisation: To become a learning organization, it is crucial to develop new technology learnings and adaptation capabilities while engaging and aligning with project and Original Equipment Manufacturer (OEM) needs. This approach enables organizations to acquire and apply knowledge and skills, fostering learning and innovation through the organization.

Knowledge: To stay informed about the business environment, it is important to scan and track. This involves networking with original equipment manufacturers, domain experts and technological research institutes. Conducting technology gap analysis and establishing strategic collaborations enable organizations to identify opportunities for improvement and innovation, leading to enhanced competitiveness and growth.

Industry-academic interface: The interface includes backward integration, engaging in postgraduate and PhD programs while implementing reverse mentoring. This approach facilitates the collaboration between industry and academia, enabling knowledge exchange, skill development and innovation.

An out of the box solution for harnessing power from wind and solar using balloon-based wind turbine with solar aerostat to match emerging energy demand.

BUSINESS DRIVER

How we strengthened our IT function to graduate to the next level

Overview

The subject of digital transformation has become one of growing importance, integrating digital technology into the business, transforming the way organizations enhance customer value. The result is that digital transformation has led to a cultural change that requires organizations to challenge the status quo, experiment and improve value chains.

At ATL, we believe the best way to predict the future is to create it. In line with this, ATL embarked on a journey of digital transformation to embrace new technologies for business transformation.

ATL and information technology

The Company made judicious digital investments to reduce costs, access updated information, accelerate decision making, improve workflows, strengthen information security and provide secured remote working opportunities.

At ATL, information technology represents the foundation of the Company's transformation and forward-looking strategy. The Company continued to invest in comprehensive IT systems to improve process efficiency and address consumer requirements. As a result, the Company reinforced its respect as a consumer-centric company that enhances their interests, service and convenience.

The Company responded with a range of IT-enabled initiatives to increase its competitiveness.

One, the Company examined industry best practices across advanced technologies like robotic process automation, artificial intelligence and Google cloud.

Two, the Company adopted cutting-edge technologies around its business needs, enriching outcomes.

Three, the Company explored new ways of doing business through the adapted use of technologies with the objective to sustain sectorial leadership.

Cloud transformation

The Company commenced its cloud transformation journey, developing a digital technology stack in the last two years. This stack now enables leaner, agile and a growing foundation for innovation and growth. During this journey, the enterprise resource planning platform has been migrated to cloud and upgraded to use an efficient and faster database layer offering scalability and business-analytics capable solutions.

Real time visibility into business operations

ATL implemented a centralised command and control centre to enhance reliability and insightful decision-making. The organisation is standardising practices across locations, resulting in consistent, efficient and uniform information technology practices across plants. These practices are supported by real-time online data available to relevant stakeholders on a state-of-the-art IT platform.

Implementing decision support systems

The Company's decisions are supported by information technology platforms. Real-time plant information management system is used for the collection of plant operations data, offering intelligent insights to leaders to take informed decisions. Inventory management, logistics, procurement and financial management are supported by an industry standard enterprise resource planning system, enabling the efficient handling of resources and capital.

Consistent technological education

At ATL, competent human resource is a critical success factor in implementing information technology initiatives. All new IT projects are supported with adequate familiarization and training programs. The organization rolled out an e-learning platform where users can learn the latest technical and non-technical domains, providing continual upgradation in human capital.

Work from anywhere

ATL unlocked the potential of remote working with the migration of business applications to cloud, marked by anywhere access. The Company provided cloud-based storage to stakeholders that empowered access to data from multiple devices, fostering collaboration between team members. The Company's online meeting applications enable instantaneous multimedia communication across locations, reducing the need for travel and resulting in significant time, money and environment savings.

Technology inclusion and proliferation

The Company's digital projects are identified as a part of the stakeholder lifecycle grid. Digital cum analytical roadmaps and challenge-solving exercises are tracked in an incubation lab. A standard procedure comprises obtaining a project commencement certificate, detailed business requirement document describing the business value and return on investment, architecture review by a centralised expert group, and proof-of-concept. These projects are rolled out across all site locations and business units. The Return on Investment is calculated and presented to the leadership team; the value proposition is monitored when the project is completed.

Automation

The Company adopted cutting-edge technologies (artificial intelligence, machine learning and data analytics) to address business use cases. ATL implemented projects based on these technologies to solve problems faced in sub stations, transmission line operations and supporting processes.

At ATL, robots (physical and virtual) are being utilised to increase operational efficiency. Robotic process automation bots have helped reduce human effort in repeatable tasks, resulting in better utilization of human capital.

Adoption of international best practices

The Company follows best-in-class information technology infrastructure library practices for information technology processes like change management, asset management and service management. The Company's IT platforms have become the backbone of business processes, fulfilling the objective of long-term business continuity through an uninterrupted access to IT systems and applications. The Company implemented a business continuity management system conforming to international standards (ISO 22301: 2019) and (ISO 27001:2013).

ENVIRONMENT-SOCIAL-GOVERNANCE

ESG represents the cornerstone of our business

Overview

The abbreviation being increasingly used the world over to appraise and filter companies is 'ESG'. ESG has emerged as a litmus test being used by analysts, opinion makers, governance agencies, media, communities and bankers to appraise the quality of corporate managements.

This has helped extend the appraisal discipline beyond the Balance Sheet; in a number of instances, this appraisal has been extended to ESG with the perspective that soon the effects of high/low compliance will translate to the Balance Sheet.

ATL and ESG

At ATL, we believe that ESG links to enhanced competitiveness and sustainability. This competitiveness, among other measures, is manifested in topline growth, cost reduction, minimised regulatory and legal interventions, increased employee productivity and optimised investment returns.

The essence of ESG has been seeded into our business intent. As a part of the ESG journey, we will continue to strengthen our platform and reinforce our presence as responsible corporate citizen.

The environment component at our Company ensures that our business consumes environmentally responsible resources, consumes only as much as is moderately needed, recycles waste, consumes moderate fossil fuels and builds resistance to climate change.

The social component addresses the need to invest in employees, vendors, customers and community engagement, a framework of relationships that protects the Company from unexpected supply or demand or production shocks.

The Company's commitment to governance comprises the articulation of business strategy, values, codes of conduct, Board responsibilities and composition as well as the organisational commitment to UNGC principles. At ATL, we have collaborated with the Churchgate Partners to create a comprehensive ESG profile, which is visible on the website and contains necessary updates, ensuring transparency for its stakeholders.

Environmental

- Reduce carbon footprint
- Conserve biodiversity
- Use 5R's (replace, re-use, renewable, recycle, reduce)
- Improved environmental rating
- Continuous audit and investment in environment compliance
- Disclose environment performance

Social

- Large workforce
- Focus on knowledge, experience and retention
- Investment in training
- Culture of passion
- Catering to key customers

Governance

Code and values

- Code of Conduct
- Whistle blower policy
- Anti-Corruption & Anti-Bribery Policy
- Remuneration policy
- Corporate-Environment-Health- and-Safety Policy
- ESG commitment
- Employee care and fairness
- Prevention of Sexual Harassment (POSH)
- Code of Practices for Fair Disclosure
- Code of Internal Procedures and Conduct for Insider Trading

Structure and oversight

- Board with strong independence
- Business Responsibility Policy
- Fully Independent Audit Committee
- Risk Management Policy

Transparency and reporting

- Material event policy
- Related party transactions
- Quarterly self- declarations on the web

How we have built a robust governance platform

At ATL, we have created a robust governance framework with the objective of enhancing stakeholder value across the long-term.

Overview

At ATL, we are committed to credible governance that enhances our respect as a responsible corporate citizen. This governance culture is relevant as the power transmission and distribution industry is poised to play a decisive role in widening the reach of electricity and moderating India's carbon intensity.

Our governance commitment is helping make this a reality. Corporate governance comprises rules, protocols and processes by which the Company is managed.

The spirit of governance balances the interests of all stakeholders (shareholders, management, customers, suppliers, financiers, government and community). This makes governance integral to our existence.

External environment and ATL's governance

ATL operates in an environment, marked by economic impacts, demographic trends and technological advancements with an increased focus on alliances, trade, consolidation and integration. This environment presents opportunities with a premium on speed, innovation and risk management. ATL's strategy is directed to enhance value across the medium to long-term. ATL outlined transparent disclosures and effective Board governance.

The Company improved its governance framework, policies and disclosures; it monitored and evaluated outcomes, strengthening relevance.

Governance principles

At the heart of ATL's governance commitment is a strong one-tier Board system with Board of Directors who possess a disciplined orientation.

Ethics and integrity: The Board is committed to the highest standards of integrity. Directors commit to abide by the 'Code of Conduct', regulations and policies under oath, demonstrating intent and actions consistent with the Company's values.

Responsible conduct: The Board acknowledges the Company's role in contributing to the growth and development of neighbourhoods, terrains, communities and societies in which it operates. The Company is accountable for its environment and societal impact corresponded by compliance with laws and regulations. The Company is also committed to extend beyond minimum requirements and emerge as a sectorial benchmark.

Accountability and transparency

The Board provides comprehensive financial and non-financial reporting and feedback. The Company is aligned to the best disclosure practices; it follows internal and/or external assurance and governance procedures.

Board evaluation and compensation

The Board adopted a formal mechanism to evaluate performance and of Committees and individual Directors, including the Chairman of the Board. A structured evaluation process covered the Board's comprehensive functioning, composition, committees, experience and competencies, performance of specific duties and obligations, contribution at meetings and otherwise, independent judgment and governance issues. The breadth of the Board's fiduciary responsibility attached the Board evaluation mechanism to overall performance.

ATL's Board was elected transparently during the Annual General Meeting through a shareholder voting. The average tenure of the Board members was five years; elected members needed to possess the right experience and skills, sufficient independence and acting in best stakeholder interests. Board members were evaluated across specific duties and obligations, contribution at these meetings and otherwise, independent judgment, governance issues, and contribution to the Board oversight.

The Board compensation was guided by a Remuneration Policy of Directors and was in accordance with the provisions of applicable laws. Independent Directors were allowed fixed sitting fees and reimbursement of the actual travel expenses.

The Board was periodically educated on emerging sectorial risks and trends. On a half-yearly basis, the Board members were presented a comprehensive assessment of ESG risks and opportunities with the potential to impact ATL's business and mitigation strategies. This presentation also covered risks related to climate change and strategies.

The Board's role

The Board sets the direction; it reviews, assesses and approves initiatives. Besides this, it assesses issues, competing forces and business risks that define the Company's short-term performance and long-term viability. In its supervisory capacity, the Board monitors corporate performance and executive team behaviour. The holistic supervision includes strategy development, design and implementation. The Board periodically discusses the Company's ESG commitment from financial and other perspectives. The Board encourages the senior management to embark on initiatives beyond compliance in regulatory requirements and other matters.

Board committees

The Board committees ensure sound governance. The Company's Board comprise the following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Responsibility Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee
- Public Consumers Committee
- Info Tech & Data Security Committee
- Securities Transfer Committee

Board independence

The Board comprises around 57% Independent Directors, who bring independent judgment to the table.

Board diversity

ATL's Board diversity harnessed differences and uniqueness in knowledge, skills, regional and industry experience, cultural and geographical backgrounds, ages, ethnicity, races and genders. About 29% of the Board comprised women as Non-executive and Independent Directors.

Ethics and integrity

The Company has formulated a Code of Conduct, setting out guidelines to be followed by Board of Directors and senior management of the Company.

The Board was periodically updated on emerging risks and trends in the energy sector. The Board members were biannually presented a comprehensive assessment of ESG risks and opportunities that could impact ATL's business coupled with corresponding mitigation strategies. This ESG presentation also covered risks related to climate change and counter strategies. ATL established pre-defined relative financial metrics relevant for the CEO's variable compensation including compensation influenced by the Company's operational and financial performance.

The compensation of leadership roles is linked to long-term sustainability and performance. The long-term sustainability goals (continuous increase in ESG ratings) had a significant weightage.

Long-term sustainability goals comprised Operational Efficiency, Environmental Policy & Management Systems and Environmental Reporting. ATL established pre-defined financial metrics relevant for the leadership role's variable compensation - Return on EBIDTA, Profit after tax and Operating Return on Capital Employed.

ATL's governance was woven around critical areas like risks and crises management, codes of business conduct, customer relationship management, information security, policy management and supply chain management.

Board oversight

The various Board committees have been set up to carry out defined roles performed as articulated in their respective terms of engagement. The Board supervises committees and was responsible for their actions. The Board also oversees safety performance in meetings, demonstrating a safety-first culture. The Board established a Corporate Responsibility Committee composed of Independent Directors to oversee strategies, activities and policies, including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework.

Skills and experience

The ATL Board aggregates knowledge, perspective, professionalism, thought diversity and experience. The Board members possesses a rich understanding of governance, technical, financial and non-financial issues. The Board members possesses a rich experience of the power sector, strategy, financial, counterparty negotiation, risks, legal, environment and social issues (refer to Remuneration policy and ID terms and conditions of appointment at https:// www. adanitransmission.com/ investors/ corporate governance).

Board member credentials

- Embrace a shared vision, mission and values with the organisation
- Possess knowledge of industry/ sector, policies, major risks/threats and potential opportunities in which the Company operates
- Possess technical skills/ experience in accounting/ finance, Government or public policy, economy, human resource management, strategy development and implementation of capital planning
- Governance competencies such as being a Director in large organisation, compliance focus, leadership, risk management experience and business judgment

Oversight priorities	Capitals impacted	Key decisions
Finance and control The Board committee oversees the financial reporting process of the Company, quality and integrity of accounting, and auditing and financial reporting process, including internal controls.	Financial capital	Refer page 231
Securities The Board oversees the transfer/transmission of the Company's securities, issue of duplicate shares/debenture certificates, split-up/ sub-division, and consolidation of shares, issue of new certificates on re-materialisation, sub-division and other related formalities.	Financial capital	Refer page 239
Selection and remuneration The Board was aware that to deliver value to stakeholders, experienced and professional members needed to be nominated and evaluated based on their performance. The Board ensures remuneration practices were designed to deliver remuneration that was competitive, fair, incentivised performance and aligned with conduct expectations of the Company.	Human capital	Refer page 234
Stakeholder relationship The Board and management proactively engage with key stakeholders and address their concerns in the best way possible. Collaboration, transparency and regular communication are important to the Company's approach.	Human capital Social and relationship capital	Refer page 235
Corporate Responsibility Committee The Board oversees the implementation of the CSR Policy and Sustainability Policy, including the reporting of ESG performance, assurance of data and management system execution.	Natural capital Human capital social and relationship capital	Refer page 239
Risks and control The Board oversees the implementation of the ERM framework, including the approval of key risk framework, and received reports on ESG risk triggers, limits and management actions.	Financial capital Manufactured capital Human capital	Refer page 237

BOARD OF DIRECTORS

Leaders of the Company's strategic direction

Mr. Gautam S. Adani

Chairman

Mr. Gautam Adani is the Chairman and founder of the Adani Group. Under his leadership, the Group has emerged as a global integrated infrastructure player with interests across Resources, Logistics and Energy verticals. His journey has been marked by his ambitious and entrepreneurial vision, coupled with great vigour and hard work. This has not only enabled the Group to achieve numerous milestones with speed and scale but has also resulted in the creation of a robust business model that is contributing towards building sound infrastructure in India.

Mr. Rajesh S. Adani

Member: R S

Mr. Rajesh Adani has been associated with the Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalised approach to the business and competitive spirit has helped shape the growth of the Group and its various businesses.

Mr. Anil Sardana

Member: S C R

Mr. Anil Sardana has more than 40 years of experience in the power and infrastructure sector. He began his career with NTPC and subsequently worked with BSES and Tata Group of Companies in the power and infra sector, ranging from generation, power systems design, power distribution and telecom and project management. Prior to joining the Adani Group, he was the MD &CEO of Tata Power Group, which is based out of Mumbai. Mr. Sardana is an honours graduate in Electrical Engineering from Delhi University (1980), a Cost Accountant (ICWAI) and also holds a PGDM from All India Management Association. He has undergone top management training from reputed institute like IIMA and 'Specialised Residual Life Assessment course for Assets' at EPRI – USA.

Mr. K. Jairaj

Independent Director & Chairman: A N S C R

Mr. K. Jairaj is from the 1976 batch of Indian Administrative Service, Karnataka Cadre. He graduated in Economics from the prestigious Central College Bangalore University and obtained Distinction in M.A. (Economics) from the Delhi School of Economics. He did his Master's in Public Administration and Public Affairs from Princeton University and Harvard University, respectively. He has held prestigious and key appointments during his distinguished career with the Indian Administrative Service. Mr. Jairaj was Principal Secretary to the Chief Minister of Karnataka and served as Energy Secretary, Government of

Karnataka and piloted key reforms in this sector. He was the founder MD of Bangalore International Airport Limited (BIAL), which set up the Greenfield Bangalore International Airport. Mr. Jairaj has served as President, All India Management Association and Delhi and on the Boards of IIM, Bangalore and Kashipur. Other notable assignments include BESCOM; Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes; and Principal Secretary to the Chief Minister. He has been conferred with a number of awards and citations during his distinguished service. He is associated with several educational and not-for-profit institutions.

Dr. Ravindra H. Dholakia

Independent Director & Chairman: C S R A N

Dr. Ravindra H. Dholakia, a retired Professor of IIM, Ahmadabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he served as a consultant to state and central governments, private sector institutions and international organisations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the government and has more than 140 research papers and 22 books to his credit.

Mrs. Meera Shankar

Independent Director & Chairman: C A N

Mrs. Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked in Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary, she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as the Ambassador of India to Germany from 2005 to 2009 and then to USA from 2009 to 2011.

Mrs. Lisa Caroline MacCallum

Independent Director

Mrs. Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and USA. She enjoyed a long career at NIKE Inc. (2001-2014) in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company called Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

Board Committees (Statutory)

- C Corporate Social Responsibility Committee
- S Stakeholders' Relationship Committee
- R Risk Management Committee
- A Audit Committee
- N Nomination and Remuneration Committee

Our commitment towards enhancing environment sustainability

Overview

Environment management is an index by which companies are appraised for their value-creation capability. Companies competent in their environment management are perceived better by investors, enhancing market valuation.

At ATL, our competent environment management has been enshrined in a complete compliance with environment-related NOCs, consents, permissions, licenses and authorisations.

We are committed to reduce energy quantity, greenhouse gas emissions intensity and graduate from legacy to clean processes. We have articulated our direction, periodic milestones to be achieved, controls, environment management systems, due diligence and disaster planning cum response systems. More specifically, we are committed to eliminate the transfer of any waste to landfills or effluents discharge while moderating water consumption intensity.

We invested in a knowledge-driven environment, employing subject matter experts. Our business is driven by processes, systems and information technology. We are driven by a spirit of continuous improvement, examination of processes and materials with the objective to seek cleaner alternatives.

Climate change

At ATL, our objective is to build enduring multi-decade assets. Over the years, we invested in the fabrication of operating assets designed to resist extreme heat waves and humidity that could potentially impair grid efficiency. Besides, the de-carbonisation of thermal-based power systems could alter the grid energy mix, warranting adaptation. Besides, our transmission assets are located in Andhra pradesh, Bihar, Chattisgargh, Gujarat, Haryana, Jharkhand, Maharastra, Madhya Pradesh, Rajasthan, Tamil Nadu, Telegana, Uttar Pradesh, West Bengal and Karnataka that are vulnerable to natural disasters, putting a premium on our ability to build resilient infrastructure.

As a forward-looking infrastructure company, we have integrated climate considerations into our decision-making and risk management. We play a constructive role on new climate change policy solutions with governments, industry associations, environment organisations and communities. We focus on the improvement of ongoing emission intensities and operational efficiency. We track and report our related initiatives to moderate energy consumption and carbon emissions.

ATL embraces its responsibility not only to power communities but also address risks posed by climate change. As a transmission and distribution company, ATL's business is exposed to physical and transition risks due to climate change, making it imperative to take into consideration emerging climate change conditions and their impact while deciding a specific geography, design, construction, operation, and maintenance of infrastructure (existing or new) and an effective policy to tackle related challenges.

Being a responsible corporate citizen, ATL recognises its role in creating a low-carbon and sustainable economy without compromising collective and holistic growth. The Company became a signatory to the Declaration of Private Sector on Climate Change, pledging to take climate actions to drive the country towards targets under the Paris Agreement. The Company's goal is to establish stronger transmission networks within each system and stronger interconnections between systems. To achieve the same out of various approaches during the design stage, one of our practices is to evaluate all conditional aspects like wind zones, seismic zones, soil resistivity, water properties, hydrological assessment and other environment factors. By the virtue of this, our towers possess the capacity to withstand a range of contingencies and adverse realities.

The Company took appropriate insurance for all assets against foreseeable risks. The cost of repairing and restoring assets due to any damage caused due to unforeseen conditions, including risks due to climate change, are covered by insurance, which protects stakeholders from climate change risks. ATL's Board of Directors recognises the importance of climate change issues as well as their significance to business and stakeholders. It recognises the potential impact and opportunities climate change could create for the group's generating and operating capabilities. Given the significance of risks and opportunities posed by climate change on ATL's business, including physical, regulatory and market-related issues, the Board and its committees are actively involved in related issues. ATL's Board committees, including the Corporate Social Responsibility, Sustainability, Audit and Risk Management Committees, are informed of climate risks within the Risk Management framework, sustainability policy, management systems and monitoring results, depicting the effectiveness of the management systems and data assurance.

The climate-related issues of ATL are addressed by a Corporate Sustainability Policy; policy deployment is reported to the Board. The Board of Directors has delegated the responsibility for extra-financial disclosures to the CEO. All strategic and operational responsibilities, including climate change related issues, sustainability performance and value creation, are executed by the CEO. Corporate action in response to climate change-related issues and achievement of targets, including implementation of energy efficiency measures, is a part of the CEO's key result areas (KRA). In line with the KRA, climate change and sustainability-related performance-based incentives are incorporated in the senior management's compensation. Senior executives, including plant heads, energy managers and station heads have their remuneration linked to climate change and sustainability-related performance-based incentives.

Climate change risk management framework

At ATL, climate-related risk and opportunities are identified and assessed under two processes - Health, Safety, and Environment Management System and Enterprise Risk Management. ATL's established risk management framework was constituted under the Risk Management Committee, which assesses, manages and reports on all significant risks, business impact and mitigation. This provides a framework to manage risks while achieving strategic and operational objectives and continuing to meet ATL customer needs.

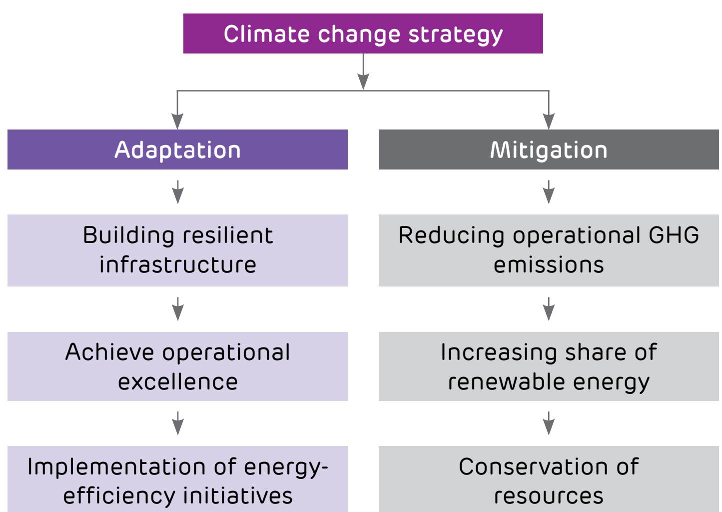
The risk management framework, guided by the Chief Risk Officer, is implemented across the Company to enable all employees and business associates to raise any risk identified by them to the next level. ATL's risk management framework is based on COSO (The Committee of Sponsoring Organisations of the Treadway Commission) framework. Demonstrating ATL's commitment to addressing and managing climate change, the organisation integrated climate change risks, including physical and transition risks, as a part of the organisation's established risk management framework. The climate change-related risks are overseen by the Audit and Risk Committee of the Board.

Strategy

To address the challenges and minimise the impact of climate change on operations, ATL adopted adaptation and mitigation strategies. ATL's strategy is to evaluate the impact of climate change and operations to adapt systems to become more flexible and resilient. Following impact evaluation, the Company minimises greenhouse gas emissions by increasing ATL's percentage share of renewable energy generation and transmission, investing and implementing energy-efficiency measures and pursuing active water stewardship.

Key aspects of ATL's strategy

- Integrating climate considerations into key business decision-making and managing related risks through ATL's corporate enterprise risk management system
- Playing an active constructive role in new climate change policy solutions with governments, industry associations, environmental organisations and communities
- Improving emission intensities and operational efficiencies across all ATL facilities
- Tracking and reporting efforts to increase renewable energy share and reduce energy consumption



Climate change risk assessment

As a transmission and distribution company, ATL's business is exposed to physical and transition risks of climate change

Scenario analysis

To identify and assess climate change-related risks inherent in ATL operations, the organisation adopted a climate scenario-based analysis technique. ATL employed IPCC's RCP 4.5 (medium emission) and RCP 6.0 (high emission) pathways (equivalent to 1.7-3.20C) to assess operating site risks and impacts. The climate change issues, including projected changes in the monthly maximum temperature, monthly rainfall, severe drought likelihood and land projected to be below annual sea level, were studied in this scenario analysis. The climate projections were carried out for the long-term (2020 to 2039)

Physical risks: Physical risks resulting from climate change can be event driven (acute risks), including increased severity of extreme weather conditions like cyclones, hurricanes, floods etc. or long-term shifts (chronic risks) in climate patterns that could cause a change in wind patterns, hydrological flows, sea level rise, etc. Physical risks have the potential to impact the organisation, directly damaging assets and indirectly disrupting the supply chain.

Acute risk: According to the scenario-based climate risk assessment, ATL assets (Rajasthan, Gujarat, Maharashtra, Bihar, Madhya Pradesh, Haryana, Uttar Pradesh, Chhattisgarh and Jharkhand) were prone to acute physical risks like flooding, cyclones and earthquakes.

Chronic risk: Projected increase in temperatures due to climate change can significantly impact transmission and distribution efficiency and reliability due to energy losses. The projected physical risks could significantly damage the ATL's transmission infrastructure and impact grid efficiency. Although no significant climate change impacts were recorded, to address worst-case scenario and the findings of ATL's climate projections the sites were classified as critical and appropriate risk management measures were taken.

Adaptation and mitigation measures

Building resilient infrastructure: ATL strives to establish stronger transmission networks within each system and stronger interconnections between systems by employing robust tower designs to withstand extreme weather events. ATL's infrastructure design practices proactively evaluate all conditional aspects like wind zones, seismic zones, soil resistivity, water properties, hydrological assessment, and various other environmental factors. By the virtue of this, ATL's towers hold the capacity to withstand a range of contingencies and adverse conditions.

Achieve operational excellence: One of the most significant impacts of high temperatures on the transmission and distribution networks is the loss of efficiency and reliability of networks due to energy losses. ATL endeavors to minimise energy losses by modernising transmission and distribution networks resulting in enhanced operational excellence.

Emergency Restoration System (ERS): ATL's operational resilience rests on its ability to rapidly recover following an extreme weather event. Rapid recovery following a transmission or distribution network collapse requires inspection and replacement or repair of damaged system components. ATL has two ERS sets in the central part and one ERS set in the western part of country.

Transition risks

Transition risks and opportunities created by climate change are driven by shifts in policy, legal, market and technologies to address mitigation and adaptation requirements associated with a low-carbon economy. In this context, ATL considered the following transition risks that could impact its business.

Transition risk	Risk	Opportunity
Policy and regulatory risks	▪ Pricing of GHG emissions such as a Carbon Tax ▪ Enhancing GHG emissions limiting and reporting obligations ▪ Enhancing mandates on renewable energy share	▪ Reducing the organisation's GHG emission intensity ▪ Maximising renewable energy integration ▪ Implementing energy-efficiency initiatives
Technological risks	Shift to low carbon technologies	Enhancing renewable power capacity
Market risk	The market may be disrupted, affecting the ability of players to transition	▪ Access to emerging markets through renewable energy mix in the distribution business ▪ Supporting customers by facilitating rooftop solar installations ▪ Commissioning EV charging stations

Reduction of GHG emissions

ATL's GHG footprint in the reporting period was 2826008 tCO_2 e of Scope 1 emissions and 435842 tCO_2 e of Scope 2 emissions and 3117797 tCO_2 e of Scope 3 emissions. Scope 3 emissions were accounted for top three categories as per the GHG Protocol - upstream transportation, mainly coal by sea, rail and road route; electricity traded and downstream transport of fly ash. Emissions from employee commute for thermal power plant, business travel for thermal power plant, contractor vehicles transporting material and machinery, contractor vehicle engaged in people movement and electricity consumed by customers. ATL endeavors to report more Scope 3 emission categories in the coming years. ATL set a target to reduce greenhouse gas emission intensity (on per Rs revenue generation) by 40-45% by FY 23-24 in line with India's National Determined Contribution (NDC).

In line with this target, ATL disclosed its baseline carbon intensity at 4.58 tCO_2 e/ Lakh Rs revenue generated in FY 18-19 as baseline as a part of the Integrated Annual Report 2019-20 and its first CDP response in 2020. In the current reporting period, the carbon intensity (scope1 + scope2) stood at 23.57 tCO_2/Mn Rupees revenue in the last financial year. The reduction in GHG emissions was achieved mainly through an increased share of renewable energy and investment in energy efficiency initiatives during the reporting period as discussed below.

Carbon Disclosure Project (CDP)

ATL participated in the CDP Climate Change and CDP Supply Chain Engagement Program, an initiative that aims to promote sustainability and reduce the GHG gas emissions in the supply chain of the Company. The Company identified suppliers and paid on their behalf in order to provide free access to CDP platform and disclosed their environmental performance in the CDP portal.

Last year, the Company engaged with the highest number of suppliers compared to any other Indian company participating in the engagement program. The Company believes that this success is a testament to its commitment towards sustainability and responsible supply chain.

Through this engagement, the Company has been able to identify opportunities to collaborate with the suppliers to reduce emissions and improve sustainability across the supply chain. The Company has also been able to access the environmental performance of our suppliers and identify opportunities for improvement.

United Nations Global Compact (UNGC)

The UNGC United Nations Global Compact (UNGC) membership is a voluntary initiative for companies to align their strategies and operations with ten universally accepted principles in the areas of human rights, labor, environment, and anti-corruption. This membership allows the Company to access the resources and support of the UNGC and its vast network of businesses and organizations to drive sustainability and responsible business practices. Moreover, UNGC membership helps to engage with the stakeholders on a global scale, demonstrating the commitment to uphold the highest standards of ethical behavior, environmental protection, and social responsibility. We are proud to be part of this network of companies that are driving progress towards a more sustainable and equitable world.

Energy compacts

In line with the UN Energy Compact, Adani Electricity Mumbai Limited (AEML) is committed to reduce its Greenhouse Gas (GHG) emissions intensity and increase the share of renewable energy procurement in its energy mix. The Company plans to reduce its GHG emission intensity by 40%, 60% and 70% by 2025, 2027 and 2030 respectively. Adani Transmission has committed to increase the share of renewable power procurement from current 30% to 70% by 2030. This commitment is in alignment with the UN Energy Compact and reflects AEML's commitment to sustainability.

Ash generation and disposal

The efficient combustion of coal in a thermal power plant results in the generation of ash, which is mainly composed of silica, alumina, and iron oxide. The ash produced from these processes is utilised in various ways due to its high content of minerals. The utilization of ash is important as it allows to reduce the impact of power generation on the environment. There are two types of ash that are generated from the thermal power plant - dry ash and wet ash. The dry ash is sold to authorised vendors for use in cement, while the wet ash is usually sold to local vendors at a nominal cost for the manufacture of various items or used in land filling and subsequent development of green belt on the same. This ash is used to produce bricks, ceramic tiles, and other materials. The Company utilises ash to reduce the cost of power generation and make the plant more environment friendly.

	FY 22-23	FY 21-22	FY 20-21
PLF	79.88%	76.21%	73%
Ash generated (MT)	730,999	634,391	375,348
Ash utilised (MT)	625,334	671,098	422,833
Ash utilised	85.55%	105.79%	112.65%

Environmental factors impacting ATL's business model

Climate awareness	Carbon emissions	Resource management	Waste management
Climate readiness	Reduced the carbon footprint Increase in renewable procurement for the distribution business (awarded 700 MW of solar + wind power contracts.) Promotion of rooftop solar in Mumbai Reduce GHG emission intensity in AEML Ground-mounted solar power of 3.362 MWp for auxiliary consumption at various ATL substations	Optimised resource use **Water**: Rainwater harvesting at substations **Land**: Compact substations in distribution business (elevated and underground substations)	Reused and reduced waste 85.55% fly ash utilisation at generating stations S+5S (Sort, Set in Order, Shine, Standardise, Sustain) implemented at all locations
Climate alignment	**We moved into the next stage of our sustainability journey with more ambitious plans and targets related to preserving environment and measuring GHG emissions by:** Evaluated and planned for climate change driven adversities Provided efficient energy solutions for Mumbai's 12+ Mn consumers. **We aligned our business plan and invested in activities for sustainable growth:** Research and development for design-driven efficiency Biodiversity management and conservation Optimisation of waste and energy consumption		

Environment strategy

		Impact level	Goal	
Build resilient infrastructure	Adaptation	Moderate	Long-term sustenance of tower	
Achieve operational excellence	Adaptation	High	▪ Reduction in downtime during maintenance ▪ Maintained more than 99% availability	
	Mitigation	High	▪ 60% renewable power procurement for the distribution business by FY 26-27 ▪ 100% auxiliary consumption from renewable sources in transmission business ▪ Reduce GHG emission intensity in AEML	
	Mitigation	Low	▪ Enhanced rainwater harvesting at substations ▪ Compact substation	
Protect ecological services	Adaptation	Low	▪ Land use ▪ Increased green cover	

	Actions	Key parameters	Performance
	Robust tower designs to withstand extreme events	Number of tower collapses recorded	Zero
	▪ Minimised energy loss ▪ Maximised network availability	▪ Average distribution loss ▪ Transmission system availability	▪ Distribution loss - 5.93% in FY 22-23. ▪ Transmission aggregate system availability of 99.7% in FY 22-23
	▪ Maximised renewable energy use	▪ RE% procurement ▪ Renewable power capacity (MW) ▪ % power consumed from RE source in transmission business for auxiliary power	▪ AEML had tied up a hybrid (solar+wind) 700 MW PP ▪ Renewable power capacity installed: 3.362 MWp ▪ 18.11% power consumed from renewable sources in transmission business for auxiliary powerat substation
	▪ Replenished groundwater ▪ Reduced resource use	▪ Rainwater harvesting capacity created at substations ▪ Land use optimised	▪ Freshwater withdrawal (KL): 1,842,970 ▪ Compact substations in distribution business (elevated and underground substations) ▪ Wastewater recycled (KL): 189,211
	▪ GIS substation ▪ Plantation drive	▪ Number of GIS substations ▪ Number of plantations	▪ 9 GIS substations (3 operational and 6 under-construction)

Carbon sequestration

ATL was in the process of developing an Internal Carbon Pricing Mechanism based on its emission intensity. ATL had participated for the first time in the CDP (Carbon Disclosure Project) disclosure of climate change during the current reporting period and was a signatory to the Task Force on Climate Related Financial Disclosures (TCFD).

Green coverage	Area (hectare)	Unit	Total carbon sequestration, Tons/Hac/Year	Total CO2 uptake, Tons/ Year
Full grown forest (10 to 20 years) or plantation with 1000 full grown trees per hectare	118.21	Tons/Hectare/ Year	177	650.75
Grass including 0.5 metre subsurface root-system	35.65	Tons/Hectare/ Year	36	130.84
Carbon sequestration by mangroves (around 10 to 20 years)	227.09	Tons/Hectare/ Year	568	2084
	380.95		**781**	**2865**

Environmental performance

At ATL, we held the ideal of zero violations of environmental regulations and laws dear to our existence. We complied completely with all applicable environmental regulations based on a foundation of accountability, engagement and continuous improvement. In view of this, we stayed abreast of evolving global and Indian environmental regulations. We audited our compliance procedures; we enhanced scrutiny through the use of our legal software LEGATRIX that enhances control. ATL has fully complied with all the applicable environment regulations with zero violations and not paid any significant fines or penalties related to environment in the previous years.

As an ongoing discipline, we subjected ourselves to an annual audit that measured our adherence with environmental regulations, permits and environment management system. We instituted control systems, the results of which are regularly reviewed by our Board's Audit Committee. We extended beyond mere compliance requirements from a narrow perspective towards performance standards that exceeded the prevailing sectorial average; we also extended from compliance-driven reporting to voluntary awareness enhancing engagements in schools and villages on resource conservation.

Build resilient infrastructure

Robust tower design: The transmission networks evolved from the singular and local to regional and interregional, strengthening national network reliability. In addition to the conventional tower designs customised to our needs, we developed innovative designs that reduced the need for patches and braces, which minimised structural stress during construction. The result was that ATL towers comprised a smart cum cost-effective arrangement of secondary members, flange connections and notching tower strength and network reliability. Besides, the Company's technology-driven tower design accounted for wind zones, seismic zones, soil resistivity, water properties, hydrological assessment and other factors to withstand extreme operating conditions.

Minimise losses: Rising temperatures could affect transmission and distribution network efficiency, affecting margins, competitiveness and reputation. Over the years, the Company had invested in design, technology and periodic upgradation with the objective to minimise energy losses by modernising transmission and distribution networks.

Emergency restoration system: The capacity to revive and recover following a transmission or distribution network collapse warranted continuous vigilance and a trained workforce. In lightweight structures, ERS helped restore the transmission system with tower erection tenure of 3 to 15 days that minimised restoration delays. ATL had two ERS sets in the central part and one ERS set in the western part of country. We regularly did mock-drills to check the readiness of system.

Operational excellence

RE integration: Clean energy integration into conventional transmission networks reduced emissions and costs. Although the initial cost to integrate variable energy flow was high, it was exceeded by returns. The integration of renewable energy also offered ATL a widening opportunity in view of the Government of India's target of generating 175 GW of renewable energy by 2030.

Moderate resource use: The only negative environmental impact of the transmission business could be during construction and operation. ATL implemented Environmental Management Systems and monitoring processes to moderate its environmental footprint across operations.

Energy reduction: During FY 22-23, ATL consumed 32862441.97 GJ of direct energy and 94852.89 of indirect energy across various operational units. The decarbonisation plan comprised improvements in the energy mix of the distribution business and facilitating rooftop solar installations and EV charging services.

Energy intensity

With an intention to reduce the energy consumption year-on-year, ATL disclosed the energy intensity parameter, which is a ratio of the total energy consumed to revenues generated for the particular year.

Parameter	FY 22-23	FY 21-22	FY 20-21
Energy intensity (Gigajoules/revenue in Mn rupees)	238.12	267.16	292.30

During the year under review, ATL implemented energy-saving initiatives that helped moderate cost savings and environment impact. The Company continued to make structural changes in equipment; it replaced parts to plug leakages and reduce inefficiency.

The GHG emissions accounted for the Scope 1, Scope 2 and Scope 3 emissions are listed below:

Particulars	Unit	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Scope 1 emissions	tCO2e	2,826,019	26,91,062	25,92,313	31,87,007
Scope 2 emissions	tCO2e	435,862	5,57,775	3,32,211	21,155
Scope 3 emissions	tCO2e	31,17,797	40,89,587	37,63,610	53,56,636

Air pollution

ATL's direct environmental impact was through its generating station at Dahanu, which had been invested with state-of-the-art technologies to moderate air and water emissions to well below compliance requirements. As a forward-looking entity, ATL endeavoured to extend beyond compliance requirements.

This could be witnessed in the operations of ATL's thermal generation unit which was awarded a 5-star rating by the Maharashtra Pollution Control Board (MPCB) for low levels of PM10 (Particulate Matter) emissions in the current reporting period.

At ATL's generating station, the various measures taken to control of pollution were as follows:

- To control sulphur dioxide (SO2) emissions, the flue gas desulphurisation (FGD) unit with efficiency of more than 90% was commissioned in October 2007. This measure ensured that ATL's SO2 emissions were well within the norms set by the Central Electricity Regulatory Commission (CERC).
- Due to the provision of Over Fire Dampers, the Nitrogen Oxide (NOx) emission was within limits since inception; a stack of 275.38 meters height ensured thin dispersion of flue gas over a large area.
- The Company was the first in India to install FGD to prevent sulphur emissions/acid rain.
- The Company invested in four ambient air quality monitoring stations to protect consumer health

Emissions due to other sources

Particulars	Unit	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Emissions by source	MT	4035.1	3571.6	2,989.9	2,941.56
Direct NOx emissions	MT	2,909.2	2106.4	1,407.2	1,069.6
Direct SOx emissions	MT	540.0	454.0	379.3	2,941.56
Direct particulate matter emissions	tCO2e	31,17,797	40,89,587	37,63,610	53,56,636

ATL set a target to reduce greenhouse gas emissions intensity (on per Rs revenue generation) by 72.7% in the fiscal year 2032, and Scope 3 emissions to 27.5% by 2031. The target for GHG emissions reduction was also in line with India's Nationally Determined Contribution (NDC)

The reduction of greenhouse gas (GHG) emissions was achieved mainly through increased renewable energy share and investment in energy efficiency initiatives during the current reporting period.

Energy efficiency programmes

ATL implemented various energy-saving initiatives that helped the Company save costs while reducing environment impact. The organisation identified opportunities to reduce its environmental footprint in a phased manner. The organisation made various structural changes in equipment, replaced parts to plug leakages and reduced inefficiencies.

Energy initiative projects

ATL is known for its distinctive operational performance that sets it apart from others, in terms of technological innovation, superior performance and sustainability. We implemented the following energy saving projects during the previous two years.

- U1 (Unit01) replacement of HP (High Pressure) & IP (Intermediate Pressure) Turbine - OH (Over Hauling) of LP (Low Pressure) Turbine
- Reduction in slip loss of BFP 1B (Boiler Feed Pump Unit 1B) hydraulic coupling in U-1
- Using solar to offset auxiliary consumption from the grid
- Monitoring and optimised utilisation of diesel in the DG set
- Monitoring SF6 (Sulphur Hexafloride) gas leak through contemporary technology cameras
- Certification of diversion rate >99% - zero waste to land fill
- HP heater performance improvement by attending parting plate leakage (improvement in heat rate by 7.8 kcal/kWh)
- Replacement of BFP cartridge in Boiler Feed Pump Unit1 A (reduction in auxiliary power consumption by 582 kW per hour)
- Installation of energy-efficient lighting (reduction in auxiliary power consumption of 448 MWh per annum)

Emissions reduction

The use of SF6 has a high Green Warming Potential (GWP). In view of this, ATL intended to replace the use of SF6 in electrical insulation with environment-friendly solutions. The Company followed a strict protocol for the use of SF6 in circuit breakers and refrigerants like R-22/R-32/R-410 in air-conditioners. For all installed electrical equipment, the Company conducted a preliminary screening for capturing SF6 emissions and the use of SF6 leakage detection kit for detecting leakages. Refrigerant usage was monitored using a simplified material balance method. Scheduled maintenance ensured minimum refills. Operational parameters were monitored for deviations and promptly addressed when needed.

Particulars	Unit	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Emission due to SF6	tCO2e	535.60	1,351	745.56	2,941.56

Water risks

ATL prioritised sustainable water management and implementation of the best management practices to minimise water consumption, maximise reuse and recycling, while addressing site-specific water-related issues.

As thermal power generation was water-intensive, ATL focused on responsible consumption through optimal water utilisation and conservation. Except for the power generation plant, all operating sites were sub-stations or transmission lines that were not water-intensive locales or did not require water for activity apart from domestic use. To ensure robust water management, conscious water consumption and water risk mitigation, ATL conducted a self-evaluation to assess whether the operating locations are water-stressed using tools like WRI Aqueduct Tool, etc.

Water management was integrated into ATL's risk identification, assessment and management processes, which enabled the Company to assess and prioritise risks, including water. ATL's dedicated EHS corporate policy emphasised conserving natural resources and an established Environmental Management System. Water management systems and procedures were covered under the Environmental Management Plan, which helped in systematic monitoring, controlling, checking, corrective actions and addressing water-related risks. The Company ensured systematic tracking and monitoring water availability.

This was included in the organisation's risk identification and management process due to its relevance in its operations. ATL had a comprehensive database-monitoring system at its facilities to collect data regarding water availability including withdrawals and discharges. The collected data was compiled at the corporate office and published in Sustainability/Integrated Reports.

WRI (World Resources Institute) Aqueduct tool was used to assess water availability in the area of operations and watershed level to obtain information regarding which sites were operated in water-stressed areas.

ATL employed the IPCC's RCP 4.5 scenario (equivalent to 1.7-3.2°C) analysis to study various impacts like a projected change in the monthly maximum temperature, monthly precipitation, severe drought likelihood and land projected to be below the annual flood level for 'Period: Impacts Projection' during 2020 to 2039. Water stress analysis was conducted to re-define the present approach towards water management; drought risk analysis was conducted to estimate probable changes in water availability to formulate a proactive approach towards future needs using the WRI-Aqueduct and India Water Tool.

ATL had done a Water Source Sustainability Study for its power generation plant, which addressed downstream impact assessment and included a water management and conservation plan. All these identified low impacts were part of the risk management and business continuity plans. The event-driven risks, including increased severity of extreme weather events such as cyclones, hurricanes or floods, etc., were covered under the appropriate insurance policies. The scenario analysis allowed the identification of operations in water-stressed areas and anticipated potential water-related conflict as well as group of stakeholders that could be involved. Activities were carried out in collaboration with the local water management authorities, State Ground Water Board and Industrial Board to adopt a shared water resources management strategy that also considered the needs of local communities.

ATL's legal department assessed the implications of current and upcoming water regulatory frameworks, which monitored international, national, regional and local legal requirements that could become applicable to its operations. All the facilities carried out an analysis of compliance with environmental regulations. This enabled a compliance with current regulations and monitors upcoming environmental regulations (including water-related laws) to be prepared for emerging requirements.

Water management

Our operations stretched across long distances and did not extract significant ground water at any single location. As a responsible company, we modelled short-, medium- and long-term impacts of our operations on water availability and use. we monitor our withdrawal and discharge performance to ensure optimisation. In the transmission and distribution business, water was used largely for drinking, gardening and fire- fighting. At the generation units, water was used for producing steam. Water was sourced from the Kawdas pick-up weir from the Dhamni dam. Seawater was channelised through a zig open route to restrict temperature rise to below 5°C. ATL recognised the importance of incorporating 'Responsible Management of Water resource' in business strategy and risk management approach. The Company's systematic approach towards water management strategy and water-related risk helped achieve responsible water consumption and sustainable water management practices.

ATL recognised that water recharged at one water basin would not have a direct impact on withdrawal at other water basins. It commenced water stewardship with this approach. ATL planned to submit CDP response for water security in the current financial year.

As a part of the automation initiative, ATL intends to develop a state-of-the-art Energy Network Operations Centre (ENOC) for its transmission business where all sub-stations will be operated remotely from the ENOC through an unmanned arrangement following the deployment of various technological solutions, security and surveillance systems. The benefits of this initiative are not just limited to optimise manpower and economical operation, but enhance reliability and efficiency, drive high-class operational performance as a sustainable competitive advantage; it helps moderate domestic water consumption at sub-stations and will lead us to net zero water consumption at sub-stations.

Water withdrawal

ATL consumed water from diverse sources (groundwater, municipal water, surface water, purchases from third parties and seawater). ATL's freshwater consumption and total water consumption during the last three years are shown below:

Water source type	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Freshwater (ML)	5071	1798.17	1,876.71	1,816.54
Seawater (ML)	4,88,105.57	4,65,495.32	3,77,533.8	3,77,004.15

Parameter	FY 22-23 (ML)
Ground water consumed	56.95
Municipal water consumed	2.11
Surface water consumed	1775.91
Water purchased from third parties	0.61
Others	7.17
Total water consumed	1840.60
Water discharged (seawater)	4,88,105.57

In line with the target to reduce freshwater consumption year-on-year, ATL disclosed 'water intensity', the ratio of the total water consumed to that of revenue generated. The water intensity for the last three years is mentioned below:

Parameter	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Freshwater intensity (Kilolitres/Revenue in Mn rupees)	13.32	15.16	17.90	15.86

Effluents treatment and discharge

Seawater consumed was treated as per the regulations and returned to the sea. Industrial effluents were generated by Dahanu Thermal Power Station, treated in the in-house effluent treatment plant established and disposed as per Central Pollution Control Board (CPCB) regulations.

Parameter	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Water recycled and reused (ML)	189.21	198.50	233.75	204.49

Rainwater harvesting

ATL sub-stations at Didwana, Mundra, Mahendragarh and Alwar were located in water-stressed zones with average annual precipitation below 700mm and where groundwater was the only water source in the region. To supplement groundwater, we explored rainwater harvesting in three water-stressed regions. The area possessed the potential to harvest 353,077m3/year, which should be sufficient to address our gardening needs and recharge the groundwater table. ATL planed rainwater harvesting across all its substations. In FY 22-23, the total rainwater harvested by ATL, and its subsidiaries accounted for 8.9 ML.

Key material consumption

Parameter	FY 22-23	FY 21-22	FY 20-21	FY 19-20
Coal (MT)	2,222,916	1,988,929	1,785,029	1,915,624
Concrete (M20) & Reinforced cement concrete (RCC) + PCC (CuM)	70,612	134,853	131,593	78,053
Steel (Tower Part) (MT)	29,266	29,303	104,503	75,840
Aluminium Alloy (conductor) (MT)	52,395	18,616	33,994	22,395
Steel wires (conductor & earthwire) (MT)	2,072	2,559	3,728	6,052
Diesel consumption (KL)	35,682	55,686	2,043	1,551

Waste management

ATL facilitated waste segregation and resource conservation through minimised waste generation. The Integrated Management System (IMS) comprised a system for waste segregation at source and disposal as per the laws of the land. We managed waste by tracking waste-related data, including waste generation and disposal. Our waste disposal practices were aligned statutory guidelines. We ensured 85.55% fly ash utilisation from the thermal generation unit. We composted domestic, canteen and gardening waste (used as a fertiliser for horticulture at the Dahanu thermal generation site). We implemented 5S discipline across all substations. Our sites complied with applicable health, safety and environmental requirements to ensure that waste materials are sent for disposal in the most environment-friendly manner.

ATL made focused efforts to practice responsible consumption of resources and circular economy in waste management to essentially convert responsibility into an opportunity for value-creation. To facilitate proper waste segregation and resource conservation, ATL included a system in its Integrated Management System (IMS) for waste segregation at source and disposal as per the laws of the land.

ATL set a target to achieve zero waste to landfill (ZWL) across all sites by FY 24-25. In line with the target, the organisation collected and utilised 85.55% of the fly ash produced in its generating station 100% of electrical waste during the time of set-up got recycled as per the industry best practices. In the last reporting period, 99% of the wastes generated from ATL's operations were diverted from landfills. To achieve 100% conformance with the ZWL target, ATL conducted an internal gap assessment to identify and implement measures. In addition, the quantity of hazardous waste generated decreased by 41%.

In alignment with the UNSDG 12, we focused on consuming water resources efficiently and reducing our freshwater consumption by recycling and reusing as much water as possible. We had been installing rainwater harvesting systems & surface ponds to replenish 100% of the freshwater water consumed and achieve water Positivity.

In addition, we emphasised the responsible consumption of material resources and proper waste management. This means that ATL has taken the target to achieve Zero Waste to Landfill by FY 24-25, but got the certification well before timeline i.e. in FY 22-23. The Dahanu and ATL O&M substations got certified with 99.98% of waste diversion rate away from landfill. 100% of the ATL's operating locations were certified as single-use plastic (SUP) free by the Confederation of Indian Industry (CII) during the reporting period. ADTPS, our thermal generation unit, was certified as SUP-free by Bureau Veritas.

Waste generation and disposal

Waste generated	FY 22-23	Type	Method of Disposal
Hazardous waste	167.99 MT	▪ Oil drums ▪ Used transformer oil ▪ Used/spent oil ▪ Waste/residue ▪ containing oil MS barrel ▪ Waste resin ▪ Used cotton waste ▪ Empty contaminated drums	Authorised recycler and re-processor
Non-hazardous waste	2589.99 MT	▪ Insulator scrap ▪ Wood scrap ▪ Steel scrap (tower materials) ▪ Aluminum scrap (conductors) ▪ GI scrap ▪ Aluminum scrap (others) ▪ Scrap rubber ▪ Scrap copper ▪ Scrap corroded APH basket ▪ Saw dust ▪ MS scrap ▪ Reinforcement steel	Sale and auction
E-waste	216.25 MT		Recycler

The Company engaged with suppliers to use steel (instead of wood) drums for conductor rolling and supply oil by tankers instead of oil drums.

Protect ecological services

Land use: To minimise societal impact, we applied the Right of Way (RoW) approach in our transmission and distribution line, which did not warrant land acquisition. For setting up substations, we purchased land on a 'willing buyer, willing-seller' basis by compensating owners. Conventional substations with Air Insulation Switchgear (AIS) required large space, for which we invested in compacted Gas Insulated Switchgears (GIS) substations wherever possible.

Compact modular designs made it possible for substations to occupy ~10% of a conventional air insulation substation. Transmission lines could extend across 1000 km; on the field, transmission line towers and support structures could affect agricultural land and increase weed spread. In protected areas, the forest area under a new transmission line was removed from providing ecological services. Permanent nature impacts were seen in new tower locations and border zones of line clearing.

Our projects and operations may affect local natural habitats and dependent communities. We followed principles of avoidance, minimisation and mitigation in environment management and biodiversity. We collaborated with local community groups, academia and environmental experts to protect and restore natural habitats. We avoided sensitive zones, protected areas and natural habitats to the extent possible when planning new transmission line routes. We preserved nature identified at the planning stage during line construction.

ATL recognised its role in helping arrest the global decline in biodiversity. As part of its responsible approach, we built partnerships and works constructively with stakeholders;

we assessed impacts on key biodiversity issues and made decisions that take account of these impacts. We strengthened commitment to being a responsible corporate citizen in the field of biodiversity by adopting a dedicated Biodiversity Policy and becoming a signatory to IBBI (India Business & Biodiversity Initiative). As per the policy, we intended to have 'no net loss' in terms of biodiversity.

ATL interacts with the environment in number of ways and its business was intricately linked with the ecosystem around which it operated, including the forests, grasslands, and mangroves. The organisation made concerted efforts to ensure a minimal impact on the environment, generating the lowest harm to biodiversity through its operations. ATL followed principles of avoidance, minimisation and mitigation in addressing the environment and biodiversity. It focused on avoiding ecologically sensitive zones for transmission line routes, minimising its biodiversity impact by reducing energy use and restoring habitats.

Corporate Responsibility Committee

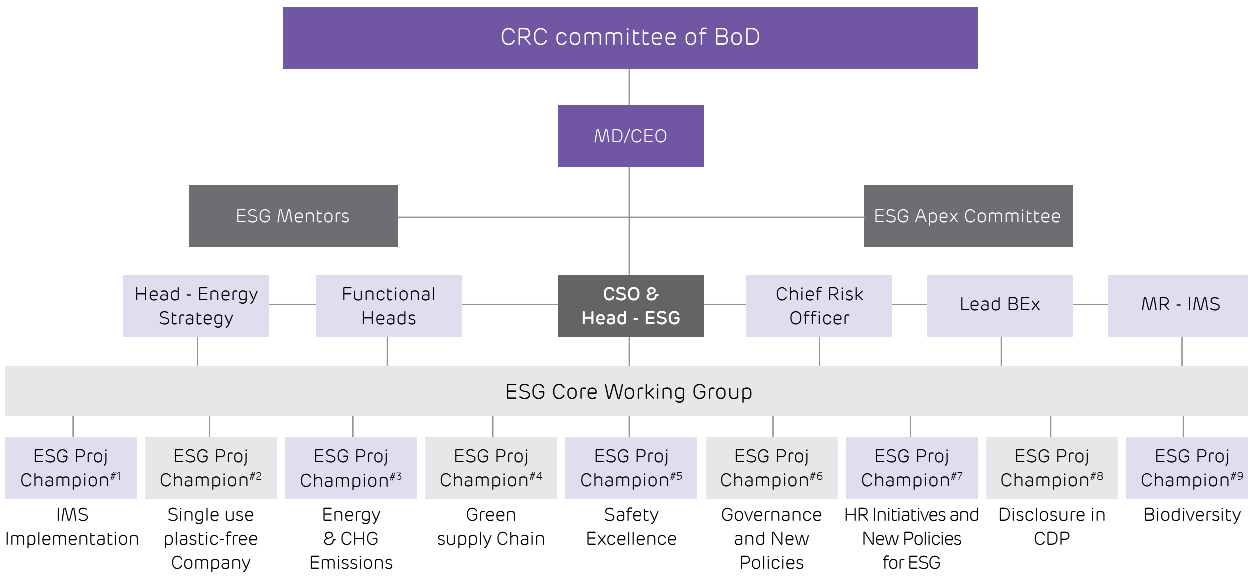
The Corporate Responsibility Committee (CRC) oversees the implementation, monitoring and reporting of climate-related issues, ESG performance and sustainability, the CSR committee oversee the CSR policy and implementation. The ESG and Risk Management functions are incorporated within the organisation by establishing an Enterprise Risk Management (ERM) System, guided by a Chief Risk Officer. This system was implemented to enable employees and business associates to raise any identified risk to the next level. The risk management framework comprises a provision to evaluate, prioritise and escalate risks to the highest governing body. The CRC Committee identifies and incorporates ESG-related operational and financial risks through the resolution of the Board. The organisational policies, purpose, values, mission statement, strategies, goals and targets related to sustainable development within the Company are developed by the senior management committees. These are based on identified risks and opportunities related to the power sector, external environment, legal, management system requirements and stakeholder consultation, among others. These policies are regularly reviewed and approved by the Board.

The Board examines and approves the Company's strategic, industrial and financial plans, including the annual budget. Its business plan has incorporated principal guidelines to promote a sustainable business model and establish the basis for long-term value creation. The CRC of the Board periodically monitors the sustainability and climate performance of the Company.

The Company intends to make its governance structure world-class. The ESG Report is reviewed by the Apex Sustainability Committee – a group of functional heads and station heads – before it is submitted for assurance by an external agency. The CRC appraises the sustainability performance before being released in public domain and on the Company's website. The core ESG working group and disclosures related to ESG are overseen by the MD .

A core ESG Working Group is formed at all locations, supervised by the ESG Head under the guidance of the Chief Sustainability Officer (CSO).The Integrated Management Systems, covering Quality, Environment, Health and Safety, is implemented at all operating locations and their performance is regularly reviewed by the CSO.

The ESG and Risk Management functions are incorporated by establishing an Enterprise Risk Management (ERM) System, guided by the Chief Risk Officer. This system is implemented to enable all employees and business associates raise identified risks to the next level. The risk management framework comprises the provision to evaluate, prioritise and escalate risks to the highest governing body within. A snapshot of the organisational structure depicts how it governs, manages and reports sustainability-related issues.



Roles and responsibilities of the CRC Committee

ESG Apex Committee	ESG Mentors	Chief Sustainability Officer and Head-ESG	ESG Core Working Group	ESG champions
▪ Provides organisational vision and overall direction for ESG program ▪ Reviews and approves public disclosures on ESG (annual report, sustainability report, special disclosure) ▪ Allocates resources required by ESG Core Working Group	▪ Provides specific guidance and operational insights for ESG Core Working Group and ESG project champion ▪ Provides a quarterly review of activities led by ESG project Champions	▪ Coordinates ESG Apex Committee meeting on an annual basis (or as and when required) ▪ Coordinates ESG Core Working Group meeting on a quarterly basis ▪ Develops ESG disclosures and sustainability reporting with inputs from functional heads, Chief Risk Officer, MR-IMS (Management Representative-Integrated Management System) ▪ Facilitates ESG Project Champions for independent validation, audit and assurance of ESG initiatives for public disclosures	▪ Identifies material issues and risks with management approach for disclosure in the public domain ▪ Provides all data inputs, information for ESG requirements and reports for public domain ▪ Engagements with stakeholders including external rating agencies and auditors relevant to ESG ▪ Formulates long-term and short-term plan in line with achieving the ESG vision as directed by Apex Committee	▪ Leads the assigned ESG project with a 4–5-member cross functional team ▪ Co-ordinated monthly team meetings for progress on respective ESG projects ▪ Reports progress on a monthly basis to Head ESG and on quality basis to ESG members

Our ESG strategy framework

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

ATL ESG goal
ESG is our way of doing business: to be among top companies in the global benchmarking of the electric utility sector

ESG strategic pillars
Governance measures

Technical and other measures

Commitment towards global climate action	Corporate citizenship and enabling social transformation	Responsible business practices
Climate Change mitigation and adaptation	Human capital development and caring for human rights in the business	Business ethics and values
Water Stewardship	Safety and well-being	Customer orientation and value creation for stakeholders
Zero waste to landfills	Inclusive growth including communities	Enterprise risk management
Biodiversity conservation and natural resources optimisation	Innovation and technology	Responsible business partnerships (engagement with suppliers and customers on ESG issues)

KEY PERFORMANCE INDICATORS

Code of Conduct

ATL adopted a Code of Conduct for its Directors and Senior Management, which laid down the principles and standards that should govern the actions of the Company and its employees.

The Code of Conduct expected all members to act in accordance with the highest standards of personal and professional integrity, honesty and ethical conduct.

The Company Secretary of ATL oversees compliance with the Code of Conduct as well as reviewed the effectiveness of the Code. Suspected and reported violations of the code were investigated and action was taken by the Chairman of the Board or the Chairman of the Audit Committee ensuring the Board's supervision on Code of Conduct with ethical issues.

To review compliance with the Code of Conduct, members of the Board and senior management affirmed the compliance with the code annually, based on which an annual compliance report was prepared and evaluated by the Company Secretary to review the effectiveness of ATL's Code of Conduct.

The Company adopted a Whistle Blower Policy and established the necessary vigil mechanism for employees and Directors to report concerns on unethical behaviour in accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations. The policy enabled the employees to report potentially illegal or unacceptable practices without the fear of victimisation and reprisal. It aimed to guide good governance practices and ensured that concerns were properly raised and addressed. The Vigilance and Ethics Officer was responsible for monitoring the effectiveness of the policy and dealing with concerns raised and reports filed.

Employees can lodge a Protected Disclosure to the Chairman's Office by sending an email to whistleblower@adani. com. To address the concerns of external stakeholders and public, email IDs of senior management were made available in public domain.

Preventing corruption and bribery

ATL is committed to conduct its business responsibly by ensuring ethical practices, transparency and accountability across its value chain. As the organisation engaged with a wide range of business partners, it was its duty to ensure that people and third parties, who acted on its behalf, demonstrated high ethical standards and compliance with all applicable laws.

ATL's Anti-Corruption and Anti-Bribery Policy stated the Company's zero tolerance towards corruption and the payment or receipt of bribes for any purpose. It outlined how the organisation defined bribery and corruption and its position on political/charitable contributions, facilitation payments, gifts and hospitality.

To strengthen the system, the Anti-Corruption and Anti-Bribery clauses were incorporated as a part of the Employee Code of Conduct, Supplier Code of Conduct and Code of Conduct for Board of Directors and Senior Management. The Code of Conduct for the Board and Senior Management prohibited Directors, members of the senior management and immediate families from accepting any payments or gifts from persons or firms the Company deals with.

The Code and Conduct for employees comprised an explicit statement on prohibition of bribery and corruption. The Anti-Corruption and Bribery clauses were clearly communicated to all employees of ATL through their appointment letter, Code of Conduct and by displaying the policy on the Company's employee portal. Further, to ensure compliance, all employees were trained on the Anti-Corruption and Anti-Bribery policy as well as the Code of Conduct at the time of their induction and annually thereafter. ATL's annual online mandatory training on the zero-tolerance policy ensured that employees were able to recognise, avoid and raise concerns and report any potential instances of bribery or corruption. The managers at all levels were responsible for training employees in the Anti-Corruption and Bribery Policy.

To ensure that business partners practiced the same ethical standards as ATL, the Anti-Corruption and Anti-Bribery Policy was communicated to contractors, suppliers and other third parties through ATL's supplier Code of Conduct and vendor agreements. According to the Supplier Code of Conduct, all ATL's suppliers were expected to refrain from offering or accepting any undue payment or other considerations directly or indirectly. This consideration was also a key element of ATL's Supplier Risk Assessment, which checked their policies on Bribery, Corruption and Whistle Blowing prior to business agreement.

To ensure a comprehensive compliance with Anti-Corruption and Bribery Policy and regulations, ATL made zero political contributions in the reporting period. As per the policy of the Company, all political contributions needed to go through the approval of the Board and as per the applicable regulation, the Company disclosed the information as per Companies Act 2013 if any political contribution was made.

ATL did not make any contributions to and spending for political campaigns, political organisations, lobbyists or lobbying organisations, trade associations and other tax-exempt groups during the reporting period with the objective to influence public policy.

How we have created a progressively de-risked operating model, ensuring business sustainability

Overview

ATL has established a comprehensive risk management system to facilitate its objectives, ensuring that risks that can have an impact on them are identified, analysed, assessed, managed and controlled. Risk management is driven by ATL's Board, assisted by the Audit Committee and Risk Management Committee, which reviews and monitors risk management processes in accordance with governance requirements.

ATL operates in a constantly evolving business landscape, which exposes it to several types of risks that could impact the achievement of its strategic and operational objectives. The risk management process, deployed throughout its operations, helps identify, assess, mitigate and monitor ATL's key risks. This process emphasises risk discussions by decision-makers and risk oversight by the Risk Management Committee / Board of Directors.

Risk agendas include all types of risks, trends, emerging concerns that could impact ATL in the short (zero to two years), medium (two to five years), and long term (five to ten years). Other risk management areas and processes within the Company complement the surveillance and risk management function comprise: Process Assessment, Internal Control, Legal, Financial Risk Management, Compliance and Sustainability.

Approach to risk management

Over years, the Company has matured its Risk Management framework which identifies, prioritises, manages, monitors and reports both, the key risks as well as the emerging risks - that can impact achievement of the organisation objectives. The Company's Risk Management framework is founded on sound organisation design principles and is enabled by effective review mechanism. Whether risks are external/ internal to the Company, or can / cannot be directly influenced/ managed, they are addressed by a common set of processes through the risk management process.

Governance framework

ATL's risk management framework is designed to be a simple, consistent and clear framework for managing and reporting risks from the Company's operations to the Board.

At ATL, risk management is a collaborative effort involving committees, departments, and skilled professionals at various levels. The all-encompassing Risk Management System ensures the active participation of all organizational units, ensuring that different governing bodies responsible for risk control remain informed about the current status of risks at all times.

Board-level Risk Management Committee: The Audit Committee and Risk Management Committee at the Board level oversee the identification and handling of significant risks and are accountable for evaluating and monitoring the Company's risk management procedures' effectiveness. These committees provide direction to the Management Risk Committee (MRC).

Management Risk Committee: The Management Risk Committee (MRC) evaluates, manages, and communicates all notable risks, their implications on ATL's operations, and the mitigation measures identified and planned by the board-level committee. The MRC also assesses the efficiency of the risk identification process and offers guidance on prioritised risks and their mitigation to the Business Risk Team (BRT) and Functional Risk Committees (FRCs).

Site/Functional Risk Committees: The Functional Risk Committees comprises representatives from various departments who are entrusted with the task of overseeing the management of identified risks across different business units.

Business Risk Team: The Business Risk Team at ATL is accountable for the overall oversight and coordination of risk management across various business units. Risks identified by the Functional and Site Risk Committees are assessed, and significant risks are reported, along with mitigation plans, to the Business Risk Teams. The Chief Risk Officer, who holds the highest position with dedicated risk management responsibilities at the operational level, reports directly to the CEO.

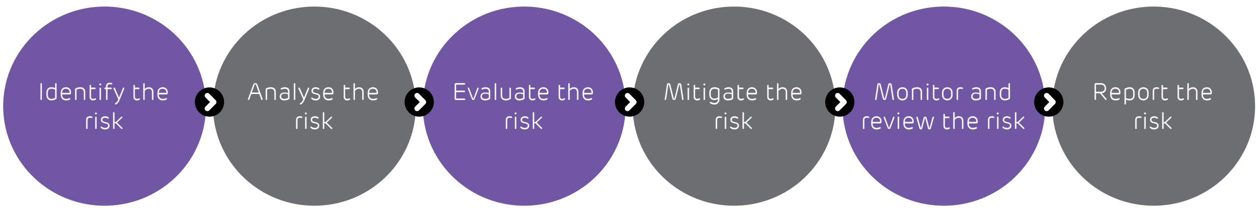
Our approach to risk management

The Management Risk Committee (MRC) evaluates, manages and provides reports on all significant risks, their impact on the business, and the measures taken to mitigate them. The MRC also assesses the effectiveness of the risk identification process, ensuring that risk management aligns with the Company's risk appetite. The Functional Risk Committees (FRCs) are responsible for monitoring and managing these risks within their respective business units, with overall coordination and supervision provided by the Business Risk Team (BRT).
At the Group level, the Audit Committee and Risk Management Committee(s) oversee the monitoring process for these risks.

Risk management process

ATL's risk management process is designed to facilitate the achievement of the Group's strategic goals by effectively managing the risk of not meeting business objectives. By placing emphasis on the early identification of significant risks, our risk management system allows for thorough evaluation of the current level of mitigation and the necessary management actions to minimise or eliminate the risk.

Risk management process



Risk management framework

At ATL, our Risk Management framework is based on the Committee of Sponsoring Organisations of the Treadway Commission framework and aligned with ISO 31000.

The Company defined a substantive impact, appraising financial aspects, operational aspects, stakeholder impact and statutory compliances or regulatory requirements. The Company defined a critical impact as one where an operational issue can result in a significant loss due to closure / operational stoppage beyond a day, the improper utilisation of resources of a material value (>1% of profit or revenue), reputation loss due to community issues, damage to critical machinery, fatal accidents, financial impact of more than ₹50 Crore or loss of reputation/ irreparable damage/ partnership issues or serious consequence for non-compliance and penalty more than ₹10 Lakh etc.

ATL's proactive risks identification is followed by extensive mitigation actions that are prioritised to ascertain impact probability and magnitude. ATL conducts risk assessments like Sensitivity Analysis and Stress Testing to capture potential risks and assess organisational health (financial risks, market risks etc.) ATL's Sensitivity Analysis and Stress Testing identify, analyse and manage the following enterprise risks:

- Financial risks including Credit Risk and Liquidity Risk
- Market risks including Interest Rate Risk and Foreign Currency Risk
- For the determination of defined employee benefit obligations

The step-by-step Enterprise Risk Management process is as follows:

- Risk identification is done by functional heads, business heads and senior leaders based on their business experience, environment scanning and performance results. Employees participate through suggestion boxes and expert opinion on business risks is sought. Internal audit reports, identifying control weaknesses and strategic challenges, are used.
- Identified enterprise risks are evaluated on the criteria of impact, probability and velocity with a mechanism to value risks on standard parameters that should facilitate the ranking of enterprise risks for better focus on resources towards critical risks.
- Based on risks identified and evaluated, a decision is taken for risk treatment. A decision on 'Accept, Treat, Transfer and Terminate' is taken for every enterprise risk. Having decided to treat the risk, a mitigation plan is finalised based on a cost-benefit

analysis. Selected mitigation measures are tracked for its implementation and achieving the desired outcome in terms of time and benefit. While developing a risk mitigation plan, a risk indicator is identified to track movements in enterprise risk.

- Each risk owner and functional head monitors movements in enterprise risk and mitigation plans. Monthly reports are submitted, and appropriate steps taken for correction and improvement.
- The monitoring and reporting of enterprise risks and status of mitigation plan helps in understanding trends in risks, importance for mitigation measures, etc. Reviews by a functional committee followed by the senior leadership committee helps identify focus areas and mitigation plans to drive positive trends in enterprise-level risks.

Strategic risks and its mitigation

Reputation risk: Negative social media campaigns against the Adani Group could impact funding/operations

Mitigation: The Company undertakes media campaigns aimed at countering the negative narrative. Additionally, proactive measures can be taken to foster goodwill within society. This can include initiatives and actions that demonstrate the Company's commitment to social responsibility. To effectively manage corporate communications, the Company can develop policies for both traditional and social media platforms. It is crucial to designate an official spokesperson who will ensure adherence to these policies. Furthermore, adopting a consumer-centric approach and utilizing technology tools can help the Company stay connected with its target audience and effectively address any concerns or issues that may arise.

Macroeconomic risk: Change in the economic environment can lead to high interest rates, volatile currency and commodity prices that can subsequently affect the Company's ability to access the low cost funding and competitiveness.

Mitigation: To mitigate the adverse effects from the uncertain macroeconomic environment, the Company has adopted a prudent risk management system. It involves implementing following measures:

- Financing the projects with long-term tenor debt aligning with asset life and cash flow profile, to mitigate the repayment and short term interest rate risk.
- To mitigate the adverse effects of interest rate movements resulting from changes in economic policies, the Company implements hedging strategies. This involves taking measures to offset potential risks and fluctuations in interest rates.

Making informed decisions on whether to opt for fixed or floating interest rates also helps navigate the impact on the Company's financial position.

- It mitigates risks related to volatile foreign currency markets by hedging the entire foreign currency exposure with various cost-efficient hedging instruments.
- Additionally, it is important for the Company to actively engage with policymakers and establish strong relationships with relevant government authorities and industry forums. This allows the Company to stay informed about potential policy changes, influence decision-making processes, and effectively advocate for its interests.

RoW clearance risk: Right of Way clearance for transmission lines is increasingly challenging in cluttered farms and urban clusters

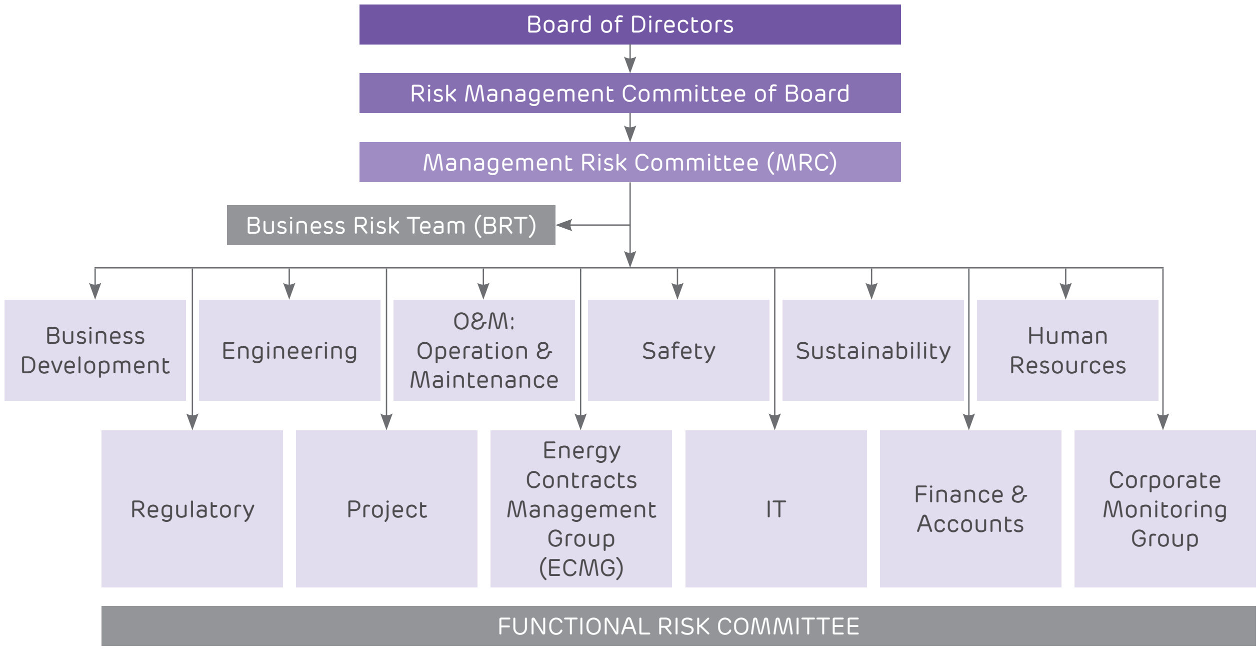
Mitigation: The Company engages in policy advocacy to establish pre-defined transmission corridors. This involves actively advocating for the identification and designation of specific areas for transmission line installations, streamlining the clearance process. Additionally, the Company proactively creates a land pipeline in States where it operates, securing land rights and permissions in advance to mitigate delays. Furthermore, the Company focuses on developing innovative designs and methodologies for transmission line installations, such as reduced towers, to minimise the impact on the surrounding environment and facilitate smoother clearance processes.

Cyber security risk: In this digital economy, businesses collect, process, and analyse data from individuals to understand their customers better and provide customised experiences. Collecting and using data necessitates several concerns about data privacy. Stringent Data Privacy laws and regulations are in place that regulate the collection, storage, and handling of personal information by businesses globally. Presently, Information Technology Act 2000 (amendment 2008) governs the data privacy requirements in our country and India is on the cusp of adopting a comprehensive personal data protection law. At ATL, due to the expansion of businesses and large-scale digitisation, there is an imperative need to handle personal data of customers, consumers, employees, partners and service providers. While these data helps the Company give personalised and customised services, it also poses risk of data breach and non-compliances to laws and regulations. Moreover, cybersecurity breaches within the power sector may lead to operational disruptions and equipment failures, such as turbines, inverters, batteries, SCADA systems, PLCs and relays.

Mitigation: The Company implements various measures. Firstly, conducting Vulnerability Assessment and Penetration Testing (VAPT) helps identify gaps and provides a basis for developing action plans to address them. The Company closely monitors the implementation of the action plan derived from the VAPT assessment. Developing an IT Security Policy and ensuring its deployment throughout the organization is essential for effective cyber security management. Creating a knowledge repository for cyber-attacks helps enhance preparedness and response capabilities. The Company provides training to IT professionals in order to enable them to handle cybersecurity challenges in an efficient manner. Communicating with users about cyber security attacks and promoting their preparedness is crucial. Including cyber security measures in the Business Continuity Plan (BCP) and Disaster Management Plan (DMP) helps ensure their integration into the overall risk management framework. Lastly, segregating IT (Information Technology) and OT (Operational Technology) environments helps enhance security by isolating critical systems from potential cyber threats.

Climate risk: Climate change is the biggest threat to humanity's collective and continued well-being. Therefore, the transition from old energy to new, green and clean energy is inevitable and could trigger geopolitical shifts, economic transformation and redefine financial models. The accelerated transition to a lower-carbon world could be facilitated by regulations, governance, market conditions and technology. Regulations are mandating the minimum use of conventional energy for operations and incentivising alternate energy use. This could moderate demand for fossil fuels and their price, increase ATL's operational costs and prevent access to strategically important markets and new energy reserves. Climate change-related disruptions, including rising temperatures and sea levels, heat waves, erratic rainfall, floods and droughts, can impact ATL's businesses. Financial institutions and investors are nudging the world's transition to a low-carbon economy and limiting their exposure to particular industries or projects. These developments could affect access to capital markets for ATL and its partners. The growing sentiment against fossil fuels could impact shareholder opinion and ATL's valuation. The Company could be impacted by growing litigation and activism, necessitating increased environmental and legal liability provisions. Trade regimes and tariff caps could impact the Company's financial flows.

Mitigation: To address potential risks and ensure continuity of operations, it is important for the Company to develop and implement a robust Business Continuity and Disaster Management Plan. This plan should include measures to handle adverse weather conditions by establishing minimum design adequacies. Additionally, actively engaging with neighbouring units can help proactively address potential community activism issues. Conducting third-party assessments to evaluate asset vulnerability, particularly in the context of climate change and asset lifecycle, is crucial. Ensuring strict adherence to processes during execution, with responsibility assigned to the relevant departments (such as MASS/BEx), helps identify and address any gaps that may arise.


Board of Directors
Risk Management Committee of Board
Management Risk Committee (MRC)
Business Risk Team (BRT)
Business Development
Engineering
O&M: Operation & Maintenance
Safety
Sustainability
Human Resources
Regulatory
Project
Energy Contracts Management Group (ECMG)
IT
Finance & Accounts
Corporate Monitoring Group
FUNCTIONAL RISK COMMITTEE


adani

How ATL is strengthening workforce resilience

Overview

At Adani Transmission, we believed in creating a work culture that is engaging, resilient and joyous. The focus on investing in people, empowering them to realise their full potential and find their true purpose in the contribution they make to the organization and society. The enhanced value delivered to the stakeholders was the outcome of consistent efforts in creating innovative, process oriented and high performing organization. Adani Transmission provides multiple avenues for two-way communication between the employees and the management on a regular basis for nurturing participative management and get direct inputs to strengthen perspectives.

Our HR practices

At Adani Transmission, we have benchmarked HR practices, which is reviewed every year to ensure they are relevant to dynamic changes in the ecosystem. They are various policies and practices at each stage of employee life cycle, taking care of possible needs of an employee and family, that may arise during course of one's employment. We are not only focused on employee performance but in strengthening our ecosystem that comprises employee engagement, living standards and cultural development.

Our HR goal is to align people-centric practices with the organization's objectives. We are making our organization and employees future proof by focusing on technical capability building, digital capability building, meritocracy, agile & role based organization, employee engagement & employee as brand ambassador, strengthening the talent pipeline to fuel future growth.

We engage with employee families and recognise their contribution in the achievement of the organizational goal. There are various forums of engaging with family members through programs in which leadership team actively participates.

Our HR policies such as housing loan interest subsidy, comprehensive leave policy, employee relocation support, employee/family gatherings, children's education scholarships and group loan programmes have been highly appreciated by employees.

Our HR aspiration

ATL's HR goal is to be recognised as an employer of choice. The Company aims to attract and retain the best talent by building a talent pool at all organizational levels. To achieve significant progress, the Company prioritises the development of internal resources and providing opportunities for employee growth and fulfilling career aspirations.

Challenges and mitigation

Acquiring necessary resources for reskilling programmes, such as trainers, training materials and infrastructure

The Company organises classes/courses on emerging technologies to improve its employees' knowledge of cutting-edge technology.

Adapting to rapid changes in technology and ensuring continuous knowledge updates

The Company focused on enhancing technological knowledge of its employees in various functional in order to stay ahead of the curve.

Identifying employees with potential and aligning them with suitable career development opportunities

The Company strongly believes in developing talent across all demographics and recruiting Graduate Engineer Trainee (GET), Executive Trainee (ET), Management Trainee (MT) and Adani Accelerated Leadership Program (AALP). Our structured cadre programs helped recruit best talent at the entry-level and leverage our positioning to attract experienced talent.

Principal organisational differentiators

- Resilience
- Agility
- Driving change
- Project execution
- O&M capabilities

Achievements, FY 22-23

- In October 2022, ATL was certified as a Great Place to Work in the mid-sized organization category
- ATL was honored with the Greentech Transformative HR Award in 2021 and the People First HR Excellence Award in 2022 - in the Employee Engagement and Talent Management categories.
- ATL conducted a Gallup survey with a high employee participation of 96%. The employee engagement score increased from 4.00 to 4.09 and the engagement index ratio nearly doubled from 3.83 to 7.43.
- ATL was recognised as a Dream Company to Work For by *Times Ascent.*

Our competitive strengths

Strong EVP (Employee Value Proposition): The Company is aligned with best industry standards with respect to compensation, benefits, policies, engagement levels, ESG parameters, productivity metrics and efficiency parameters. The Company provides opportunities to learn and create aspirational careers aligned with individual purpose.

Competent team: The Company developed a skilled and experienced team possessing subject matter expertise, effective execution and entrepreneurial capabilities aligned with long-term and short-term business priorities.

Effective Talent Acquisition: The Company ensured successful talent acquisition by recruiting the right individuals for the right roles, providing them with a superior onboarding experience. This process involved leveraging talent analytics, collaborating with external organizations and employing cutting-edge research methodologies for talent assessment.

Enhanced Employee Experience: The Company aligned HR processes and policies with business direction, enhancing effectiveness. Latest systems, tools and technologies were introduced to manage employee life cycle and provide delightful experience.

Work Environment: The Company prioritised safety and conscientious work practices within and around its premises to provide safe and healthy work environment.

Digitalisation: The Company invested in automation and digitalisation to improve process predictability and boost productivity.

Digital Interventions

IMPACT – Pioneering Projects, Empowering Careers

ATL recognises that it is imperative to enhance its respect as a preferred company to work with. ATL introduced the IMPACT internship programme, an initiative inviting young talent to undertake projects in diverse fields like engineering, projects, operations and maintenance, technology, business strategy, finance and techno commercial.

The IMPACT programme provides students with the opportunity to gain industry knowledge and apply theoretical concepts to real-world situations. They experience a hands-on, advanced and engaging work environment that fosters development. Through impactful project learning and delivery, interns enhance their confidence and skills.

Technology Inclusion and Proliferation

Creating technology readiness: The Company aims to empower individuals to embrace technology in their daily lives through simple videos and courses.

Delivered through e-learning journey: The Company introduced the readiness (energy) series, consisting of 19 concise and focused learning content.

Creating technology literacy and knowhow: The Company embarked on the journey to absorb terminologies and technologies, delivered through curated technology talk series (nine sessions) for the entire energy vertical by experts

Critical technology skill development: The Company's experience-specific skill-building training programs focus on new technologies through project-based learning. The technologies enhance skills in analytics for process modeling, AI and ML through training.

Creating digital mindset: The Company generates curiosity by involving employees in experiencing technology first-hand. A visit to a renowned technology experience centre was conducted. Projects were identified for feasibility evaluation and implementation through individual and team projects

Creating business impact: The Company provides opportunities to work on live projects and create business impact. It partners academia and students; it engages them in live projects, provides career paths and rewards new skills

One incremental technology project @ every employee

This technology inclusion initiative made it necessary for every employee to become a part of one technology project as a part of the person's KRA for FY 22-23.

Leadership Interventions

IGNITE: Step up program for managing the self

Learning outcomes

- Developing a visionary outlook by aligning with the big picture and preparing an action plan to integrate with big goals.
- Developing the ability to think strategically as an entrepreneur by assuming accountability and ownership.
- Understanding and developing business and commercial acumen for organizational success and applying it to improve revenues or reduce costs.
- Understanding the difference between a growth mindset and fixed mindset; learning to apply tools to develop a growth mindset.
- Understanding how to contribute to bringing about transformative change in the organization.
- Learning how to embrace change and thrive in a volatile world.

IGNITE: Intervention for manage managers and functional managers – Leadership development through business simulation

Learning outcomes

- Developing a holistic understanding of running a business. Understanding the financial impact of decisions on P&L, Balance Sheet and profitability
- Monitoring the financial health of the business; devising improvement strategies
- Identifying key qualities of an effective leader
- Uncovering leadership styles
- Employing influence as an effective way of leading without authority
- Leveraging tools in influencing others
- Understanding the persona, mindset and skills of agile leadership
- Understanding the impact of emotional intelligence for a leader

Transformational leadership program

Learning outcomes

- Discovering the power within
- Learning the tenets of collaborating
- Expanding perspectives
- Learning to deal with conflict
- Inspiring people
- Building capacity to have breakthroughs
- Becoming unstoppable

Fulcrum: The Adani leadership development programme

Fulcrum equips participants with competencies to cultivate an owner-manager mindset. The module includes experience-based interventions, interaction with industry experts and self-understanding to enhance emotional resilience.

Takshashila

This niche Adani Group Leadership Readiness Programme (AGLRP) is rigorous and experiential with a mix of modules over eight months, aimed at building leadership readiness. This year-long program is designed in collaboration with ISB campuses in Hyderabad and Mohali and AMDC campuses in Dahanu, Tirora and Ahmedabad.

The customised-learning modules are designed to help discover and explore purpose and personal growth, honing executive presence and personal leadership brand and most importantly, build Functional Manager competence.

This holistic learning program provides insights into networking with the finest academicians and practitioners in the world; it provides exposure to best-in-class practices for individual and professional development. It includes working on action-learning projects to embed learnings into the Adani business ecosystem.

Northstar

This structured programme grooms top talent for leadership roles in a changing world, work environment and organizational requirements. This 11-month programme is multi-modular, partners the EMERITUS Institute of Management, Singapore (consortium of Columbia Business School, TUCK School of Business and MIT-Sloan).

Programme architecture

This program comprises three primary modules - Module 1 focuses on leading oneself and teams, equipping participants with skills for personal and team leadership; Module 2 delves into leading businesses, providing insights and strategies for effective leadership in a business context; Module 3 focuses on leading the organization, empowering participants to navigate complex organizational dynamics and drive impactful change.

Transformative leadership program

Transformative Leadership Development program is curated for the Energy Business, rolled for N-1 and N-2 levels with the objective to build future leaders.

Converse to inspire

During the Gallup Engagement Workshop, the entire group deliberated on key engagement parameters to focus more and identify key actionables, including the capacity to conduct crucial conversations and inspire team members through developmental coaching.

Steps taken by the Company to build a stable workforce

People-friendly HR policies	Employee engagement	Benchmarking of compensation and benefits	Talent strategy including differentiation in rewards
Continuous two-way communication and listing of employees pulse (HR connect, Town Hall, Coffee with CEO, Safe Connect, Be Connected and engagement workshop etc.)	Fair performance management and discussion	Career development opportunities	Empowering employees to choose their career path, job rotation and IJP

Employee interactions with senior management

Town Hall: Quarterly open house virtual meeting with all ATL employees chaired by the senior leadership

Safe connect: Monthly virtual safety meeting with all ATL employees chaired by the senior leadership

Coffee with CEO: Monthly in-person informal meeting with Ahmedabad-based employees

Induction program: Seven-day quarterly induction programme addressed by the senior leadership

Reward and recognition ceremonies: Reward and recognition ceremonies organised to acknowledge the achievements of employees

Cadre participant interaction with management: Involves regular engagement sessions where representatives from different employee groups or cadres interact with the management

Open door policy: Allows employees at all levels to get direct access to senior management, resulting in open communication, feedback and the sharing of ideas or concerns

Events: This comprises birthday celebrations, long service awards, Saraswati Samman, recognition ceremonies and major announcements.

Other than above, the Company engages in continuous employee feedback through different surveys (IJP Survey, New Joinees Assimilation Survey, Admin Survey, L&OD Survey).

Creating leaders at every level

Career map: The Company fosters leadership development and employee empowerment by inspiring them to set long-term career goals, encouraging self-development for future roles and promoting job rotation and internal transfers. These initiatives not only enable employees to widen skill sets but facilitate intra- and inter-functional career movement.

Internal job postings: Through internal job postings, all positions are advertised internally, offering opportunities for in-house talent to move across roles and locations. This initiative supports employees in career progression, empowering them to assume charge of their professional growth.

Job rotation: This structured and planned developmental process allows individuals to gain diverse experience, navigate challenges, adapt and acquire insights. It offers the opportunity to cultivate talent, creating a quality talent pool to meet business needs. Job rotation encompasses changing roles within the same function and location, changing locations within the same function (with or without role change), changing roles across different functions in the same location and changing locations with a role change across different functions. This employee mobility prepares individuals for leadership roles while enhancing organizational agility.

Adani Functional Leadership Programme

Objective: The objective of this program is to develop high potential talent with five to ten years of experience as future functional leaders. It provides promising talent with a vast learning ground with real time, on-the-ground exposure and leadership interface opportunities.

Functional areas: The participants are assigned functional roles in project management, operations excellence, vendor development, estimation, techno commercial and regulatory acumen.

Development methodology: The participants are transferred to new roles aligned with an APEX member/CEO, who acts as their coach and guides them through the 12–18-month programme tenure. The developmental plan is based on the experiential learning model of 70:20:10 (experiential learning 70%, mentoring and coaching 20% and curated learning intervention 10%).

Adani Accelerated Leadership Program

Objectives: To become an employer of choice, attracting the best talent; improve visibility and representation in the premier campuses of the country

Pillars: The programme pillars comprise campus engagement activity, final placement and career planning and development.

Resilient HR system in business transition and workflow

Role-based organization: There is a focus on defining and assigning roles within an organization rather than traditional hierarchical positions; there is an emphasis on skills, competencies and responsibilities for specific roles, enhancing flexibility and adaptability.

Defined roles and responsibilities: Involves outlining tasks, duties and expectations associated with each position

Revisiting processes and documentation: Involves systematic review and evaluation of operational procedures and associated documentation within an organization; aims to ensure that processes are streamlined, efficient and aligned with business needs.

Continuous monitoring of outcomes and recalibration: Involves an ongoing process of tracking and evaluating results and performance of initiatives, projects or strategies. This monitoring ensures that desired outcomes enable timely identification of any deviations or improvement

Outlook

Empowered employee: Information on fingertips; personalised attention to needs; elimination of non-value adding processes

Each employee as target segment: High customised approach to suit each individual

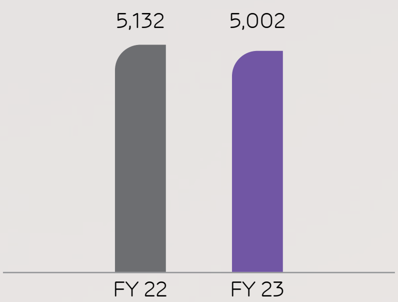
Enabled business: Identifying human capital risks and proactive mitigation

Predictive models: Predictive models for manpower plans, talent acquisition, engagement and attrition

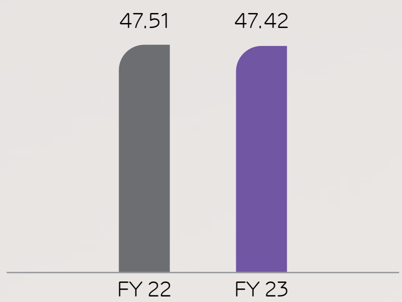
Global benchmarking: Representing Adani and the industry on the global platform

Meritocracy: Strengthening a performance culture, meritocracy and creating a joyous workplace

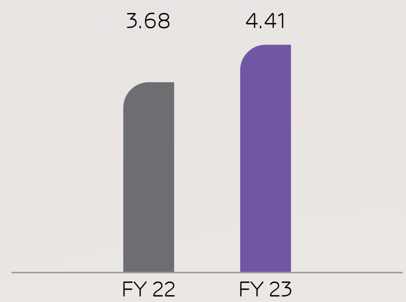
Total employees (Numbers)



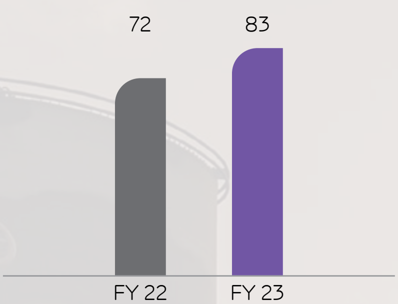
Average employee age (Years)



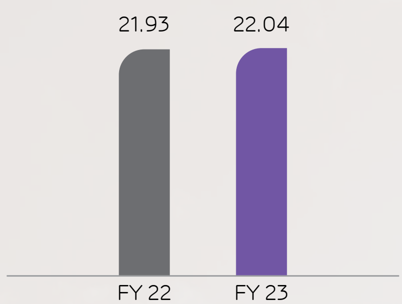
Total investment in training and development (₹ Crore)



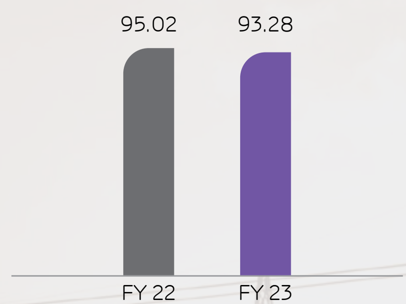
Percentage of the Company's employees covered by training programmes



Average experience (person years employees spent working in various companies and ATL)



Retention rate (%)



Our Safety Focus

ATL is an ISO 45001-certified company with a strong safety record supported by objectives towards achieving of 'No Fatality, No Injuries and No Excuses'. The primary safety risks arose from working at heights, high voltage substations and construction sites. The Company conducted in-depth reviews of each serious safety incident to explore reasons and avoidance. The Company mandated sub-contractors to fulfil safety requirements, developing technology options to monitor compliance. During the year under review, the Company recorded zero lost-time incidents and two unfortunate fatal incidents, which were investigated for root causes. Based on the findings, actions were implemented.

The Company deepened its safety orientation through the following achievement and initiatives:

Achievements

Green Tech International Safety Award 2023: Awarded for outstanding achievements in the 'Safety Excellence' category by Green Tech Foundation.

Apex India Occupational, Health, & Safety Award 2022: Adani Transmission Limited selected as Gold Award Winner under Apex India Occupational, Health, & Safety Award 2022 in transmission sector.

OHSMS Lead Auditors: Our efforts towards building capabilities in the field of Management Systems continues with developing lead certified auditors for various ISO standards. During FY 22-23, one such step was organised for ISO 45001-2018 (OH&SMS) Lead Auditor Course by Bureau Veritas. All the participants have cleared the examination and successfully completed the course and are now 'Certified Lead Auditors of ISO 45001 – Occupational Health & Safety Management System.

Initiatives:

Safety perception survey: A survey was conducted to gauge employee views on safety communication, safety awareness, safety assurance, safety governance, and felt leadership. The survey generated participation of over 90%; the findings helped develop a comprehensive action plan.

Multilingual SMS portal: A multilingual SMS portal was established to deliver group safety alerts in Hindi, Telugu and Bengali, touching over 3000 workers.

Monitoring of Vehicular Safety Through Digital Solution: A mobile-based application to identify high risk employees based on their driving pattern and counsel them in time to prevent accidents.

ATL MSQS: The Monthly Safety Quiz Series (MSQS) deepened Group Safety Standards. This bi-monthly initiative enhanced Adani Group Safety Standards awareness and established performance benchmarks.

Near-miss categorizations and its analysis: The Near-Miss Category has been assigned to various incidents reflected in the Daily Incident Report and has been analysed on monthly basis.

Positive #Safety Culture: Some 19 positive safety cases were shared over the course of the year aligned with the objective of achieving 'Zero Harm' and cultivate a 'Positive #Safety Culture'.

Mr. Tower: All employees connect through MS Teams for a group monthly discussion, addressing focus areas, safety excellence and performance updates. Senior managers participate, indicating their expectations.

Critical Vulnerability factors (CVF): The Company identified Critical Vulnerability factors based on reported incidents and their potential for recurrence. The addressal of these factors was monitored monthly, promoting a safer work environment.

Safety Interactive Session with Employee Family: A virtual session with family members was planned to support ON and OFF job safety. The session was organised virtually wherein employees with family members participated. More than 200 employees and family members participated in the session.

An awareness Session on Snake Bite and First Aid awareness: A comprehensive virtual session on snake bites and first aid encompassing all employees, conducted by the Group Occupational Health - Head and a dedicated team.

Information exchange: Communication with the team is facilitated through a dedicated email address (OHS. Transmission).

Training programme: A range of training programmes, including safety induction, physical first aid training at different sites, work at height and rescue training conducted by competent agencies, and electrical safety training are conducted.

An yearly calendar was circulated to all the sites pertaining to HSE themes, trainings and campaign.

Yearly activity calendar, 2022-23

Month	HSE theme for safe connect	HSE training	HSE campaign
April	Fire safety week observation	Permit to work	Fire safety
May	Summer preparation and allied safety	Gensuite reporting	Summer safety precautions
June	Monsoon preparation and allied safety	JSA and HIRA	Bird diverters and its importance
July	Physical inspection of PPEs	Material handling	Mansoon & electrical safety
August	Inspection of all electrical appliances	Hot work safety	Gharelu safety
September	Vehicle inspection	Height work(Including erection & stringing	Tree cutting and its measures
October	T&P testing	LOTO and hotline work	Transmission tower and line safety
November	Inspection of firefighting equipments	▪ Gensuite reporting	Diwali safety tips
December	Contractor evaluation on safety	▪ Machine guarding	Winter and foggy weather safety
January	Tool box talks	▪ Suraksha samwad	Flying kites and its safety
February	Legal requirements	▪ Excavation safety	Stubble burning and its safety
March	Safety week celebration	▪ Defensive driving	Road safety

Safety Meetings and Communications

Daily Morning meetings: The Company holds morning meetings at the Head Office, during which the team discusses incidents reported in the previous 24 hours (as outlined in the auto generated Gensuite report).

Safety Risk Field Audits (SRFA): These were conducted weekly across sites to assess overall safety performance. These audits served as a comprehensive evaluation of site safety, identifying potential risks and improvement areas.

Town Hall meetings: A series of Town Hall meetings were chaired by the Managing Director, serving as a platform for open communication with all employees.

Safety committee meetings (discussion on safety aspects and initiatives at the site level).

Business safety council meeting: On a bi-monthly basis, the business safety council meeting discusses on defined taskforce Key Performance Indicators (KPIs) related to various safety aspects at the business level.

Evaluation of contractors: A rigorous assessment of contractors was conducted, adhering to the Contractor Safety Management standards. This evaluation ensured that only qualified and safety-conscious contractors were selected.

Performance monitoring and target management

Performance monitoring is done through;

a. MIS (Management Information System), prepared on monthly basis comprising of various parameters of both Leading and lagging Indicators.

b. The management of health and safety against previous targets and industry benchmarks is ensured by Safety Performance Indicator Scorecard (SPIS) through lagging indicators, Assurance & Leadership. SPIS is a score card wherein all the companies across Adani group are ranked based on their performance on various parameters. ATL stood in the top three position.

c. Comparison of leading and lagging indicators on a YTD basis

d. Management of health and safety against previously targets and industry benchmarks is ensured through.

e. External benchmarking was also done when we made our presence by competing for Greentech safety excellence & Apex India Safety Awards 2023.

Community safety

To reduce accidents due to work at height, road related incidents and electrical safety, a comprehensive safety behaviour was emphasised. The 'Safety Culture' concept was conceived by Mr. Anil Sardana, Managing Director of ATL. The concept is aimed at developing community safety programmes wherever the Company operates. Various programmes comprised the following:

The 34th National Road Safety Week, held from January 11th to 17th, 2023, was observed by Adani Group to raise awareness regarding road safety and promote caution. The site teams participated in road safety promotional activities.

The Company also organises the 52nd National Safety Week annually from 4th to 11th March 2023.

STRAP

The ATL strategic action plan was developed with seven priorities based largely on inputs from the ATL Safety Perception Survey 2022, guidelines from Group safety and inputs from senior leadership.

The strategic direction of the business is guided by the implementation of the Strategic Action Plan (STRAP). This comprises elements like the deployment of safety policy and strategic objectives, aligned with the organization's goals. A robust system monitors and audits safety systems and performance, a proactive identification of improvement areas. A systematic approach establishes and reviews training programs, focusing on competence building. Through the diligent execution of STRAP, the organization aims to foster safety, enhanced performance, and sustainable growth.

Occupational, health and safety governance structure

ATL's governance structure proposed six task forces on specific and focused subjects of safety excellence with the objective to deploy a uniform safety standard across the group. Each task force comprised members responsible for smooth governance, name of taskforces and their roles are as follows:

Safety Standard, Rules, and Procedures

Roles: To review existing and development of new Standard Operating Procedures (SOP), revised as and when required. Conduct of a gap analysis to ensure the effective implementation of safety standards across sites.

Contractor Safety Management (O&M and Project)

Roles: To develop a Contractor Safety Management process and standard, to review and monitor monthly performance of Contractor Safety Management process for all sites based on KPI's and identify improvement opportunities, to create an awareness about the CSM process through various communication modes.

Logistics safety

Roles: To capture all driving and transport-related incidents on Adani Gensuite and quality investigation to incorporate learning to prevent reoccurrences. Adequate defensive driving safety training was completed.

Technology intervention Taskforce

Roles: To discuss and implemented technology-based solutions in eliminating hazards at workplace. Organised / conducted demonstrations across sites to understand the suitability of solutions. Explored new technology-based solutions in the power transmission sector.

Incident Management Task force

Roles: To review existing practices on incident reporting, investigation and the way learning is incorporated in the system to prevent reoccurrence, review quality, and facilitate deployment of benchmark practices.

Safety Interaction Task force

Roles: To continually review the effectiveness of safety interaction process and monitor the monthly performance at all sites for achieving world class safety performance.

Board focus and priority

- The Company prioritises prompt responsiveness to safety issues by promptly addressing and resolving them.
- To enhance perspectives and insights, internal and external stakeholders are consulted.
- Regular attendance in safety meetings is emphasised and active participation in incident investigations is encouraged.
- Recognizing achievements and safe behaviour is promoted to foster a positive safety culture.
- Compliance with wearing the required Personal Protective Equipment (PPE) is enforced.
- Ensuring that employees and contractors are adequately trained and have a clear understanding of acceptable safety standards is a priority.
- Appropriate systems are established to manage any instances of failure to meet agreed safety standards.
- Periodic management reviews are conducted to ensure effective oversight.
- Regular safety inspections are carried out in a visible manner, promoting engagement and awareness throughout the organization.

Team composition

The ATL safety team consists of four members who report to the Business Safety Head.

Periodic reporting to stakeholders

ATL recognises the importance of engaging with stakeholders, both internal and external, to understand their needs and collaborate in minimizing risks. Regular reporting is conducted to keep stakeholders informed, maintain social legitimacy, enhance credibility, and establish trust.

Evaluation of high-risk contractors: High-risk contractors undergo thorough annual evaluation before the start of a project and upon completion of projects. This evaluation process is carried out through an online contractor safety management portal, ensuring compliance with safety standards, and mitigating potential risks.

Mock drills

Mock drills are conducted on a quarterly basis, simulating various scenarios to ensure preparedness and response in emergency situations. These drills cover a range of topics, including heavy rain (floods), snake bites, emergency evacuations, medical emergencies, fire accidents with the utilization of fire protective equipment, incidents involving bee and dog bites, electric shocks, encounters with local villagers, tower rescues (work at heights), vehicular accidents, heat strokes and earthquakes. These drills serve as valuable training opportunities to enhance the Company's ability to handle diverse emergency scenarios effectively. By practicing these scenarios regularly, the teams develop necessary skills, improve coordination, and strengthen their response capabilities.

Infrastructure

The Company's focus on safety includes making investments in suitable infrastructure and safety equipment and apparatus. This ensures the availability and utilization of appropriate personal protective equipment across operations. Additionally, it explores the use of technology-based solutions to enhance safety. By investing in the right equipment and apparatus, the Company aims to create a safer work environment and protect employees better.

Prevention measures

The Company takes necessary actions to address safety violations, ensuring compliance and accountability. These actions include implementing penalties as stipulated in contractual agreements and adhering to the Adani Consequence Management Policy (CMP).

The safety team is responsible for implementing various measures to promote safety throughout the organization. This includes conducting daily morning meetings with the Operations and Maintenance (O&M) team, as well as weekly safety meetings with the project team to discuss incidents reported in the Daily Incident Report.

Near-miss incidents, categorised as such in the Daily Incident Report, are analysed monthly to identify improvement areas.

To ensure that safety information reaches all employees, particularly those in remote locations, an SMS portal delivers safety alerts text messages in multiple languages to all workers at site.

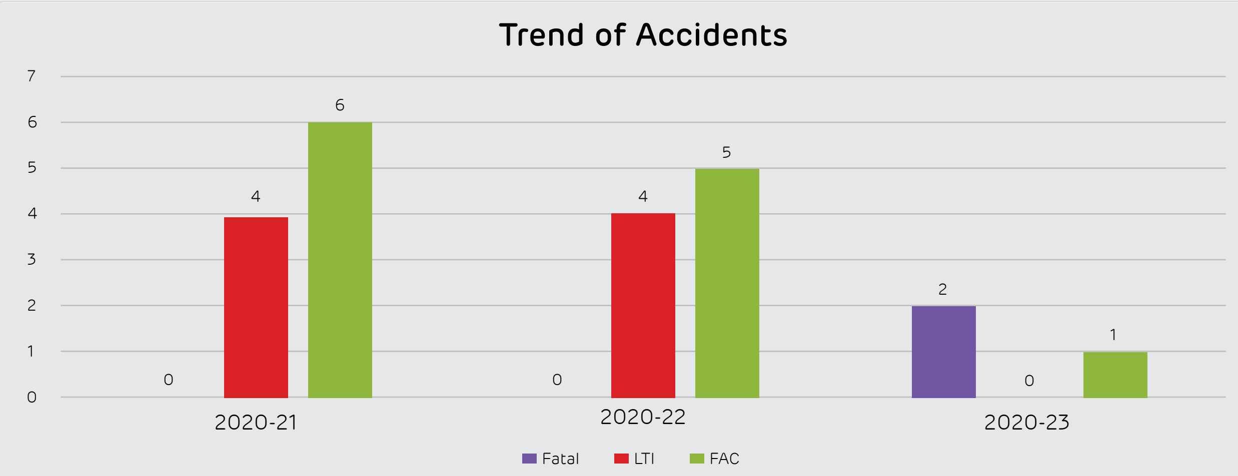
Safety audits

ATL conducts regular site safety audits, including internal, cross-functional, and external assessments. These audits improve safety practices.

- Safety Risk Field Audits are carried out weekly across all sites.
- Audits including ISO 45001 both internal and external are conducted regularly.
- The Head Office Safety team conducts monthly site safety audits according to the predefined schedule, covering all sites (including O&M and Projects); the findings are shared with the site team.
- A virtual cross-site audit assesses implementation and revalidation of various standards, strengthening practices.
- Safety assurance audits are conducted across projects and O&M by a competent external agency.

Reduction in fatalities

The Company employs a comprehensive Management Information System (MIS) that enables it to track key parameters: measuring the duration of accident-free periods, monitoring Lost Time Injury severity, LTI frequency rate, and other relevant metrics.



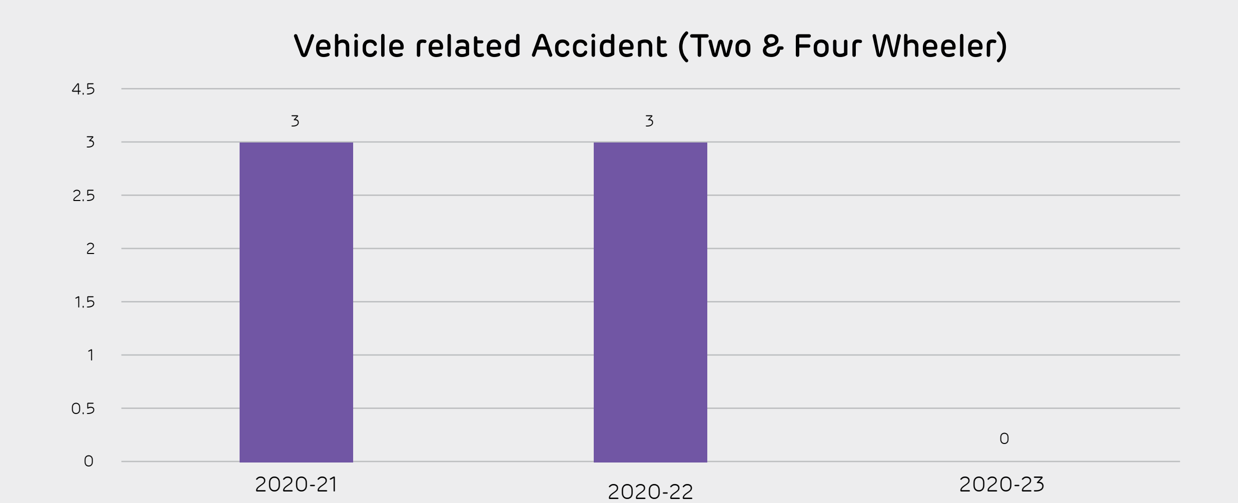
CASE STUDY

Vehicular safety application

Adani Transmission sites are situated in remote areas, requiring employees to travel long distances. They use two-wheelers and four-wheelers and the Company observed multiple accidents involving employees during their commute.

The Company proposed a smart safety solution aimed at analysing the driving behaviour of employees and providing counselling. The Company conducted a Proof of Concept (POC) for 19 days, involving six employees; the outcomes, which successfully fulfilled most of the business requirements, were presented to the management.

Following the trial process, licenses were issued to 200 employees with their consent, and the application's results were shared with the management bimonthly. Following implementation, there was a significant decline in road-related accidents (depicted in the graph).



Effective vendor management: Maximizing partnerships

Overview

As a sustainability-focused organization, ATL prioritises the social, environmental and service performance of vendors. Implementing a structured supply chain management process empowers the Company to manage the Environmental, Social and Governance (ESG) performance of suppliers. The Company's vendor onboarding process comprises pre-qualification criteria based on credentials, capability, safety adherence and statutory compliance. Regular audits ensure proactive risk management, while scorecards track parameters like delivery, performance, quality, safety and environmental impact. The Company expects supply chain partners to share its values and standards. With a responsible Supply Chain Management processes in place, the Company collaborates with partners to mitigate risks and improve responsible procurement practices.

- New vendor requests/ New explored vendors
- ESG & Quality Assurance(QA) clearance based on documentary evidence
- Factory assessment & Internal Evaluation
- Approval & Online Boarding

Key objectives

- Creating value for ATL and stakeholders comprising sourcing and procurement through effective collaboration, visibility and digitalization.
- Managing information, lifecycle, performance and communication between vendor and ATL
- Assessing new and existing vendors for quality assurance, safety, ESG, manufacturing and financial capabilities
- Assuring smooth and timely onboarding of vendors
- Providing ESG compliances and feedback to vendors to educate them about ESG goals
- Conducted factory assessments for 35 new vendors in FY-2022-23

Supplier Code of Conduct

ATL conducts business around the highest compliance and ethical standards. The Company engages with suppliers who uphold lawful and ethical practices, prioritizing human rights, labour rights, health and safety, information security, environment considerations & safeguards intellectual and other property rights of ATL. The Company's Supplier Code of Conduct serves as a guideline, communicating expectations, corporate values and culture. It encompasses environmental, social and governance standards, addressing child labour prevention, fair wages, occupational health and safety, environmental compliance, anti-corruption measures and business ethics. Effective ESG integration is achieved across the supply chain, with existing and potential suppliers required to comply with the Code of Conduct.

Achievements, FY 22-23

- A vendor meet was organised at the Company's headquarters in September 2022; key vendors were invited for the Company to understand their capabilities, new product development and grievances, if any.
- ATL's business and future path were communicated during the vendor meet.
- Engaged 68 vendors to disclose their environmental performance through CDP, making it the highest engagement among all Indian companies.
- Rate contract established with pan-India was contractors for deployment of resources (manpower & tools and plants) during emergency restoration arising out of unforeseen circumstances such as natural calamities for operational assets.

Vendor performance evaluation (VPE) and measurement

- The process aims to periodically review performance of the suppliers and service providers
- The VPE shall be conducted annually, based on the previous year's transactions
- A survey shall be conducted to derive user experiences
- For supply, a quality and delivery score will be generated; whereas for the service part, a service score will be generated in online portal.
- VPE shall be performed selectively for strategic vendors
- The vendor performance score shall be available on the Ariba platform
- The Company is engaged in vendor performance through an annual vendor meet and industrial events, in-person meetings for important packages, periodic interactions with senior management for long-term relationships and vendor scorecard for performance measurement.

Strategies implemented

- Due to competition in the Indian transmission sector, challenges were faced by major developers including ATL in the non-participation of major type-A EPC contractors in projects due to competitive bidding. The Company supported Type-B EPC contractors by providing manpower and financial support and developing them to execute large projects.
- This approach helped the Company grow into a leading developer in the transmission business as well as EPC vendors to mark their presence in the sector.
- A vendor meet was organised to understand the challenges, constraints and to enhance relationship between the buyer and sellers.
- Entered into strategic pre-bid tie-ups with vendors for the supply of transformers/ reactors, substation equipments, conductors etc. to safeguard ATL's interests going forward.

Ensuring compliance and effective contract management

- Skilled negotiation team works on contracts to mitigate ambiguity and protect finances and timelines
- Contractual obligations are managed by commercial terms and conditions like Liquidated damages, Corporate Performance Bank Guarantees and Performance Bank Guarantees; provision for productivity-linked performance-based contract (PLPBC) and flexible phase-wise payment terms for addressing vendor's cash flow.
- Adoption of an e-auction platform for providing fair bidding competition

Vendor assessments and quality audits

- Vendors are assessed across parameters like ESG, quality, financial stability, manufacturing and testing facilities, execution capability, adherence to legal and safety standards
- Post assessment, successful vendors are approved and onboarded and any improvement points, if applicable, are conveyed to vendors.
- In case of any rejection due to non-compliance, the same is mentioned in the report and once complied by the vendor with documentary and implementation evidence, a reassessment is done.

Vendor selection process: Assessing capabilities and ensuring alignment

The vendor selection process at ATL is designed to identify vendors who align with the Company's requirements. The process includes the following: Screening and market intelligence, ESG and manufacturing facility clearance, Financial stability and safety adherence, Quality assessment, Enquiries and techno commercial discussions, and Contracts finalization.

Mitigating vendor risks

- ATL focuses on exploring and developing suppliers to cater its requirements. This is important considering the regulatory compliances restricting major supplies from selected countries
- Enhance the vendor pool by onboarding more vendors for critical items.
- Digitalised and automated procure-to-pay process through SAP ARIBA

Collaborative vendor relationships and Feedback mechanisms

- ATL submits a Vendor Scorecard Report for vendor comments and feedback. This two-way channel helps introspect on methods and processes
- ATL explores, identifies, implements and sets standards to onboard new vendors likely to emerge as market leaders across respective fields
- ATL maximises the list of approved vendors by streamlining hassle-free and accurate onboarding methods in line with the Growth with Goodness positioning of Adani Group

Cyber risk management and data privacy

The big picture

In the modern world, most business processes are reliant almost completely on Information technology. Proper functioning of business processes requires confidentiality, availability and integrity of information to ensure safety and incorruptibility from malware, protecting it from being altered, accessed inappropriately, and illegally exploited.

According to the World Economic Forum global risk report, cyber threats are now among the biggest global risks. This report characterises cyber security as a blind spot for companies and governments. Cyber attacks are becoming more aggressive and widespread and Cyber security breaches now cost companies more than ever.

While the attacks on the IT infrastructure are becoming increasingly complex, the impact of the attacks on the OT (Operations Technology) side has also gained increased attention. In the case of the power sector, while the installation of Information and Communication Technologies (ICTs) devices has enabled better automation and control in the smart power system equipment, it has also made the system vulnerable to cyber threats. Recurring incidences of cyber security threats in India and other countries have enhanced the importance of a robust cyber security system in the sector which is of critical importance for the nation. The Government and regulatory agencies have also introduced several compliance requirements for power sector entities.

Our approach and policy framework

The Company's business processes and day-to-day functions are automated and interconnected through Information Technology. The core business operations also rely on ICT technology for efficient and reliable operation. As a result, it is essential for the organization to have a robust cybersecurity system that protects it from cyber risks.

The Company has undertaken a risk management-based approach to cybersecurity and has created a cyber security program based on the NIST Cyber Security framework (NIST-CSF) and ISO-27001:2013 Standard. The Company intends to maintain its position as a technology leader through an 'information and cyber security policy' that pledges to introduce measures to promote a cyber security culture throughout the organization by encouraging the secured use of cyber assets and reinforcing the capacity to detect, prevent, defend and respond to cyber-attacks.

This policy covers not only information technology systems, but also protection of industrial control systems, whether operated by its own personnel or supported by third party operations. The policy comprises cybersecurity rules underpinned by the Company's cyber security structure; the policy is reviewed annually.

The Company has established a dedicated cyber security function spearheaded by the Chief Information Security Officer (CISO) who reports to the senior management. The CISO is responsible for defining, leading, and supervising the cyber security program. The Company's cybersecurity strategy prioritises the identification, analysis, and response to known, anticipated or unexpected cyber threats, effective management of cyber risks and resilience against cyber-attacks. The Company strives to improve cyber security across three dimensions - people, processes, and technology.

Our governance structure

At Adani Transmission, our 'Three Lines of Defense' model provides a systematic approach to govern and oversee cyber risk management, ensuring a coordinated approach with appropriate segregation of duties. Roles and responsibilities have been defined for these lines of defense, making it possible for the Company to streamline cybersecurity into a single centralised governance program under the CISO.

Functions such as SCADA (Supervisory control and data acquisition) operations, and Information Technology make up the first line of defense. These business functions identify any cyber risk in their projects and operations. The respective line managers are responsible for managing cyber risk in their respective functions and complying with the security policy.

The Second Line of Defense is created by the cybersecurity function, responsible for ongoing monitoring of the design and operation of controls in the first line of defense. The function provides advice and facilitates risk management activities. It is also responsible for setting policies, monitoring, and reporting the status of the cybersecurity program to the senior management.

The Third Line of Defense is created by Independent Assurance responsible for assuring senior management over both the first- and second-line's efforts. This line includes internal auditors and external auditors.

The Company's coordinated three lines of defense risk management model has continuously evolved to ensure that adequate protections and controls are in place and are being monitored to secure infrastructure and information assets. Cyber risks and security program performance are regularly reviewed by senior management.

The Board of Directors have created a focused Info Tech and Data Security committee which is reported to on the status and performance of the cybersecurity program on periodic basis by the CISO. The committee discusses the emerging trends in the cyber domain and monitors the incidents happening in other sectoral players.

Our cybersecurity culture

ATL believes in the philosophy of 'Forewarned is forearmed' and in line with this principle, ATL strives to promote a strong cybersecurity culture throughout the organization, ensuring that all levels of the organization have the training and knowledge necessary to minimise cyber risk.

The Company conducts a mandatory cyber security awareness course to provide a basic level of awareness about the acceptable usage of information assets and common cyber security best practices. The cybersecurity training program encompasses live training sessions and e-learning modules covering the cyber security domain; employees involved with the ICT infrastructure are considered for specialised cyber security training.

The Company sends routine awareness emails to all employees to make them aware of instances of cyber-attacks and cyber frauds. The Company also conducts periodic simulated phishing campaigns phishing campaigns to test the susceptibility of users to social engineering attacks. Users found at risk are trained to make them aware of the prudent practices to handle such attacks.

Our processes

The Company has aligned its cybersecurity processes with the industry best practices and has set up an information security management system, which conforms to the ISO-27001:2013 standard and has been certified compliant with this international standard.

The cyber risk management process at ATL is effectively integrated within the organization Risk Management Framework. The top-level cybersecurity policy further integrates into the second level of policies, which specifically address the requirements in the control domains of the discipline. The Company annually reviews ISMS policies to keep them updated and relevant. The Company conducts audits to ensure the conformance of on-ground practices with the stated policy.

The Company is also running a business process management (BPM) initiative to create enterprise architecture for cybersecurity and streamline process flows by eliminating inefficiencies and wastage.

Our technology infrastructure

ATL protects its technology infrastructure through the deployment of multiple technical controls including the CIS (Center for Internet Security) critical security controls. These controls include:

Inventory and control of enterprise assets: ATL actively manages all enterprise information assets (end-user devices, network devices and servers etc.) connected to its infrastructure physically, virtually, remotely, and those within cloud environments, to accurately know the totality of assets that need to be monitored and protected.

Inventory and control of software assets: ATL actively manages all operating systems and applications installed on its' information assets so that only authorised software is installed and executed, and that unauthorised and unmanaged software is identified and prevented from installation or execution.

Data protection: ATL has established mechanisms to identify business sensitive data and protects it during rest and transit. The Company uses endpoint encryption to protect data in the case of asset theft. The Company monitors and tracks the transfer of sensitive data.

Secure configuration of enterprise assets and software: ATL maintains secure configuration of enterprise assets (end-user devices, network devices and servers) and software (operating systems and applications) to ensure that misconfigurations are avoided, and attack surface of the assets is reduced.

Continuous technical vulnerability management: ATL has implemented a comprehensive technical vulnerability management solution to continuously assess and track vulnerabilities on all enterprise assets. The cybersecurity team also monitors public and private industry sources for new threat and vulnerability information.

Network segmentation: ATL has segmented its' enterprise network into multiple logical zones according to the type of assets and their security requirements. This allows granular control on the flow of traffic between these zones, enforce security policies and isolate infected assets.

Malware defense: ATL has deployed security controls at multiple levels (Endpoints, Email gateway, Secure email gateway etc.) to protect against installation, spread, and execution of malicious applications, code, or scripts.

Audit log management: ATL collects and retains audit logs of computer systems and network devices that could help detect, understand, or recover from an attack. These logs are periodically reviewed.

Email and internet access protections: ATL has deployed email security solutions to scan incoming and outgoing emails for phishing and spamming attacks. All internet access traffic originating from ATL information assets is inspected to detect any anomalous or malicious traffic.

Application software security: ATL performs detailed analysis of CIA (Confidentiality/ Integrity/ Availability) rating for all enterprise level applications. Security assessment of applications is performed to prevent, detect, and remediate security weaknesses before they can impact the enterprise.

Identity and access management: ATL manages the lifecycle of user identities from creation to deletion. The Company protects user identities against password compromises by using multi-factor authentication. Privileged identities, including administrator accounts, are secured, and monitored using a privileged account management technology. The Company provisions the access to systems on the principle of least privilege.

Monitoring and assurance

The Company has implemented continuous control monitoring to assess the adoption and performance of security controls. A dedicated Security Operations Center (SOC) has been established for performing continuous monitoring of the cyber security posture to detect and respond to any security incident. ATL also monitors its external attack surface using industry leading solution to get an external picture of its' technology landscape and close any visible issues.

ATL has engaged CERT-IN empanelled Auditors to perform a third-party audit of its ICT landscape. This provides an independent view of the organization's cybersecurity posture and helps to meet and exceed the industry's cyber security best practices.

The Company engages with a variety of external stakeholders on initiatives to share threat information and participate in a wide range of industry collaborations and briefings on cyber security. These partnerships include major vendors in cybersecurity domains, sectoral CERT in the Power-Transmission sector and major consultancy firms.

Incident response and Business continuity framework

The Security Operations Center (SOC) is the single point of contact for reporting any cybersecurity incident happening across the organization and is operational round-the-clock. The Company has developed standard playbooks to handle cyber incidents and formulated a Cyber crisis management plan (CCMP) in line with the directions of CERT-In (Computer emergency response team – India).

The Company considers business continuity as one of the critical success factors of the organization and has established a business continuity management system (BCMS) to manage various risks which can disrupt the business. This management system conforms to the requirements of International Standard ISO-22301:2019 and has been certified for conformance.

ATL suffered no impact on its business from any cyber incidents or security breaches during the year under review.

Customer data protection

ATL believes that customers are the true owners of their data and without their consent no data can be collected, processed, or used by any corporate entity.

ATL transparently educates customers on data use (including the nature and purpose of customer information captured and the protection of data and information) to ensure data protection. The Company reported no customer privacy breaches during the year under review.

Consumer data protection methods / process and governance at AEML

Adani Electricity Mumbai Ltd serves over twelve million consumers spread across 400 sq. kms in Mumbai and its suburbs with 99.99% reliability through state-of-the-art solutions deployed for its internal and external customers. AEML set industry benchmark for peers across parameters like customer satisfaction and customer data privacy through the adoption of global practices. AEML saw no cyber security threats in FY 22-23.

The customer data is stored and exchanged through following applications:

- Customer data is stored in SAP-ISU and CRM applications.
- Customer data from SAP-ISU is exchanged through various services to website, Mobile Application, Payment aggregators, Chatbot services.

AEML implemented various global standards like ISO 27001, ISO 22301, ISO 27031, ISO 20000-1 to ensure that all the policies and procedures are aligned to achieve Confidentiality, Integrity, and Availability (CIA) of data as per information security practices, business continuity for its customers and achieve higher customer satisfaction.

AEML implemented processes to streamline its data centre operations, services to internal / external customers, as per global standard practices which are regularly assessed by AEML's internal governance team and certified by third party vendors.

Data centre process

- All SAP-ISU and CRM servers are in a militarised zone (MZ) behind the firewall
- All devices in the server farm are hardened as per global CIS benchmark for their operating systems.
- The servers are protected through state-of-the-art Endpoint Detection and Response (EDR) solution and web proxy.
- Periodic cyber security assessment of server farm devices is carried out through CERT-In empaneled vendor which includes vulnerability assessment, penetration testing and configuration review.
- AEML conducts annual cloud security review through Cert-In empaneled vendor to identify and mitigate any vulnerability, misconfiguration on Cloud Infra thus improving the overall Cyber Security Posture of the organization.
- AEML has subscribed to a cyber security rating agency that measures the organization's cyber security posture using an outside-in model.
- Privilege Identity Management (PIM)/Privilege Application Management (PAM) is implemented for monitoring and recording of server administrative access.
- The data stored on Storage Access Network (SAN) is stored in an encrypted format.
- All the critical servers are deployed in a high availability mode to ensure redundancy.
- Regular data backup is carried out of critical systems and tested at regular intervals.
- Regular cyber threat alerts are received from CERT-In. Adani Group cyber team has subscribed to Cyber Threat Intelligence (CTI) services. All alerts are closed in a defined timeline.
- Annual DC-DR drill is conducted to ensure business continuity.
- Annual cyber security mock drill is conducted to assess incident response mechanism.
- AEML has deployed Cyber Safe backup (Airgap) solution to protect the backup from any Ramsomware attack.

OT security assessment

AEML conducts an annual cyber security assessment through Cert-In empaneled vendor as per the directions of MoP which includes:

- OT Infrastructure Review, Configuration review, Gap and Risk Assessment
- Technical Security Assessment which includes OT network security architecture review, OT device configuration review, passive vulnerability assessment for OT network and passive VA of IT-OT convergence network
- Conduct IT-OT segregation analysis
- Provide security enhancement recommendations-based gaps and observations identified during the assessment
- OT awareness training and cyber exercises
- Review Cyber Security Crisis Management plan as per the guidelines of NCIIPC

AEML deployed secured Patch Management System (PMS) to ensure that all the critical security OT system patches are deployed without any manual intervention.

AEML achieved hard segregation of IT-OT Network.

Mobile and web application process-external customers

AEML implemented Web Application Firewall to protect against sophisticated DDoS and web application attacks.

All AEML public IPs are black boxes, daily scanned for vulnerabilities and patched as per criticality.

All customer data, exchanged externally for mobile/web application, is encrypted using HTTPs (SSL certificates) protocol

AEML deployed an SIEM solution, monitored 24x7 by internal security operations Centre (SOC) team, which streamlined visibility across the organisation's environment; investigate log data for incident response to cyber-attacks and customer data breaches.

Periodic mobile and web application security assessment is carried out through a CERT-In empaneled vendor.

Website and associate services are protected through a strong password policy

All customer privacy data is masked when shared publicly.

AEML has a Role Based Authorisation Control (RBAC) assigned to users in SAP, CRM. RBAC improves overall security as it relates to compliance, confidentiality, privacy, and access management to resources and other sensitive data and systems. The RBAC are reviewed periodically and assigned to user based on the role changes.

Email applications and endpoints – internal customers

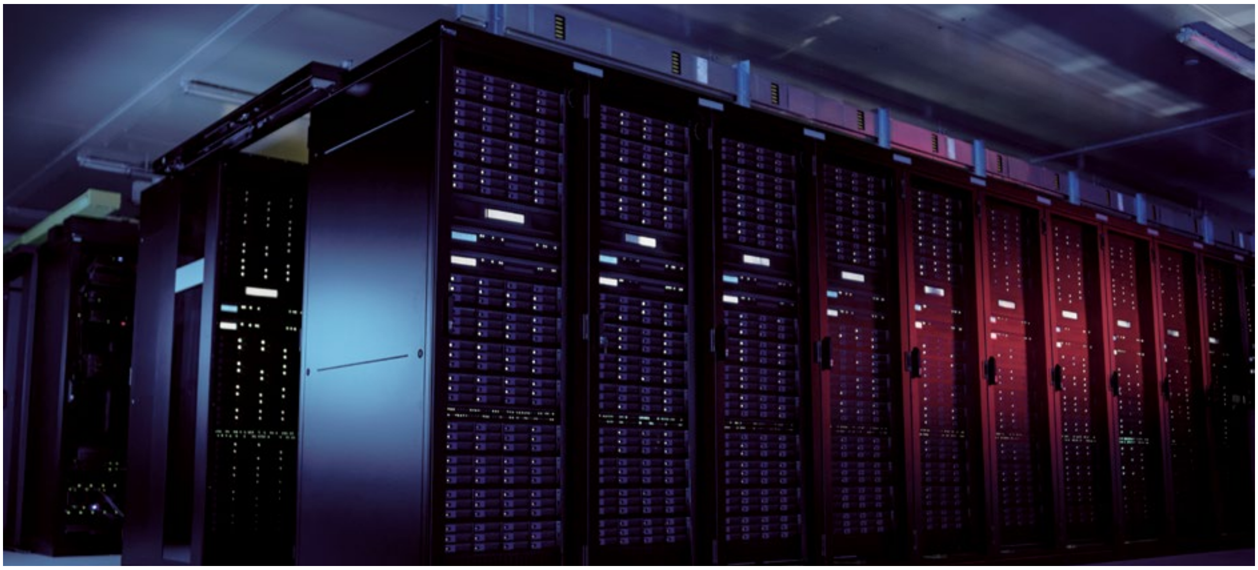
- All endpoints are protected through State-of-the art Endpoint Detection and Response (EDR) solution, which are configured in blocking mode.
- Web proxy solution is deployed to apply all corporate IT policies on endpoints while employees are working from home.
- Data Loss Prevention (DLP) and Digital Rights Management (DRM) solutions are deployed to prevent any leakage of critical customer data.
- All endpoint drives are encrypted (Bitlocker) to protect them from unauthorised access and require multi-factor authentication to access
- The endpoints are deployed with multi-factor authentication
- The authorised employees are provided VPN connections with MFA enabled to access the corporate IT applications while working from home
- AEML has deployed a security patch management solution to ensure that the endpoints are patched with the latest security patches even while employees are working from home.

Process

- AEML is certified for global process standards like ISO 27001, ISO 22000-1, ISO 27031, and ISO 22301.
- AEML conducts simulation exercises (Red Teaming) to simulate real-world attackers to identify vulnerabilities and strengthen our defenses before a real attack occurs.
- AEML initiated an initial Data Privacy assessment as per the Draft Data Privacy bill.

Governance

- All vendors handling the customer database need to sign Non-Disclosure Agreement (NDA)
- AEML regularly performs Cyber Program Management (CPM) activity through its CERT-In empaneled vendor EY to assess, benchmark and align its processes with global industry standards.



Our core customer-centricity culture

Customer satisfaction

Continuous customer feedback and engagement is essential for AEML's business to understand changing customer expectations and enhance service excellence.

Customer grievance redressal mechanism

The Company's customer orientation is reflected in its proactive complaint's redressal.

Mechanism to address customer queries

To ensure that consumer grievances are resolved with speed, we follow a robust consumer redressal process flow.

AEML customer service touch points

AEML offers touch points where consumers can interact for any information or complaint:

- Mobile App: Adani Electricity Mobile App
- WhatsApp: 9594519122 and say 'Hi'
- Genius Pay Self Help Kiosks Virtual Customer Care Centres (interaction through video call facility)
- Call us 24 x 7 Toll Free Call Centre (help line) number: 19122
- Email: consumercare@aeml.com
- Elektra - Digital Assistant on Website, Facebook Messenger and WhatsApp
- Missed call: 1800532 9998
- Website: www.adanielectricity.com
- SMS service: Send Power to 7065313030 AEML also responds to the voice of the customer on social media platforms and stays connected with consumers through its official social media handles:
- On Twitter @adani_elec_ MUM
- On Facebook @ AdaniElectricityMumbai
- On LinkedIN as /adanielectricity
- On Instagram @ adanielectricitymumbai
- On You Tube / AdaniElectricityMumbaiLimited 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.

First level of response

- AEML endeavors to resolve complaints in the first customer interaction. The Company has trained executives to understand consumer issues and respond with preliminary information.
- In case the customer is not happy with the first resolution, the case is assigned to the respective process team to respond.
- In case the consumer is not happy with the process team, the complaint is put to an internal complaint redressal system (ICRS). All escalations are assigned to divisional heads of AEML.
- All complaints are escalated to the next level in case they are not responded to within defined timelines.
- Internal complaint redressal system (ICRS)
- A customer can approach ICRS through a web-based module where the consumer can raise the complaint with the documents and track the complaint
- Consumers can visit www.adanielectricity.com and click on the register your complaint with

us tab available on the homepage. This option is also available under 'My account for consumers' once they login to their accounts.

- Once the consumer registers a complaint, a complaint number will be generated and will be sent to the consumer's registered mobile number
- AEML derived a multilevel escalation matrix for consumers; in case a consumer raised a complaint and is not happy with complaint resolution, the consumer possesses the option to escalate to the next level, division head and subsequently CGRF.
- Call complaints are automatically escalated to the next level in case they are not responded to within the defined timelines against each escalation level

Consumer Grievance Redressal Forum (CGRF)

- Along with specifying mandate for defining norms and standards for performance and monitoring of the same, the Electricity Act 2003 (Sec 42) lays down a grievance redressal structure.
- If a consumer is not satisfied with the remedy provided by ICRS Cell to the grievance or where no remedy has been provided within such a period, the consumer may submit the grievance to the Forum.
- The web-enabled CGRF module works as a consumer-friendly complaint registration and tracking system. A consumer can register a grievance and track redressal.
- A grievance may be submitted by a consumer in an appropriate format with an undertaking form signed and documents supporting the grievance.
- The required formats with undertaking are available on the web portal in easy-to-fill / download / upload formats.
- A consumer can login a grievance on the web-portal by duly filled necessary information and prescribed format with undertaking. Grievances submitted through the portal will have an auto generated tracking number and the consumer may track the complaint status through a tracking number.
- Grievance submitted will get scrutinised/required suggestions intimated to the consumer by resubmission of the grievance, if any.
- Grievances received with required and complete information will be registered in CGRF and a CASE number will get generated.
- As per timelines, a nodal reply will be submitted by the Nodal Officer on the portal and the consumer, can file a rejoinder.
- A hearing is scheduled. CGRF (certified) minutes copy / order copy is uploaded on the portal and sent to the consumer vide e-mail or hard copy. The grievance process gets a closure.
- Required intimations in process are sent to consumers through any electronic mode as preferred by the consumer.
- As per Clause #10 of MERC (CGRF & EO) Regulations, 2020 Forum Order can be reviewed.
- Copy of MERC (CGRF & EO) Regulations, 2020 has been uploaded on CGRF portal in English and Marathi.
- Forum contact details: Consumer Grievance Redressal Forum Adani Electricity Mumbai Limited Devidas Lane, Off. S.V.P. Road, Near Devidas Telephone Exchange, Borivali (West), Mumbai 400103. Tel No.: 022- 50745004 CGRF Office Time: 10.30 a.m. to 4.30 p.m. E-mail: Consumerforum.mumbaielectricity@adani.com CGRF Website: cgrf.adanielectricity.com (For Details) AEML website: adanielectricity.com (Also for complaint login thro' ICRS & CGRF)

Electricity ombudsman

In case the customer's grievance is not redressed to satisfaction by the first two forums, a customer might make a representation for redressal to the Electricity Ombudsman appointed by the MERC within 2 months from the date of the order of the Forum. The address of the ombudsman was as follows: 606, Keshav Building, 6th Floor, Bandra Kurla Complex, (BKC), Bandra (East), Mumbai 400 051, Maharashtra. Email ID: electricity ombudsman mumbai@gmail.com We made available details of the Electricity Ombudsman on our website as well. External assurance was conducted for data across material ESG indicators as per the policy of ATL with the objective to include in the Integrated Annual Report and website.

CORPORATE SOCIAL RESPONSIBILITY

ATL is committed to making world a better place

Overview

At ATL, we have been serving communities across western and northern India since inception. The Company operates in 14 States and has been instrumental in realizing the dreams of thousands through the Adani Foundation, the corporate social responsibility arm of the Adani Group.

Since 1996, the Adani Foundation has remained committed to strategic social investments with sustainable outcomes. The Foundation has been making interventions in the spaces of Education, Health, Sustainable Livelihoods, Skill Development and Community Infrastructure in line with national priorities and global Sustainable Development Goals (SDGs).

The Foundation is known for its innovative approach to problem-solving. It challenges the status quo and adopts new solutions that lead to sustainable impacts. By building institutions of people and focusing on sustainability, the Foundation contributes to the dignity, well-being and wealth of the communities surrounding Adani businesses and beyond. As it continues to grow and evolve, the Foundation is positioned to address the emerging needs of New India. It is currently operating in 5,753 villages across nineteen states, positively impacting 7.3 Mn lives.

Our vision

To accomplish a passionate commitment to social obligations towards communities, fostering sustainable and integrated development, thus improving quality of life.

Our mission

To play the role of a facilitator for the benefit of the people without distinction of caste or community, sector, religion, class, or creed in the fields of education, community health, and promotion of social and economic welfare and upliftment of the people in general.

Yearly activity (₹ crore)

Contribution to Communities	FY 22-23	FY 21-22	FY 20-21	FY 19-20	FY 18-19
Community Social Investment	33.09	23.14	25.99	18.14	17.91

CSR activities in FY 22-23

Meri Sangini, Meri Margdarshika, Nagpur (Maharashtra), Sirohi and Jalore (Rajasthan)

This one of a kind initiative of the Adani Foundation aims to bring positive changes in the lives of rural Indians. The project provides information and awareness on critical social welfare government schemes related to employment, health, women's financial inclusion, and education. The success of the Indian government's welfare schemes are dependent on their effective implementation, and the Meri Sangini, Meri Margdarshika (MSMM) Project has been successful in ensuring scale, sustainability, enhanced information and awareness. The project is contributing to social and economic development. Through this project, the Adani Foundation has demonstrated its commitment to social development. As a process of the project, MSMM Sanginis (community facilitating women) are trained in regular field visits, baseline family data collection, focused group discussions, and village events to spread information about government schemes. These Sanginis build connect and rapport with government departments to facilitate leverage of relevant scheme.

Capacity building measures

The Adani Foundation designed training for Sanginis with the following objectives:

- To build knowledge of project goals, methodologies and outcomes
- To transfer skills in project management, monitoring and evaluation, communication and team building
- To build confidence, motivation and leadership capabilities.

Activities under MSMM (Nagpur, Sirohi & Jalore)

- Regular field visits by the Sanginis covering village level institutions such as anganwadi centers, schools, community health centers and panchayats towards fostering a deeper understanding of the community requirements. These Sanginis also conduct Group meetings to encourage and motivate females to take on more active roles in their communities. They also raise awareness about the importance of girl education and obtaining legitimate documentation to avail benefits of applicable government schemes.
- A series of village-level events and activities were organised to raise awareness about education, health, and hygiene. The events covered various health topics such as nutrition, disease prevention and personal hygiene.
- The Adani Foundation conducted community-led initiatives such as tree-plantation to improve life quality for residents.
- MSMM Sanginis helped rural beneficiaries get documents (PAN card, Aadhar card, domicile certificate, income certificate, Jan-Dhan account, caste certificate and ration card). The Foundation liaised with government departments, CBO, and CSC centres to facilitate the process.

- Sanginis extend help in filing forms and submissions for benefits of Atal Pension Yojana, widow pension verification, old age pension verification, Palanhar Yojana, PM Kishan Samman Nidhi etc.

Impact of MSMM (Nagpur)

- The team organised more than 13 camps for enrollment to avail of the 'Ayushmaan Bharat' scheme with more than 500 enrolled.
- 812 people availed benefits of convergence with government schemes. Cumulative schemes value was ₹32 Crore and benefits availed was ₹16 Lakh (in the last quarter of the reporting year)
- Two campaigns were organised in enrolling for 'Pradhan Mantri Jivan Suraksha Bima Yojana' and 'Pradhan Mantri Jivan Jyoti Bima Yojana'; over 75 enrolled

Impact of MSMM (Sirohi and Jalore)

- 3155 people were covered through over 100 awareness campaigns and events comprising information related to education, health and government schemes.
- 453 people received government cards and certificates necessary to apply for government schemes.
- 1777 people registered for different government schemes (yearly monetary benefit and one lifetime monetary benefit – as per schemes terms and conditions)
- 1534 people availed of benefits of a total value of ₹30.02 Crore

CASE STUDY

Improving the menstrual hygiene of Leela Devi (Sirohi)

Leela Devi lived in a house with six siblings. She accompanied her mother to work but never went to school. She was married at 14. She continued using the same cloth each month during her menstrual cycle, unaware of the health hazards. Things changed when she met a Sangini who informed Leela about menstrual hygiene and the benefits of sanitary pads. Leela learnt of ways to use and dispose sanitary pads. The Sangini then helped her get sanitary pads from the anganwadi center, transforming her perspective and practice.

Facilitating the benefit of government schemes

Uma Ram, a farmer in Pithapura village (Sirohi) lives with his wife Manju Devi and four children. The family relied solely on the income generated from the farm. Tragedy struck when Uma Ram was injured and the cost of medical treatment became prohibitive. Sangini Gudiya came to his aid who had previously helped another family connect with the Chiranjeevi Yojana; she shared all relevant information with Uma Ram. Uma Ram was now able to choose a suitable hospital for his operation, which was paid for by the Chiranjeevi Yojana card. This action saved Uma Ram's family from a large expense and helped him get working again.

Swabhimaan Initiative (Malad & Mira Road), Mumbai

The Adani Foundation is promoting entrepreneurship in women. Through Swabhimaan, the Foundation is bringing together the women from economically weaker sections (domestic helps, housewives, micro unit workers, health assistants) to unite and excel. In Malad area, the initiative has brought 1500 women together to form 100 Entrepreneurship Self Help Groups (ESHGs). Each woman saves ₹150-200 in the account of her ESHG. Collectively over the period of 3.5 months, these women have managed to save ₹6.5 Lakh. These ESHGs are regularly provided with sessions on financial literacy, bank linkages, soft skills, bank linkages, marketing and entrepreneurship. Below are some of the highlights of this FY:

- 20 ESHGs are ready for gradation with banks.
- 20 days trade-based training – 55 women availed of the benefit.
- 21 women were supported with sewing machines.
- Bank linkages agreement was signed with BOI, HDFC Bank, IDBI Bank, and Saraswat Bank.

Highlights of the Mira Road Swabhimaan Initiative:

- Entrepreneurship and trade-based training to over 300 women from Mira-Bhayander area of Mumbai
- Sessions on product development and marketing conducted by Ms. Sneha Bhalerao, President Ghe-Bharari, CMRC, Mira Bhayander
- Women received training in mop making, artificial jewelry, home décor & candles, dry masala, ready to eat products, detergent & phenyl making, herbal hair products making, mosquito repellent making, designer bags making etc.
- ESHGs women invested ₹65,000 collectively and earned ₹118,700 through various entrepreneurship initiatives
- 10 days of training in Warli Art to 30 women fetched a collective earning of ₹25,000 through a 15-day project

Promoting education

Apne Sapno Ki Oar Ek Kadam - Balika Shiksha Campaign (Nagpur, Sirohi and Jalore)

At ATL, we believe that providing girls and women with access to education is critical to development. It empowers girls and women to make informed decisions. It opens opportunities for them to become entrepreneurs, leaders, innovators and professionals.

The Balika Shiksha campaign has objectives: To promote the rights of the girl child and improve their position in society. It raises awareness about the importance of girl education and their rights, emphasizing the role of education in women's empowerment. The efforts are directed towards eliminating illiteracy, ensuring equal access to education and bridging the gender gap through education.

The campaign targeted school students, teachers, anganwadi workers and community members through rallies, poster-making and essay competitions. In Nagpur, it touched 1300 individuals directly while campaign messages reached more than 5200 people.

Promoting safety and nutrition

Poshan Vatika (Nagpur)

The Adani Foundation organises nationwide campaigns to enhance nutritional awareness. It is promoting Poshan Vatika (Nutrition Garden) at the household level for easy access to vegetables. The Foundation organised nutrition awareness sessions in coordination with ANM and ASHA workers. It facilitated group discussions on the importance of healthy and nutritious food.

It provided vegetables seeds kits to 145 women across 14 self-help groups. Although the initiative focuses on the consumption of vegetables grown at Poshan Vatikas, some families enjoyed a surplus harvest that they sold and made a profit. More than 50 women sold vegetables and earned ₹500 to ₹900 in a week.

Support to women for income generation activities (Nagpur)

The Adani Foundation is skilling women in starting small businesses. In Nagpur, 78 women from 18 self-help groups were trained in making consumer products like incense sticks, candles, artificial jewelry etc. These women were provided exposure in financial literacy, marketing and linkages. The Foundation is also in the process of connecting these women with MSRLS and making their 'Udyog Aadhar'. The impact is that these women have started earning an average ₹2,500 per month by making and selling candles; women making artificial jewelry earn an average ₹1,500 per month.

First aid training (Nagpur)

The Adani Foundation identified one self-help group per village and trained (with the support of ATL staff) them in first aid, the initiative covering 130 women.

Healthy baby competition (Nagpur)

Some 657 children were evaluated across healthy child parameters and given gifts. More than 300 mothers participated.

Project Utthan

It was initiated in Mumbai in 2021 with 60 BMC schools, to reach 12,000 children. This educational initiative strengthens foundational literacy and numeracy in primary school students from underprivileged background. This is done by appointing Utthan Sahayaks i.e., supplementary teachers who strive to make learning more joyful.

In association with Mandke Foundation

Kokilaben Dhirubhai Ambani Hospital support was provided to patients coming from economically weaker sections of the society towards treatment of congenital heart diseases, cochlear implant procedures at Kokila Ben Hospital (through Mandke Foundation).

The patients are screened through pediatric heart camps and audiology camps organised in various towns, talukas, and tehsils of states like Maharashtra, Gujarat, Madhya Pradesh, Chhattisgarh etc. At these camps, the patients in the pediatric age groups are screened for heart diseases through use of clinical protocols, and 2-D Echo testing for identifying patients in need of heart procedures / surgeries. Similarly, patients suffering from congenital hearing impairment and loss of speech are screened clinically and with the help of various audiology equipment. To ensure mass participation in these screening camps, Mandke Foundation partners with various government agencies like RBSK, District Program Offices and with NGOs like Rotary International, Lions International, and local organizations.

Process

Once the kid requiring the pediatric heart procedures or cochlear implant surgery is identified, he is provided with the dates for procedures and aligned with a dedicated social workers' team for required coordination and support. The kid along with the family is assisted in the logistics with respect to transport and stay at the hospital, post which the surgery / procedure is carried out.

On arrival at the hospital, the kid and the family are oriented with the hospital facilities and housed in the dedicated ward. A preoperative fitness test and final screening for the patient is conducted post the same surgery / procedure is planned. The surgery /procedure is conducted by a team of specialist / super specialist doctors for pediatric heart surgery or cochlear implant based on the need of the patient. Mandke Foundation employs doctors on a full-time basis and they are available round the clock at the hospital for providing services to the patient. The outcome of every surgery is measured, and benchmarked against the global practices of Philadelphia Children's Hospital as well as with Boston Children's Hospital.

Post-surgery follows up care for the pediatric heart patient as well as cochlear implant procedure is ensured by the hospital though dedicated follow up OPDs as well as diagnostics test. In case of cochlear implant procedure specialised audiology training workshop as well as speech therapy is organised by Mandke Foundation in association with local doctors for ensuring the best outcome to the patient.

Till date approximately 475 pediatric heart surgeries and cochlear implant procedures have been conducted by the Mandke Foundation with the help of funds provided by CSR of Adani Group.

Projects undertaken under CSR in Dahanu

Education

School Praveshotsav

We planned to welcome 1st STD students with a welcome kit via 'School Praveshotsav' activity in 62 Zilla parishad schools of Dahanu block where 1,050 children were covered. The kit consists of a school bag, slate, pencil, drawing book, scale, and color box. Receiving something on the first day of school was a motivation for the children.

BaLA painting project

BaLA – talking walls promotes 'choice based" & self learning in schools. It gives a colorful ambience to the school. We identified 10 ZP schools and carried out projects in coordination with Teachers. The classrooms are painted with standard-wise content with creative paintings & content, general knowledge is covered with common walls and lobby.

Students benefited - **600 No.**

Teachers benefited - **22 No.**

Total schools - **10 No.**

Community Health

Drudgery reduction of women is always our priority. Biomass stove is one of the activities which is specially implemented to reduce the health issues of women. The choola is scientifically designed for fuel efficiency and comfort of women, portability makes it more popular & user friendly among women. For the year we have planned and implemented 100 units in 3 identified panchayats.

Medical camps

We are committed towards a healthy society and wellbeing of the community. There are comparatively nice facilities available for general & basic health care in the town and area. Specialty Medical camps were organised in association with Indian Medical Association, Dahanu

Cancer detection camp

The camp was organised by us in coordination with Rotary club-Dahanu.

- Total pre-registered patients: 110 (Male-58, Female- 52)
- cancer Detection (Male): 6
- cancer Detection (Female): 5

The patients were referred to Mumbai for further diagnosis

and treatment.

Diabetic retinopathy detection camp

The Diabetic Retinopathy detection camp was organised by us and Indian Medical Association at IMA house Dahanu.

The camp was organised where a total of 76 participants attended & screened.

Primary Detection: 30

Cataract detected: 18

Retinal issues: 12

Glasses and dilated refraction: 27

Optical coherence tomography (OCT): 9

Mental Wellness Programme

The camp was planned where Seminar and personal counselling sessions were conducted on the topic of "Mental Health & Wellness" in association with Indian Medical Association, Dahanu, at Sau. S.R.K M.B.B.I. College of Vadkun, Dahanu.

- Number of participants: 120 students
- Individual counselling: 16 students
- Question received from drop box: 230

CPR & basics of emergency management training:

Hands on training of CPR & onsite emergency management had organised us and Indian Medical Association, Dahanu.

A total of 110 auto drivers participated in the sessions.

Mega Medical Camp:

A Mega Medical camp was organised by Sub-District Hospital, Dahanu. The camp has more than 15 specialist doctors with diagnostic and medication facilities, the camp has provision of referral services for further care. The camp was organised for 4 days, details as below:

Installation of Water Filter unit:

Potable water is a basic need of any community. As a series on coastal villages / habitats we provided Industrial water filter unit at – Agwan, Kharbavpada. More than 450 families would benefit from pure potable water facility.

Integrated Tribal Development Program, Dahanu

This is one of the flagship projects of Adani Dahanu Thermal Power Station (ADTPS). In the year 2015, it took shape as Wadi Project – an integrated tribal development project in Dahanu block of Palghar district. The main objective of this comprehensive project is to create opportunities for gainful self-employment for the tribal families. This was done with financial support from the Adani Foundation and NABARD (Pune), implemented by BAIF Institute.

The major challenges that tribal families face in the region are low land holding, soil degradation, high agriculture input costs, problems of pests and diseases, limited credit availability and unfavourable market situations. All these factors put together made the farming here less profitable. As a result, migration was a major trend as 78.7% families migrated for either brick making or sand dredging work.

In the initial phase, the task was to win the confidence of the tribal people. After a series of meetings with tribal families in different villages of the Dahanu block, the Foundation managed to convince 220 families to join hands. More people came under the fold of the Wadi project – 650 families in second year and 350 families in third year.

A detailed plan was made to facilitate integrated development including micro level economic activities, health, infrastructure, education, women empowerment, and community involvement along with agriculture-based livelihood promotion. A diversified horti-forestry and agriculture program was worked out and hence titled as Wadi program – including horticulture, forestry, vegetable cultivation and floriculture. It is designed to the needs of the tribal families to enable them to earn a sustained income.

The wastelands were developed into productive assets by plantation of fruit and forest. The species for plantation were chosen according to the suitability of the project area, and as per the preferences of the participating family. Various activities such as pit digging, manure filling, fruit plantation, forestry saplings, fencing, soil water conservation, water resource development, aftercare of plantation were conducted during the process of cultivation.

To help landless families in the region earn a sustainable and respectful livelihood, micro enterprise activities based on skill, service, agriculture, and trading were started. The micro enterprise activity of the family was finalised through discussions with the families considering their scope and current skill.

The Wadi project is bearing fruit now – the families in the region are no longer dependent on one sparse source of income. They are now adopting horticulture, floriculture, and vegetable cultivation to augment their earnings.

Below are the highlights of Wadi Project for the FY 22-23:

- 9 progressive beneficiaries have started sapling nurseries and earned ₹442,100 in 2 months.
- 10 vermi composting beds provided to farmers – total 25,000 KG production achieved; each farmer earned ₹2,500 after consumption of 50% produce at their own farms.
- Collective marketing of Jasmine – more than 200 farmers joined efforts, earning ₹10,000 per month (9 months of average income).
- Mango harvesting – more than 1,000 KG was harvested by each of the farmer & earned ₹3.50 Lakh in a season

Company Information:-

Board of Directors

Chairman
Gautam S. Adani

Non-Executive & Independent Directors
K. Jairaj
Dr. Ravindra H. Dholakia
Meera Shankar
Lisa Caroline MacCallum

Managing Director
Anil Sardana

Executive Director
Rajesh S. Adani

Chief Executive Officers (CEOs)
Bimal Dayal – Transmission Business (w.e.f. 02-Nov-2022)
Kandarp Patel – Distribution Business (w.e.f.02-Nov-2022)

Chief Financial Officer
Rohit Soni

Company Secretary
Jaladhi Shukla

Auditors
Deloitte Haskins & Sells LLP

Registered Office
Adani Corporate House, Shantigram,
Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
Website: www.adanitransmission.com

Committees

Audit Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Meera Shankar

Nomination & Remuneration Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Meera Shankar

Stakeholders' Relationship Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Rajesh Adani
Anil Sardana

Corporate Social Responsibility Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Meera Shankar
Anil Sardana

Risk Management Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Rajesh Adani
Anil Sardana

Mergers & Acquisitions Committee
Anil Sardana (Chairman)
K. Jairaj
Dr. Ravindra H. Dholakia

Legal, Regulatory & Tax Committee
Anil Sardana (Chairman)
K. Jairaj
Dr. Ravindra H. Dholakia

Reputation Risk Committee
Anil Sardana (Chairman)
K. Jairaj
Dr. Ravindra H. Dholakia

Corporate Responsibility Committee
K. Jairaj (Chairman)
Meera Shankar
Dr. Ravindra Dholakia

Public Consumer Committee
K. Jairaj (Chairman)
Dr. Ravindra H. Dholakia
Meera Shankar

Information Technology & Data Security Committee
Anil Sardana (Chairman)
K. Jairaj
Dr. Ravindra H. Dholakia

Bankers
Axis Bank Limited
Barclays Bank PLC
Citi Bank N.A.
Credit Suisse AG
DBS Bank Limited
Deutsche Bank AG
HDFC Bank Limited
ICICI Bank Limited
IDFC First Bank
Indusind Bank
Intesa Sanpaolo
JPMorgan
L&T Infra Debt Fund Limited
Mizuho Bank Limited
MUFG Bank Limited
Power Finance Corporation Limited
PTC India Financial Services Limited
Qatar National Bank (Q.P.S.C.)
Rural Electrification Corporation Limited
Siemens Bank
Societe General
Standard Chartered Bank
State Bank of India Limited
Sumitomo Mitsui Banking Corporation
The Hong Kong Mortgage Corporation Limited
YES Bank Limited

Registrar & Transfer Agents
5th Floor, 506-508, Amarnath Business Centre – 1 (ABC-1),
Beside Gala Business Centre,
Off C. G. Road, Navrangpura,
Ahmedabad – 380 009.
Phone: +91-79-26465179
Fax: +91-79-26465179

Directors' Report

Dear Shareholders,

Your Directors are pleased to present the 10th Annual Report along with the Audited Financial Statements of your Company for the financial year ended on 31st March, 2023.

Financial Performance Summary

The summarized financial performance highlight is as mentioned below:

(₹ in Crore)

Particulars	Consolidated		Standalone	
	2022-23	2021-22	2022-23	2021-22
FINANCIAL RESULTS				
Total Revenue	**13,840.46**	**11,861.47**	**1302.79**	**1440.67**
Total Expenditure other than Financial Costs and Depreciation	8775.11	7051.35	716.27	742.06
Profit before Depreciation, Finance Costs and Tax	**5,065.35**	**4,810.12**	**586.52**	**698.61**
Finance Costs	2781.47	2364.95	416.08	762.96
Depreciation, Amortization and Impairment Expense	1607.74	1427.15	0.15	0.26
Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year	676.14	1,018.02	170.29	(64.61)
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	1035.58	682.47	-	-
Profit Before Tax and Deferred Assets recoverable / adjustable for the period / year	**1,711.72**	**1,700.49**	**170.29**	**(64.61)**
Total Tax Expenses	435.33	436.06	0.01	-
Profit After Tax for the period / year but before Deferred Assets recoverable/adjustable	**1,276.39**	**1,264.43**	**170.28**	**(64.61)**
Deferred assets recoverable/adjustable	4.21	(28.68)	-	-
Profit After Tax for the period / year	1,280.60	1,235.75	170.28	(64.61)
Add / (Less) Share in Joint Venture & Associates	-	-	-	-
Net Profit / (Loss) after Joint Venture & Associates	1,280.60	1,235.75	170.28	(64.61)
Other Comprehensive Income				
- Items that will not be reclassified to profit or loss	(0.41)	16.37	0.00	0.08
- Tax relating to item that will not be reclassified to Profit & Loss	(8.36)	(2.89)	-	-
- Items that will be reclassified to profit or loss	(341.59)	(262.79)	(40.49)	(120.55)
- Tax relating to items that will be reclassified to Profit & Loss	48.73	(2.44)	-	-
Total Other Comprehensive Income / (Loss) for the year (Net of Tax)	**(301.63)**	**(251.75)**	**(40.49)**	**(120.47)**
Total Comprehensive Income / (Loss) for the year attributable to the Owners of the Company	**973.26**	**987.42**	**129.79**	**(185.08)**
Add / (Less) Share Non-controlling interests	5.71	(3.42)	-	-
Net Profit / (Loss) for the year after non-controlling interests	**978.97**	**984.00**	**129.79**	**(185.08)**
Balance carried to Balance Sheet	**978.97**	**984.00**	**129.79**	**(185.08)**

1. There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.
2. Further, there has been no change in nature of business of your Company.
3. Previous year figures have been regrouped / re-arranged wherever necessary.

Performance

Consolidated Financial Results

The Audited Consolidated Financial Statements of your Company as on 31st March 2023, prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and provisions of the Companies Act, 2013 ("the Act"), forms part of this Annual Report.

The key aspects of your Company's consolidated performance during the FY 23 are as follows:

Operational Highlights

Your Company, Adani Transmission Limited (ATL) is in transmission and distribution business. ATL is the country's largest private transmission Company, with a presence across 14 states of India and a cumulative transmission network of 19,779 ckm, out of which 15,371 ckm are operational and 4,408 ckm are at various stages of construction. ATL also operates distribution business, serving more than 12 million consumers in Mumbai and Mundra SEZ. With India's energy requirement set to quadruple in the coming years, ATL is fully geared to create a sustainable and reliable power transmission network and work actively towards serving retail customers and achieving "Power for All.

Your Company has evolved over the past few years. During the year under review, your Company has acquired following two companies which will bolster its pan-India presence, consolidating further its position as the largest private sector transmission Company in India and moving it closer to its goal of 30,000 ckt km of transmission lines by 2030.

1. WRSR Power Transmission Limited
2. Khavda II-A Transmission Limited

Your Company is constantly benchmarking to be the best-in-class and is pursuing focused approach to be world-class integrated utility through development agenda coupled with de-risking of strategic and operational aspects, capital conservation, ensuring high credit quality and forging strategic partnerships for business excellence and high governance standards. Your Company is maintaining 24x7 quality power supply despite challenges posed by health and pandemic issues. The journey towards robust ESG framework and practicing culture of safety is integral to its pursuit for enhanced long-term value creation for all stakeholders.

The following are some of the operational highlights for FY 23 –

- Added 1704 ckt kms to transmission network in FY 23 on account of organic and inorganic growth taking total network to ~19,779 ckt kms.
- Strong Transmission system availability at more than 99.7%.
- Distribution business ensured more than 99.9% supply reliability despite challenges on ground.
- Distribution losses were at 5.93% vs 6.55% in FY 2021-22.
- Consumer-centric initiatives in Distribution business continue with digital payment at 75% in FY 23 vs 69.7% in FY 22.

Financial Highlights:

Consolidated Performance on YoY basis -

- Cash Profit of ₹3,411 Crore, up 12%
- EBIDTA at ₹6,101 Crore, up 11%
- PAT at ₹1,281 Crore, 3.64% higher.
- Consolidated Operational EBITDA at ₹5,341 Crore vs. ₹ 4,659 Crore in FY22, up 15%
- Transmission Operational EBITDA at ₹3,243 Crore, up 9.27% with a margin of 91%
- Distribution Operational EBITDA at ₹2,098 Crore, up 24%

Standalone Financial Results:

On standalone basis, your Company registered Total Revenue of ₹1,303 Crore in FY 23 as compared to ₹1,441 Crore in FY 22.

The detailed operational performance of your Company has been comprehensively discussed in the Management Discussion and Analysis Section, which forms part of this Annual Report.

Proposal for Change of Name of the Company

Your Company has over the years evolved into a large entity duly capturing plethora of growth opportunities in Transmission, Distribution, Smart Metering, Power Solutions and Cooling solutions businesses. Your Company is ushering into the new exciting business arena while maintaining pioneer position in the Transmission & Distribution sectors. With a view to pursuing this growth journey in the energy solutions' business areas, the Board of Directors of the Company have approved the proposal to rebrand the Company as Adani Energy Solutions Limited (AESL), subject to requisite approvals of the shareholders and other regulatory authorities. The new identity aims to project the Company's over-arching expertise in various facets of Energy domain, as a solution provider for customers abrading entire spectrum of retail; commercial and industrial customers.

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.

Changes in Paid up Share Capital

During the year under review, your Company has allotted 1,56,82,600 Equity Shares of face value of ₹10 each at a premium of ₹2,444.95 per Equity Share by way of preferential allotment on a private placement basis.

Accordingly, paid up share capital of your Company stands increased from ₹1,099.81 Crore comprising of 109,98,10,083 Equity Shares of ₹10 each to ₹1,115.49 Crore comprising of 111,54,92,683 Equity Shares of ₹10 each.

Fixed Deposits

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of the financial year 2022-23 or the previous financial years. Your Company did not accept any deposit during the year under review.

Particulars of Loans, Guarantees or Investments

The provisions of Section 186 of the Act, with respect to a loan, guarantee, investment or security 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.

Subsidiaries, Joint Ventures and Associate Companies

Your Company had 38 direct subsidiaries as on 31st March, 2022. During the year under review, the following companies were acquired / incorporated -

Acquired –

- WRSR Power Transmission Limited from REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited).
- Khavda II-A Transmission Limited from REC Power Development and Consultancy Limited (formerly known as REC Power Distribution Company Limited).
- Adani Green Energy Thirty Limited acquired by Wholly owned subsidiary – Khavda Bhuj Transmission Limited from Adani Green Energy Limited.

New incorporation -

- Adani Transmission Step-Two Limited as a wholly owned subsidiary company.
- Adani Transmission Mahan Limited as a step-down subsidiary company.
- Adani Electricity Jewar Limited as a wholly owned subsidiary company.
- Adani Cooling Solutions Limited as a wholly owned subsidiary company.
- BEST Smart Metering Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Three Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Four Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Five Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Six Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Seven Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Eight Limited as a wholly owned subsidiary company.
- Adani Transmission Step-Nine Limited (Now Known as NE Smart Metering Limited)
- Adani Electricity Aurangabad Limited as a wholly owned subsidiary company.
- Adani Electricity Nashik Limited as a wholly owned subsidiary company.
- Adani-LCC JV (Partnership Firm with 20% Share)

In view of the above, the total number of Subsidiaries, as on 31st March 2023 was 55 and 1 Partnership Firm.

There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Act. There has been no material change in the nature of the business of the subsidiaries.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules framed there under and pursuant to Regulation 33 of the SEBI Listing Regulations, your Company has prepared Consolidated Financial Statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1, which forms part of this Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary companies shall be made available to the shareholders of the holding and subsidiary companies seeking such information on all working days during business hours. The financial statements of the subsidiary companies shall also be kept for inspection by any shareholder/s during working hours at the Company's Registered Office and that of the respective subsidiary companies concerned. In accordance with Section 136 of the Act, the Audited Financial Statements, including consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are being made available on the website of the Company, www.adanitransmission.com.

Pursuant to Section 134 of the Act read with Rule 8(1) of the Companies (Accounts) Rules, 2014 the details of developments of subsidiaries of the Company are covered in the Management Discussion and Analysis Report, which forms part of this Annual Report.

Management Discussion and Analysis

The Management Discussion and Analysis for the year under review, as stipulated under the SEBI Listing Regulations, is presented in a separate section forming part of this Annual Report.

Directors and Key Managerial Personnel

As of March 31, 2023, your Company's Board had seven members comprising of three Executive Directors and four Independent Directors.

The Board has two women Directors. The details of Board and Committee composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of the Company, Mr. Rajesh S. Adani (DIN: 00006322) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

The tenure of Mr. Anil Sardana as Managing Director of the Company was due for renewal w.e.f. 10th May, 2023. The Nomination and Remuneration Committee and the Board of Directors at their respective meetings held on 29th May, 2023 recommended and approved the re-appointment of Mr. Anil Sardana as Managing Director of the Company for a further period of 5 (Five) years w.e.f. 10th May, 2023, subject to approval of Members at the ensuing AGM. Terms and conditions for his re-appointment are contained in the Explanatory Statement forming part of the Notice of the ensuing AGM.

During the year under review, the Board of Directors on the recommendation of Nomination and Remuneration Committee, has appointed Mr. Bimal Dayal as the Chief Executive Officer – Transmission Business (Key Managerial Personnel) of the Company and Mr. Kandarp Patel as the Chief Executive Officer – Distribution Business (Key Managerial Personnel) of the Company w.e.f. 2nd November, 2022. Subsequent to above, Mr. Anil Sardana, Managing Director and CEO of the Company had relinquished the position of CEO to these two executives and continue in the capacity as Managing Director (KMP) of the Company with effect from 2nd November, 2022.

The Board recommends the appointment / re-appointment of above Directors for your approval. Brief details of Directors proposed to be appointed / re-appointed as required under Regulation 36 of the SEBI Listing Regulations are provided in the Notice of the ensuing AGM.

The Company has further received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and the SEBI Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Director during the year.

Number of meetings of the Board

The Board of Directors met 6 (six) times during the year under review. The details of board meetings and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Annual Report.

Independent Directors' Meeting

The Independent Directors met on 16th March, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of 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 management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Board Evaluation

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

At the Board Meeting that followed the above mentioned meeting of the Independent Directors, the performance of the Board, its Committees, and individual Directors was also discussed. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

Policy on Directors' Appointment and Remuneration

The Company's policy on Directors' appointment and remuneration and other matters ("Remuneration Policy") provided in Section 178(3) of the Act is available on the Company's website at https://www.adanitransmission.com/Investors/ Corporate-Governance.

We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy of the Company.

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 Financial Statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. that such accounting policies have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the Profit of the Company for the year ended on that date;

c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. that the Annual Financial Statements have been prepared on a going concern basis;

e. that proper internal financial controls were in place and that the financial control were adequate and were operating effectively;

f. that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Internal Financial Controls system and their adequacy

The details in respect of internal financial controls system and their adequacy are included in the Management and Discussion and Analysis Section, which forms part of this Annual Report.

Risk Management

The Board has formed a Risk Management Committee (RMC) to frame, implement and monitor the risk management plan for the Company. The RMC is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has an additional oversight in the area of financial risks and controls. The major risks identified by the businesses are systematically addressed through mitigation actions on a continual basis. Further, details are included in the separate section forming part of this Annual Report.

Board Policies

The details of the policies approved and adopted by the Board, as required under the Act and SEBI Listing Regulations are provided in **Annexure – A** to this report.

Corporate Social Responsibility (CSR)

Your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report. The updated CSR Policy is available on the website of the Company at https://www.adanitransmission.com/investors/corporategovernance. The Annual Report on CSR activities is annexed to this report.

Further, the Chief Financial Officer of the Company has certified that CSR spends of the Company for the financial year 2022-23 have been utilized for the purpose and in the manner approved by the Board.

Till 2017-18, your Company was preparing a separate Annual Report and Sustainability Report. This is the fifth year that we have combined both the reports into one, presenting financial and non-financial metrics in an integrated report, for a more holistic picture of our purpose, performance and prospects.

Corporate Governance

Your Company is committed to good corporate governance practices. The Corporate Governance Report, as stipulated by the SEBI Listing Regulations, forms part of this Annual Report along with the required Certificate from Practicing Company Secretary regarding compliance of the conditions of corporate governance, as stipulated.

In compliance with corporate governance requirements as per the SEBI Listing Regulations, your Company has formulated and implemented a Code of Business Conduct and Ethics for all Board members and senior management personnel of the Company (Code of Conduct), who have affirmed the compliance thereto. The said Code of Conduct, is available on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

Business Responsibility and Sustainability Report

The Business Responsibility and Sustainability Report (BRSR) for the year ended 31st March, 2023, forms part of this Annual Report.

Annual Return

Pursuant to Section 134(3)(a) of the Act, the draft annual return as on March 31, 2023, prepared in accordance with Section 92(3) of the Act, is made available on the website of the Company and can be assessed using the link https://www.adanitransmission.com/investors/investor-downloads

Transactions with Related Party

All transactions with related parties are placed before the Audit Committee for its approval. An omnibus approval from Audit Committee is obtained for the related party transactions which are repetitive in nature.

All related party transactions, entered into during the financial year under review, were on an arm's length basis and were in the ordinary course of business. Your Company has not entered into any transactions with related parties which could be considered material in terms of Section 188 of the Act. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act, in Form AOC 2, is not applicable.

The Policy on Related Party Transactions is available on the Company's website and can be assessed using the link https://www.adanitransmission.com/investors/corporate-governance.

General Disclosure

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions / events on these items, during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise.
2. Issue of Shares (Including Sweat Equity Shares) to employees of the Company under any scheme.
3. Significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operation in future.
4. Voting rights which are not directly exercised by the employees in respect of shares for the subscription/ purchase of which loan was given by the Company (as there is no scheme pursuant to which such persons can beneficially hold shares as envisaged under Section 67(3)(c) of the Act).
5. Change in the nature of business of your Company.
6. Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.
7. One time settlement of loan obtained from thebanks or financial institutions.

Insurance

Your Company has taken appropriate insurance for assets against foreseeable perils.

Statutory Auditors & Auditors' Report

Pursuant to the provisions of Section 139 of the Act read with rules made thereunder, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants (Firm Registration No. 117366W/W-100018) hold office as the Statutory Auditors of the Company until the conclusion of the 10th AGM to be held in the calendar year 2023.

As recommended by the Audit Committee, the Board of Directors of the Company have approved the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, (Firm Registration No. 001076N/N500013) as the statutory auditors of the Company to hold office for a term of five consecutive years till the conclusion of 15th Annual General Meeting of the company to be held in the year 2028, subject to approval of shareholders.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

Explanation to Auditors' Comment:

The Auditors' Qualification has been appropriately dealt with in Note No. 50 to the Standalone Financial Statement and Note No. 59 to the Consolidated Financial Statement.

Cost Auditors

Your Company to further the governance standards has appointed M/s. K V M & Co., Cost accountants (Firm Reg. No. 000458) as cost auditors to conduct the audit of the cost records of the business activities of the Company for the financial year 2023-24 on voluntary basis.

Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Act and the rules made thereunder, your Company has re-appointed M/s. Chirag Shah & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for FY 2022-23 is provided as **Annexure-B** of this report. There are no qualifications or reservations on adverse remarks or disclaimer in the said Secretarial Audit Report.

As per the requirements of the Listing Regulations, Practicing Company Secretaries of the respective material subsidiaries of the Company have undertaken secretarial audits of these subsidiaries for FY 2022-23. The Secretarial Audit Report confirms that the material subsidiaries have complied with the provisions of the Act, Rules, Regulations and Guidelines and that there were no deviations or non-compliances.

Secretarial Standards

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India.

Reporting of frauds by auditors

During the year under review, the Statutory Auditors and Secretarial Auditors have not reported any instances of fraud committed against your Company by its officers or employees to the Audit Committee or the Board, under Section 143(12) of the Act.

Particulars of Employees

Your Company, along with its operational subsidiaries, had 5,002 permanent employees and workmen on consolidated basis as on 31st March, 2023.

The percentage increase in remuneration, ratio of remuneration of each Director and Key Managerial Personnel (KMP) (as required under the Act) to the median of employees' remuneration, as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided as **Annexure-C** of this report.

The statement containing particulars of employees as required under Section 197 of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in a separate annexure forming part of this report. In terms of Section 136 of the Act, the report and accounts are being sent to the Members and others entitled thereto, excluding the said annexure which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

Prevention of Sexual Harassment at Workplace

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICCs) at all relevant locations across India to consider and resolve the complaints related to sexual harassment.

The ICCs include external members with relevant experience. The ICCs, presided by senior woman, conduct the investigations and make decisions at the respective locations. The ICCs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. During the year under review, there were no complaints pertaining to sexual harassment. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, as amended, is provided as **Annexure-D** of this report.

Acknowledgment

Your Directors are highly grateful for all the guidance, support and assistance received from the Government of India, Governments of various states in India, Financial Institutions and Banks. Your Directors thank all the esteemed shareholders, 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

Gautam S. Adani
Chairman
(DIN: 00006273)

Date: 29th May, 2023
Place : Ahmedabad

Annexure – A to the Directors' Report

Sr. No.	Particulars of Policies	Web-link
1.	Vigil Mechanism / Whistle Blower Policy [Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act]	https://www.adanitransmission.com/investors/corporate-governance
2.	Policy for procedure of inquiry in case of leak or suspected leak of unpublished price sensitive information [Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations]	
3.	Code of Practices and Procedures for Fair disclosure of unpublished price sensitive information [Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations]	
4.	Terms of Appointment of Independent Directors [Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act]	
5.	Familiarization Program [Regulations 25(7) and 46 of SEBI Listing Regulations]	
6.	Related party transactions [Regulation 23 of SEBI Listing Regulations and as defined under the Act]	
7.	Policy on Material Subsidiary [Regulation 24 of the SEBI Listing Regulations]	
8.	Material Events Policy [Regulation Regulations]	
9.	Website content Archival Policy [SEBI Listing Regulations]	
10.	Policy on Preservation of Documents [Regulation 9 of SEBI Listing Regulations]	
11.	Nomination and Remuneration Policy of Directors, KMP and other Employees [Regulation 19 of the SEBI Listing Regulations and as defined under Section 178 of the Act]	
12.	CSR Policy [Section 135 of the Companies Act]	
13.	Dividend Distribution and Shareholder Return Policy [Regulation 43A of the SEBI Listing Regulations]	
14.	Code of Conduct [Regulation 17 of the SEBI Listing Regulations]	
15.	Policy on Board Diversity [Regulation 19 of the SEBI Listing Regulations]	
16.	Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015.)	

Annexure – B to the Directors' Report

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Adani Transmission Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made hereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not Applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, Regulations 2018 (Not Applicable to the Company during the Audit Period);

(i) SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015;

(vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:

(a) The Electricity Act, 2003

(b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Circular Resolutions passed by the Board of Directors were noted / ratified by the Board of Directors at its subsequent meetings in accordance with the statutory provisions.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under review, the Company has passed following special resolution.

1. To Offer, Issue and Allot 1,56,82,600 Equity Shares on Preferential Basis.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545 CP No.: 3498
UDIN : F005545E000486553
Peer Review Cer. No.704/2020

Place: Ahmedabad
Date: 29th May, 2023

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure - A
to the Secretarial Audit Report

To
The Members
Adani Transmission Limited

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Chirag Shah
Partner
Chirag Shah and Associates
FCS No. 5545
C P No.: 3498

Place: Ahmedabad
Date: 29th May, 2023

Form No. MR-3

Secretarial Audit Report

FOR THE YEAR ENDED MARCH 31, 2023

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
ADANI ELECTRICITY MUMBAI LIMITED
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Adani Electricity Mumbai Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of Adani Electricity Mumbai Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the year ended March 31, 2023 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, 2023 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 15.06.2022 for approval of Audited Special Purpose combined Financial Statements of "The Obligor Group", comprising of the Company and PDSL for the year ended 31st March, 2022.

We further report that, during the audit period Circular Resolutions were passed on 09.07.2022 to consider various aspects of Adani Dahanu Thermal Power Station (ADTPS) in AEML portfolio.

We further report that, during the audit period Circular Resolutions were passed on 12.12.2022 for approval of Audited Special Purpose combined Condensed Interim Financial Information of "The Obligor Group", comprising of the Company and Power Distribution Services Limited ('PDSL) for the six months ended 30th September, 2022.

For Ashita Kaul & Associates
Company Secretaries
Proprietor
FCS 6988/ CP 6529
UDIN: 006988E000457341

Date: 26th May, 2023
Place: Thane

Note: This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

Annexure A

To
The Members,
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. wherever 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

Proprietor
FCS 6988/CP 6529
Peer Review: 1718/2022

Place:Thane
Date: 26.05.2023
UDIN: F006988E000457341

Form No. MR-3

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED ON 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
Maharashtra Eastern Grid Power Transmission Company Limited
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad 382421, Gujrat, India

I have conducted the secretarial audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Maharashtra Eastern Grid Power Transmission Company Limited** (CIN: U40100GJ2010PLC059593) (hereinafter called the Company). Secretarial Audit (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; not applicable

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; applicable

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; not applicable

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **not applicable**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **not applicable**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **not applicable**

(d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulation, 2014 (Not Applicable to the Company during the Audit Period); **not applicable**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **not applicable**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **not applicable**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **not applicable** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as applicable. **not applicable**

I have also examined compliance with the applicable clauses of the followings:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015. Not applicable

Other legislation:

1. The Electricity Act, 2003

2. The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to filing of certain e-forms with additional fees.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. I further report that based on review of compliance mechanism established by the Company and representation given by the Company, we are of the opinion that there are adequate systems and processes in place in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines;

I further report that during the audit period the Company has no specific events/actions having a major bearing on the company's affairs in pursuance to the above-mentioned laws, rules, regulations, guidelines, standard etc.

Note: This Report is to be read with our letter of even date which is annexed herewith and forms an integral part of the Report

For Vishal Thawani & Associates
Company Secretaries

Vishal Thawani
Proprietor Membership No.: 43938
C.P. No.: 17377
UDIN: A043938E000413109
Peer Review No.
S2016GJ435600

Place : Ahmedabad
Date : 01.05.2023

Annexure to Secretarial Audit Report

To
The Members,
Maharashtra Eastern Grid Power Transmission Company Limited
Adani Corporate House,
Shantigram Near Vaishno Devi Circle,
S. G. Highway, Khodiyar Ahmedabad - 382421

Management's Responsibility:

It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

The relevant records have been examined through or received by electronic mode and physical records were not inspected. However, necessary confirmation for the authenticity of the records received has been provided by the Company.

For, Vishal Thawani & Associates
Company Secretaries

Vishal Thawani
Proprietor
M. No. 43938
CP. No. 17377

Peer Review No. S2016GJ435600
UDIN: A043938E000413109

Date: May 01, 2023
Place: Ahmedabad

Form No. MR-3
Secretarial Audit Report
FOR THE FINANCIAL YEAR ENDED ON 31.03.2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members,
ADANI TRANSMISSION (INDIA) LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADANI TRANSMISSION (INDIA) LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit by using appropriate Information technology tools like virtual data sharing by way of data room and remote desktop access tools, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after. The physical Inspection or Verification of documents and records were taken to the extent possible.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (Not Applicable to the company during the Audit period):-

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

   i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Laws specifically applicable to the industry to which the company belongs, as identified by the management, that is to say:

   (a) The Electricity Act, 2003

   (b) The Grid Code, the grid connectivity standards applicable to the Transmission Line and the sub-station as per the Central Electricity Authority (Technical Standards for Connectivity to the Grid) Regulations, 2007, Central Electricity Authority (Technical Standards for Construction of Electrical Plants and Electric Lines) Regulations, 2010.

We have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchange(s);

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that during the year under review, the Company has passed following special resolution;

1. To appoint Mr. Rohit Soni (DIN:09336186) as Director of the Company.

For, Chirag Shah & Associates

Raimeen Maradiya
Partner
FCS No: 11283
C P No: 17554
Peer Review Cer. No. 704/2020

Place: Ahmedabad
Date: 05.05.2023
UDIN: F011283E000195973

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To
The Members,
ADANI TRANSMISSION (INDIA) LIMITED

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtain from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Chirag Shah & Associates

Raimeen Maradiya
Partner
FCS No: 11283
C P No: 17554

Place: Ahmedabad
Date: 05.05.2023
UDIN: F011283E000195973

Annexure – C to the Directors' Report

[Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the FY 2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the FY 2022-23:**

Name of Directors/KMP	Ratio of remuneration to median remuneration of Employees	% increase in remuneration in the financial year
Executive Directors		
Mr. Gautam S. Adani, Chairman	N.A.	N.A.
Mr. Rajesh S. Adani, Director	N.A.	N.A.
Mr. Anil Sardana, Managing Director	N.A.	N.A.
Non-Executive & Independent Directors		
Mr. K. Jairaj[1]	0.91:1	-
Mrs. Meera Shankar[1]	0.72:1	-
Dr. Ravindra H. Dholakia[1]	0.81:1	-
Mrs. Lisa Caroline MacCallum	N.A.	N.A.
Key Managerial Personnel		
Mr. Bimal Dayal, CEO (Transmission)[2 & 3]	N.A.	N.A.
Mr. Kandarp Patel, CEO (Distribution) [2 & 3]	N.A.	N.A.
Mr. Rohit Soni, CFO[3]	N.A.	N.A.
Mr. Jaladhi Shukla[3]	N.A.	N.A.

1. Reflects Directors' sitting fees.
2. Appointed as CEOs w.e.f. 2nd November, 2022.
3. Executive Directors and KMPs are not drawing any remuneration from the Company.

ii) **The percentage increase in the median remuneration of employees in the financial year:** 10%

iii) **The number of permanent employees on the rolls of Company:** 5,002 permanent employees on consolidated basis as on 31st March 2023.

iv) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

- Average increase in remuneration of employees excluding KMPs: 5.45%.
- Average increase in remuneration of KMPs: Not Applicable

v) **Affirmation that the remuneration is as per the Remuneration Policy of the Company:** The Company affirms remuneration is as per the Remuneration Policy of the Company.

Annexure – D to the Directors' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

(i) Steps taken or impact on conservation of energy:

- Mandate for use of LED lights at all new sites.
- Fixing of A.C. temperatures at 23 Degree Celsius to maintain balance of cooling without extra unnecessary consumption.
- Switching of space heaters in Marshalling boxes, BMK etc. during winters.
- Awareness and training of the staffs to avoid Energy wastage.
- High efficiency lighting control, motors, pumps, fans & ACs installed with BEE Rating/ Five star to reduce the Auxiliary Power Consumption
- Replace compact florescent lamp (CFL) with LED device
- Black film on windows with firm packing to prevent cooling loss, thereby providing more efficiency for Air conditioner.
- Improved insulation of AC coolant pipes.
- Use of photo-electric sensors for switching on/off lights for designated areas in the control rooms.

(ii) Steps taken by the company for utilizing alternate sources of energy:

Installation and commissioning of additional 1 MW solar in Mahendragarh sites.

(iii) Capital investment on energy conservation equipment:

NIL

B. Technology Absorption:

O&M:

- Adopting the best technologies in our business is essential in ensuring and maintaining global benchmarks in performance. We ensure this through our in house engineering and adopting best technologies available in the market.
- Commissioning of 12 Ohm series reactor in Mahendragarh
- Establishment of 4x500MVA, 400/220kV Jam Khambhaliya PS (GIS), Guj under Jam Khambaliya Transco Limited.
- Used Fipress fire prevention and monitoring technology to negate start of fire in confined spaces.
- Establishment of ENOC under process.
- Introduced Field force mobility solution for enhance tracking of workforce and PM activities.
- Installation of sensor TWFL system for automatic identification and localization of faults
- Finalization of sensorisation road map within ATL and implementation of Online DGA sensorisation activities at sites.
- Drone Thermal Scanning of ~14000 insulator strings at 400 kV Transmission line to early detect the defects and ensure healthiness of asset. Execution of task was 3 times faster than manual scanning with the help of drone.
- Usage of Robots in substations for autonomous surveillance at 400 kV Sami SS.
- Ensuring asset longevity through 765 kV Digitalisation project at Akola substation.
- Technology POC: Demo of Intelligent Wearables for assisting worker remotely, was conducted at Sami SS. The device had advanced features like live group discussion with site work executor, video or picture recording facility and other advance safety features.
- Robotic inspection for 400 kV Reactor (wirelessly controlled Robot). Critical findings helped to avoid equipment failure and corrective actions were immediately implemented.
- Control Switching Device installation on EHV circuit breakers to reduce switching transients and thereby help in asset longevity.

CQA:

- Android based QA observation application development is in process to capture, analyze & monitor real time quality observations. This initiative is merged with IPMS module.
- Drone/ UAV deployment is a continuous process & currently in progress at WKTL SPV for stringing final checking.

HSE:

- Monitoring of Vehicular safety through Digital solution – Purchase order is released and internal approvals on consent forms are under progress
- Monitoring of Safety aspects through smart wearables – Vendors are being finalized

IT:

- 12 Projects related to SAP Development completed.
- 01 Project related to web based COTS completed.
- 01 Project related to BI/ BO Reports completed.
- 01 Project related to Mobile application for business users
- 22 Location MPLS connectivity at new / existing site locations Completed

C. Foreign Exchange Earnings and Outgo:

The particulars relating to foreign exchange earnings and outgo during the year under review are as under:

₹ in Crores

Particulars	2022-23	2021-22
Foreign exchange earned	--	--
Foreign exchange outgo	297.18	526.13

Annexure
to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES AS PER SECTION 135 OF THE COMPANIES ACT, 2013 FOR FY 23.

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.adanitransmission.com/investors/corporate-governance.

2. Composition of CSR Committee :

Sr. No.	Name of Director	Designation/ Nature of Directorship	No. of meetings of CSR Committee	No. of meetings of CSR Committee attended during the tenure
1.	Mr. K Jairaj	Chairman	02	02
2.	Mr. Anil Sardana	Member	02	02
3.	Mrs. Meera Shankar	Member	02	02
4.	Dr. Ravindra Dholakia	Member	02	02

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.adanitransmission.com/-/ media/Project/Transmission/Investor/ documents/Policies/ATL-CSR-Report.pdf

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. a. Average net profit / (Loss) of the company as per section 135(5) : ₹(43.61) Crore

   b. Two percent of average net profit of the company asper section 135(5) : Nil

   c. Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : Nil

   d. Amount required to be set off for the financial year, if any : Nil

   e. Total CSR obligation for the financial year 22-23(6a+6b-6c) : Nil

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) — Not Applicable

(b) Amount spent in Administrative Overheads — Not Applicable

(c) Amount spent on Impact Assessment, if applicable — Not Applicable

(d) Total amount spent for the Financial Year [(a)+ (b)+ (c)] — Not Applicable

(e) CSR amount spent or unspent for the Financial Year: -

Total Amount Spent for the Financial Year. (in ₹)	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
Not Applicable	Not Applicable		Not Applicable		

(f) Excess amount for set-off, if any –

Sr. No.	Particulars	Amount (₹ in Crore)
(i)	Two percentage of average net profit of the company as per section 135(5)	Not Applicable
	Amount available for set-off for FY 2021-22	Not Applicable
	CSR obligation for the FY 2022-23	Not Applicable
(ii)	Total amount spent for the Financial Year	Not Applicable
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Not Applicable
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Not Applicable

7. Details of unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl No	Preceding Financial Year(s)	Amount transferred to unspent CSR Account under Section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the Financial Year (in ₹)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding Financial Years (in Rs).	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	FY-1	Not Applicable						
2	FY-2							
3	FY-3							

8. Whether any capital asset have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

O Yes ✓O No

If yes, enter the number of capital assets created/ acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
--	--	--	--	--	CSR Registration Number, if applicable	Name	Registered address
--	--	--	--	--	--	--	--

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135: Not Applicable

Anil Sardana
Managing Director
(DIN: 00006867)

K. Jairaj
Independent Director & Chairman of CSR Committee
(DIN: 01875126)

Annexure
to the Directors' Report
Corporate Governance Report

1. Company's Philosophy on Corporate Governance

Corporate Governance is about meeting our strategic goals responsibly and transparently, while being accountable to our stakeholders. Adani Transmission Limited ("the Company/ ATL") has a robust framework of corporate governance that considers the long- term interest of every stakeholder as we operate with a commitment to integrity, fairness, equity, transparency, accountability and commitment to values. The framework lays down procedures and mechanisms for enhancing leadership for smooth administration and productive collaboration among employees, value chain, community, investors and the Government.

Courage, Trust and Commitment are the Company's values and the main tenets of our Corporate Governance Philosophy -

- **Courage:** We shall embrace new ideas and businesses.
- **Trust:** We shall believe in our employees and other stakeholders.
- **Commitment:** We shall standby our promises and adhere to high standards of business.

The Company believes that sustainable and long-term growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations"), as applicable.

2. Board of Directors ("Board")

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical and accountable growth of the Company and constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities.

Composition of the Board

The Company has a balanced Board with optimum combination of Executive and Non-Executive Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprises of 7 (seven) Directors out of which 3 (three) Directors are Executive Directors and remaining 4 (four) are Independent Directors including two Independent Women Directors. The Independent Directors are Non-Executive Directors, as defined under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time.

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013 ("the Act"). All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Act.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

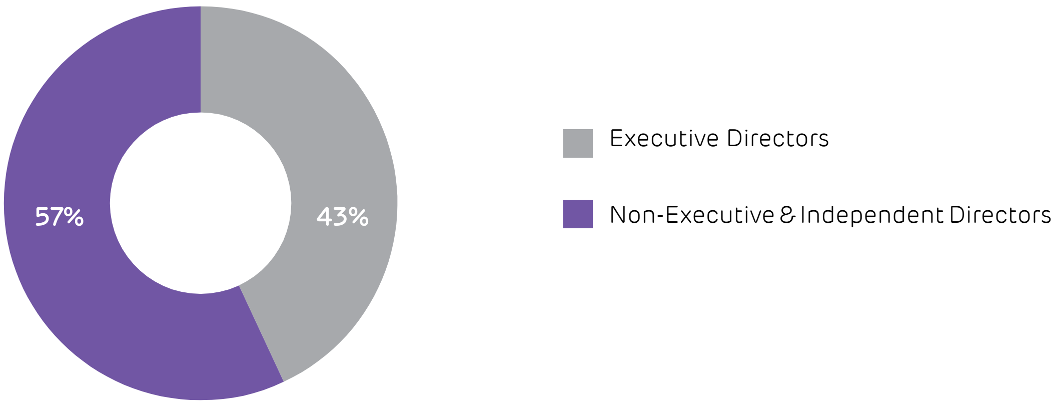
The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

None of the Directors is a director in more than 10 (ten) public limited companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/ she is a Director.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations, which requires that for a company with a chairman, who is a promoter, at least half of the board shall consist of independent directors and the board of directors of the top 1,000 listed companies, effective 1st April, 2020, shall have at least one independent woman director.

The composition of Board as on 31st March, 2023.

Board Composition



The compilation of the Board and the number of directorships and committee position held by the Directors as on 31st March, 2023, are as under -

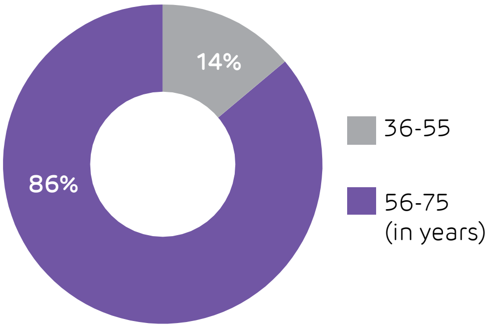
Name, Designation &DIN of Director	Age & Date of appointment	Category	No. of other Directorships held[1] (Other than ATL)	No. of Board Committees[2] (other than ATL) in which Chairman / Member.	
				Chairman	Member
Mr. Gautam S. Adani, Chairman (DIN: 00006273)	60 Years, 17.06.2015	Promoter Executive	6	-	-
Mr. Rajesh S. Adani, Director (DIN: 00006322)	58 Years, 17.06.2015	Promoter Executive	5	-	2
Mr. Anil Sardana, Managing Director (DIN: 00006867)	64 Years, 10.05.2018	Executive Director	6	-	-
Mr. K. Jairaj, Director (DIN: 01875126)	71 Years, 17.06.2015	Non-Executive (Independent)	9	2	7
Dr. Ravindra H. Dholakia, Director (DIN: 00069396)	70 Years, 26.05.2016	Non-Executive (Independent)	3	2	2
Mrs. Meera Shankar, Director (DIN: 06374957)	72 Years, 17.06.2015	Non-Executive (Independent)	3	-	-
Mrs. Lisa Caroline MacCallum, Director (DIN: 09064230)	51 Years, 30.11.2021	Non-Executive (Independent)	-	-	-

Notes :

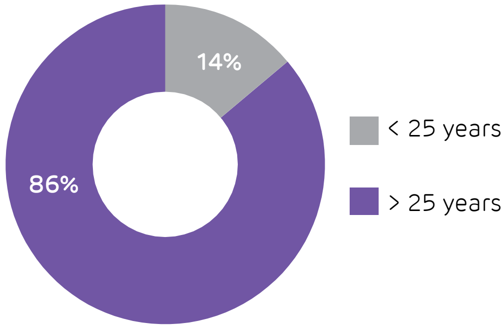
1. The directorships held by the Directors, as mentioned above excludes alternate directorships, directorships in foreign companies, companies under Section 8 of the Act and private limited companies which are not the subsidiaries of Public Limited Companies.
2. Represents Membership / Chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2023, none of the Directors of the Company were related to each other except Mr. Rajesh S. Adani, Director being a brother of Mr. Gautam S. Adani, Chairman.

Board Age profile and Board Experience is as under:

Board Age Profile



Board Experience



Profile of the Directors is available on the website of the Company at https://www.adanitransmission.com/about-us/board-of-directors.

Details of other listed entities where the Directors of the Company are directors as on 31st March, 2023 are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani (DIN: 00006273)	Adani Ports and Special Economic Zone Limited	Promoter & Executive
	Adani Transmission Limited	Promoter & Executive
	Adani Total Gas Limited	Promoter & Non-Executive
	Adani Power Limited	Promoter & Non-Executive
	Adani Green Energy Limited	Promoter & Non-Executive
	Ambuja Cements Limited	Non - Executive & Non - Independent
Mr. Rajesh S. Adani (DIN: 00006322)	Adani Ports and Special Economic Zone Limited	Promoter & Non-Executive
	Adani Transmission Limited	Promoter & Executive
	Adani Power Limited	Promoter & Non-Executive
	Adani Green Energy Limited	Promoter & Non-Executive
Mr. Anil Sardana (DIN: 00006867)	Adani Power Limited	Executive
Dr. Ravindra H. Dholakia (DIN: 00069396)	Gujarat State Fertilizers & Chemicals Limited	Non-Executive Independent
	Gujarat Industries Power Company Limited	Non-Executive Independent
Mr. K. Jairaj (DIN:01875126)	PCBL Limited	Non-Executive Independent
	RPSG Ventures Limited	Non-Executive Independent
Mrs. Meera Shankar (DIN: 06374957)	ITC Limited	Non-Executive Independent
	Pidilite Industries Limited	Non-Executive Independent
	JK Tyre & Industries Limited	Non-Executive Independent
Mrs. Lisa Caroline MacCallum (DIN: 09064230)	---	---

Board Meetings and Procedure

The internal guidelines for Board / Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. The Company Secretary in consultation with the Senior Management prepares the detailed agenda for the meetings.

Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. In order to transact some urgent business, which may come up after circulation agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board/ Committee meetings covering finance, major business segments and operations of the Company, terms of reference of the Committees, global business environment, key business areas of the Company including business opportunities, business strategy and the risk management practices, before taking on record the quarterly / half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company, as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board / Committee meetings are communicated to departments concerned promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee, for noting by the Board / Committee.

During the year under review, Board met six times i.e. on 8th April, 2022, 5th May, 2022, 3rd August, 2022, 2nd November, 2022, 6th February, 2023, and 16th March, 2023.

The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days. The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings and at the last Annual General Meeting held on 27th July, 2022, are as under:

Name of Director(s)	Number of Board Meetings held and attended during FY 2022-23		Attended Last AGM	% of Attendance
	Held	Attended		
Mr. Gautam S. Adani	06	05	Yes	83.33%
Mr. Rajesh S. Adani	06	06	Yes	100%
Mr. Anil Sardana	06	06	Yes	100%
Mr. K. Jairaj	06	06	Yes	100%
Dr. Ravindra H. Dholakia	06	06	Yes	100%
Mrs. Meera Shankar	06	06	Yes	100%
Mrs. Lisa Caroline MacCallum	06	06	Yes	100%

During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committee and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of Schedule V of the SEBI Listing Regulations.

Skills / expertise competencies of the Board of Directors:

The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the Company's strategy and evaluate operational integration plans
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders' interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual board members have been highlighted.

Name, Designation & DIN of Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology & Innovation
Mr. Gautam Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Rajesh Adani	✓	✓	✓	✓	✓	✓	✓
Mr. Anil Sardana	✓	✓	✓	✓	✓	✓	✓
Mr. K. Jairaj	-	✓	✓	✓	✓	✓	✓
Dr. Ravindra Dholakia	-	✓	✓	✓	✓	✓	✓
Mrs. Meera Shankar	-	✓	✓	✓	✓	✓	✓
Mrs. Lisa Caroline MacCallum	✓	✓	✓	✓	✓	✓	✓

Note - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

Directors' selection, appointment, induction and familiarisation:

As per the delegation given by the Board to the Nomination and Remuneration Committee (NRC) of the Company, consisting exclusively of independent directors, the NRC screens and selects the suitable candidates, based on the defined criteria and makes recommendations to the Board on the induction of new directors. The Board appoints the director, subject to the shareholders' approval.

All new directors are taken through a detailed induction and familiarization program when they join the Board of the Company. The induction program is exhaustive covering the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions.

Deep dives and immersion sessions are conducted by senior executives on their respective business unit / functions. Key aspects that are covered in these sessions include:

- Industry / market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

Meeting of Independent Directors:

The Independent Directors met on 16th March, 2023, 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 Chairman 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 Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, all the existing Independent Directors and the one who are proposed to be appointed/ re-appointed at the ensuing AGM, fulfil the conditions specified in the SEBI Listing Regulations and are independent of the management.

Remuneration Policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavours to attract, retain, develop and motivate the high-calibre executives and to incentivize them to develop and implement the Group's strategy, thereby enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i) Remuneration to Non-Executive Directors

Non-Executive Directors are paid ₹ 50,000/- as sitting fees for attending meeting of Board of Directors & Audit Committee and ₹ 25,000/- for attending other Committee meeting, along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

Other than sitting fees paid to Non- Executive Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive and Independent Directors of the Company. The Company has not granted stock options to Non- Executive and Independent Directors.

The Company has taken a Directors' & Officers' Liability Insurance Policy.

ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. The details of evaluation are captured in the Directors' Report, which forms part of this Annual Report.

iii) Remuneration to Executive and Promoter group Directors:

The Executive and Promoter group Directors are not being paid sitting fees for attending meetings of the Board of Directors and its Committees.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of Chairman and Whole-time Directors.

The Company has not granted stock options to the Executive Directors or employees of the Company.

Details of Remuneration:

i) Non-Executive and Independent Directors:

The details of sitting fees paid to Non-Executive and Independent Directors during the financial year 2022-23 are as under:

(₹ In Lakhs)

Name of Director(s)	Sitting Fees paid during FY 2022-23		Total	No. of Shares held as on 31st March, 2023
	Board Meeting	Committee Meeting		
Mr. K. Jairaj	3.00	8.75	11.75	-
Dr. Ravindra H. Dholakia	3.00	9.75	12.75	-
Mrs. Meera Shankar	3.00	6.50	9.50	-

ii) Executive Directors

None of the Executive Directors of the Company are drawing any remuneration from the Company.

Mr. Gautam S. Adani and Mr. Rajesh S. Adani (on behalf of S.B. Adani Family Trust) hold 60,16,34,660 Equity Shares of the Company, Mr. Gautam S. Adani and Mr. Rajesh S. Adani hold 1 (one) Equity Share each of the Company in their individual capacity.

Notes on Directors appointment / re- appointment

Mr. Rajesh S. Adani, Director is retiring at the ensuing AGM and being eligible, offers himself for re-appointment.

The brief resume and other information required to be disclosed under this section is provided in the Notice convening the ensuing AGM.

3. Committees of the Board

The Board Committees play a vital role in ensuring sound corporate governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review.

As on 31st March, 2023, the Board has constituted the following Committees / Sub-committees:

I. Statutory Committees

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders' Relationship Committee

D. Corporate Social Responsibility Committee

E. Risk Management Committee ("RMC")

F. Securities Transfer Committee

II. Non-Statutory Committees

With an objective of further strengthen the governance standards so as to match with internationally accepted better practices, the Board has constituted following additional Committees / Sub-committees -

G. Corporate Responsibility Committee

H. Public Consumer Committee

I. Information Technology & Data Security

J. Mergers & Acquisitions Committee (Sub-committee of RMC)

K. Legal, Regulatory & Tax Committee (Sub-committee of RMC)

L. Reputation Risk Committee (Sub-committee of RMC)

I. Statutory Committees

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

As on 31st March, 2023, the Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

SN	Terms of Reference	Frequency
1.	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	Q
2.	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company	P
3.	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees thereof	A
4.	To review, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:	
	A. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(3)(c) of the Companies Act, 2013	A
	B. Changes, if any, in accounting policies and practices and reasons for the same	Q
	C. Major accounting entries involving estimates based on the exercise of judgment by the management	Q
	D. Significant adjustments made in the financial statements arising out of audit findings	Q
	E. Compliance with listing and other legal requirements relating to financial statements	Q
	F. Disclosure of any related party transactions	Q
	G. Modified opinion(s) in the draft audit report	A
5.	To review, with the management, the quarterly financial statements before submission to the board for approval	Q
6.	To review, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus/ notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter	P
7.	To review and monitor the Auditor's independence and performance, and effectiveness of audit process	Q
8.	To approve or any subsequent modification of transactions of the company with related parties	P
9.	To scrutinise inter-corporate loans and investments	Q
10.	To undertake valuation of undertakings or assets of the company, wherever it is necessary	P
11.	To evaluate internal financial controls and risk management systems	Q
12.	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	Q
13.	To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit	A
14.	To discuss with internal auditors of any significant findings and follow up there on	Q
15.	To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board	Q
16.	To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern	Q

SN	Terms of Reference	Frequency
17.	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	Q
18.	To review the functioning of the Whistle Blower mechanism	Q
19.	To approve appointment of Chief Financial Officer after assessing the qualifications,	P
20.	To review financial statements, in particular the investments made by the Company's	Q
21.	To review compliance with the provisions of SEBI Insider Trading Regulations and verify that the systems for internal control are adequate and are operation effectively	Q
22.	To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	Q
23.	To oversee the company's disclosures and compliance risks, including those related to climate	Q
24.	To consider and comment on rationale, cost benefits and impact of schemes involving	P
25.	To review key significant issues, tax and regulatory / legal report which is likely to have significant impact on financial statements and management's report on actions taken thereon	P
26.	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	Q
27.	To review and recommend to the Board for approval – Business plan, Budget for the year and revised estimates	A
28.	To review Company's financial policies, strategies and capital structure, working	H
29.	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	Q
30.	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	A
31.	To review management discussion and analysis of financial condition and results of	A
32.	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	P
33.	To carry out any other function mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of the Audit Committee

During the FY 2022-23, six meetings of the Audit Committee were held on 5th May, 2022, 3rd August, 2022, 2nd November, 2022, 6th February, 2023, 16th March, 2023, and 30th March, 2023. The intervening gap between two meetings did not exceed 120 (one hundred twenty) days.

The details of the Audit Committee meetings attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	06	06	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	06	06	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	06	06	100%

All members of the Audit Committee have accounting and financial management knowledge and expertise / exposure. The Audit Committee meetings are attended by the Internal Auditors, Statutory Auditors and Chief Financial Officer.

The minutes of the Audit Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

The Chairman of the Audit Committee attended the last AGM held on 27th July, 2022 to answer the shareholders' queries.

B. Nomination and Remuneration Committee

As on 31st March 2023, all the members of the Nomination and Remuneration Committee (NRC) were Independent Directors. A detailed charter of the NRC is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of NRC are as under:

SN	Terms of Reference	Frequency
1.	To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees	A
2.	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	A
3.	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance	A
4.	To devise a policy on diversity of Board of Directors	P
5.	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal	P
6.	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors	A
7.	To review and recommend remuneration of the Managing Director(s) / Whole-time Director(s) based on their performance	A
8.	To recommend to the Board, all remuneration, in whatever form, payable to senior management	A
9.	To review, amend and approve all Human Resources related policies	A
10.	To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	A
11.	To oversee workplace safety goals, risks related to workforce and compensation practices	A
12.	To oversee employee diversity programs	A
13.	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	A
14.	To oversee familiarisation programme for Directors	A
15.	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	P
16.	To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency **A** Annually **P** Periodically

Composition, Meetings & Attendance of the Nomination & Remuneration Committee

During FY 2022-23, four meetings of the NRC were held on 4th May, 2022, 2nd August, 2022, 1st November, 2022, and 6th February, 2023.

The details of the NRC meetings attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	04	04	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	04	04	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	04	04	100%

The minutes of NRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

C. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee (SRC) comprise of four members, with a majority of independent directors. A detailed charter of the SRC is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of Reference:

The powers, role and terms of reference of SRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act. The brief terms of reference of SRC are as under:

SN	Terms of Reference	Frequency
1.	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	Q
2.	To review the measures taken for effective exercise of voting rights by shareholders	A
3.	To review adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent	A
4.	To review various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company	Q
5.	To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	Q
6.	To review engagement with rating agencies (Financial, ESG etc.)	H
7.	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts / unclaimed shares to the IEPF	A
8.	To suggest and drive implementation of various investor-friendly initiatives	H
9.	To approve and register transfer and / or transmission of securities, issuance of duplicate security certificates, issuance of certificate on rematerialization and to carry out other related activities	P
10.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During the FY 2022-23, four meetings of the SRC were held on 4th May, 2022, 2nd August, 2022, 1st November, 2022, and 6th February, 2023.

The details of the SRC Meetings attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	04	04	100%
2.	Mr. Rajesh S. Adani, Member	Executive Promoter	04	04	100%
3.	Mr. Anil Sardana, Member	Executive Director	04	04	100%
4.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	04	04	100%

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

The minutes of the SRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavors to implement suggestions as and when received from the investors.

During the year under review, no complaints were received. There was no unattended or pending investor grievance as on 31st March, 2023.

D. Corporate Social Responsibility ("CSR") Committee

As on 31st March 2023, the CSR Committee comprise of four members, with a majority of Independent Directors. A detailed charter of the CSR Committee is also available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

SN	Terms of Reference	Frequency
1.	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review thereof	A
2.	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	A
3.	To recommend to the Board the amount of expenditure to be incurred on the CSR activities	A
4.	To monitor the implementation of framework of CSR Policy	A
5.	To review the performance of the Company in the areas of CSR	H
6.	To institute a transparent monitoring mechanism for implementation of CSR projects/ activities undertaken by the company	H
7.	To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.	A
8.	To submit annual report of CSR activities to the Board	A

SN	Terms of Reference	Frequency
9.	To consider and recommend appointment of agency / consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	A
10.	To review and monitor all CSR projects and impact assessment report	A
11.	To carry out any other function as is mandated by the Board from time to time and/ or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	P

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of CSR Committee

During the financial year 2022-23, two meetings of CSR Committee were held i.e. on 4th May, 2022 and 16th March, 2023.

The details of the CSR Committee meetings attended by its members during FY 2022-23 are given below

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	02	02	100%
2.	Mr. Rajesh S. Adani, Member	Executive Promoter	02	02	100%
3.	Mr. Anil Sardana, Member	Executive Director	02	02	100%
4.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	02	02	100%

The minutes of the CSR Committee Meetings are reviewed by the Board at its subsequent meetings. Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee. Sustainability Governance

The Company has integrated sustainability into its core business strategy. To ensure smooth implementation of various measures across the organization, we have established a Sustainability Governance mechanism wherein at the pinnacle is the Board of Directors followed by Corporate Sustainability Leadership Committee which looks after the Sustainability Business Unit Committee who is responsible for Sustainability Reporting at each site. The Sustainability Report of the Company is available on the website of the Company at https://www.adanitransmission.com/sustainability/ environment.

E. Risk Management Committee

As on 31st March, 2023, the Risk Management Committee (RMC) comprise of three members. A detailed charter of the RMC is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

The Board of Directors of the Company at its meeting held on 29th October, 2021 constituted the following committees as sub-committees of RMC as a part of good corporate governance practice –

- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-committees, are separately included as a part of this report.

Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

SN	Terms of Reference	Frequency
1.	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.	A
2.	To review and approve the Enterprise Risk Management ('ERM') framework	A
3.	To formulate a detailed risk management policy which shall include:	A
	a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cyber security risks or any other risk as may be determined by the Committee	
	b. Measures for risk mitigation including systems and processes for internal control of identified risks	
	c. Business continuity plan Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks	
	d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies	
4.	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	Q
5.	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	Q
6.	To review compliance with enterprise risk management policy, monitor breaches / trigger trips of risk tolerance limits and direct action	H
7.	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	A
8.	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	P
9.	To review and approve Company's risk appetite and tolerance with respect to line of business	H
10.	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	A
11.	To review and recommend to the Board various business proposals for their corresponding risks and opportunities	P
12.	To obtain reasonable assurance from management that all known and emerging risks has been identified and mitigated and managed	Q
13.	To form and delegate authority to subcommittee(s), when appropriate.	P
14.	To oversee suppliers' diversity	A
15.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable	-

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of Risk Management Committee

During the financial year 2022-23, four meetings of RMC were held on 4th May, 2022, 2nd August, 2022, 1st November, 2022, and 6th February, 2023.

The details of the RMC meetings attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation(s)	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	04	04	100%
2.	Mr. Rajesh S. Adani, Member	Executive Promoter	04	04	100%
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	04	04	100%
4.	Mr. Anil Sardana, Member	Executive Director	04	04	100%

The Company has a risk management framework to identify, monitor and minimize risks. The minutes of the RMC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

F. Securities Transfer Committee

In order to provide efficient and timely services to investors, the Board has delegated the power of approving transfer/transmission of Company's securities, issue of duplicate share / debenture certificates, split up / sub-division, and consolidation of shares, issue of new certificates on re-materialization, sub- division and other related formalities to the Securities Transfer Committee.

No requests for transfers of any securities are pending as on 31st March, 2023 except those that are disputed and / or sub-judiced.

II. Non-Statutory Committees

G. Corporate Responsibility Committee

The Board at its meeting held on 29th October, 2021, constituted the Corporate Responsibility Committee (CRC). As on 31st March, 2023, all the members of the CRC comprise Independent Directors. A detailed charter of the Corporate Responsibility Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	A
2.	To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	Q
3.	To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	A
4.	To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	Q
5.	To review the Company's stakeholder engagement plan (including vendors / supply chain)	A
6.	To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	A
7.	To review the Integrated Annual Report of the Company	A

SN	Terms of Reference	Frequency
8.	To review and direct for alignment of actions / initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): 1. No poverty 2. Zero hunger 3. Good health & well being 4. Quality education 5. Gender equality 6. Clean water and sanitation 7. Affordance and clean energy 8. Decent work and economic growth 9. Industry, Innovation and Infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land 16. Peace and justice strong intuitions 17. Partnerships for goals	A
9.	To review sustainability and / or ESG and / or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	A
10.	To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	A
11.	To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code	H
12.	To oversee Company's initiatives to support innovation, technology, and sustainability	A
13.	To oversee sustainability risks related to supply chain, climate disruption and public policy	H
14.	To monitor Company's ESG ratings / scores from ESG rating agencies and improvement plan	H
15.	To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	P
16.	To oversee the Company's: a. Vendor development and engagement programs; b. program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs	Q
17.	To provide assurance to Board in relation to various responsibilities being discharged by the Committee	H

Frequency **A** Annually **Q** Quarterly **H** Half yearly **P** Periodically

Composition, Meetings and Attendance of CRC

During the FY 2022-23, four meetings of CRC were held on 4th May, 2022, 1st August, 2022, 1st November, 2022, and 6th February, 2023.

The details of CRC meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	04	03	75%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	04	04	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	04	04	100%

The minutes of CRC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer Acts as the Secretary of the Committee.

H. Public Consumer Committee

The Board at its meeting held on 29th October, 2021, constituted the Public Consumer Committee ("PCC"). As on 31st March, 2023, all the members of PCC comprise of Independent Directors. A detailed charter of the PCC is available on the website of the Company at https://www.adanitransmission.com/ investors/board-and-committee-charters.

Terms of reference:

SN	Terms of Reference	Frequency
1.	To devise a policy on consumer services	A
2.	To oversee consumer relationships management (approach, attitude and fair treatment) including the Company's policies, practices and services offered	H
3.	To review the actions taken for building and strengthening consumer service orientation and providing suggestion for simplifying processes for improvement in consumer service levels	H
4.	To discuss service updates, ongoing projects specifically targeted towards improvement of consumer service and appropriate actions arising from discussions	H
5.	To examine the possible methods of leveraging technology for better consumer services with proper safeguards and recommend measures to enhance consumer ease	H
6.	To seek / provide feedback on quality of services rendered by the Company to its consumers	H
7.	To examine the grievance redressal mechanism, its structure, framework, efficacy and recommend changes / improvements required in the system, procedures and processes to make it more effective and responsive	H
8.	To review the status of grievances received, redressed and pending for redressal	H
9.	To review the working of Alternate Dispute Redressal (ADR) Mechanism, if established by the Company	H
10.	To approve appointment of Chief Consumer Officer after assessing the qualifications, experience and background, etc. of the candidate and to oversee his performance	P
11.	To oversee policies and processes relating to advertising and compliance with consumer protection laws	P
12.	To review consumer engagement plan, consumer survey / consumer satisfaction trends and to suggest directives for improvements	H

Composition, Meetings and Attendance of Public Consumer Committee

During the financial year 2022-23, two meetings of PCC were held on 2nd August, 2022 and 16th March, 2023.

The details of PCC meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. K. Jairaj, Chairman	Non-Executive & Independent Director	02	02	100%
2.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	02	02	100%
3.	Mrs. Meera Shankar, Member	Non-Executive & Independent Director	02	02	100%

The minutes of PCC Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

I. Information Technology & Data Security (IT & DS) Committee

The Board at its meeting held on 29th October, 2021, constituted the IT & DS Committee. As on 31st March, 2023, IT & DS Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the IT & DS Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters.

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and thereby to add the value	H
2.	To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	A
3.	To oversee the current cyber risk exposure of the Company and future cyber risk strategy	H
4.	To review at least annually the Company's cyber security breach response and crisis management plan	A
5.	To review reports on any cyber security incidents and the adequacy of proposed action	H
6.	To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	A
7.	To regularly review the cyber risk posed by third parties including outsourced IT and other partners	A
8.	To annually assess the adequacy of the Group's cyber insurance cover	A

Composition, Meetings and Attendance of Information Technology & Data Security Committee

During the FY 2022-23, two meetings of IT & DS Committee were held on 1st August, 2022 and 16th March, 2023.

The details of IT & DS Committee meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. Anil Sardana, Chairman	Executive Director	02	02	100%
2.	Mr. K. Jairaj, Member	Non-Executive & Independent Director	02	01	50%
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	02	02	100%

The minutes of IT & DS Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

J. Mergers & Acquisitions Committee

The Board at its meeting held on 29th October, 2021, constituted the Mergers & Acquisitions (M&A) Committee as sub-committee of Risk Management Committee. As on 31st March, 2023, the M&A Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at https://www.adanitransmission.com/ investors/ board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review acquisition strategies with the management	P
2.	To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, , risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	P
3.	To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	P
4.	To evaluate execution / completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	P
5.	To periodically review the performance of completed Transaction(s)	A
6.	To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	P
7.	To review the tax treatment of Transactions and ascertain their effects upon the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	P

Frequency **A** Annually **P** Periodically

The details of composition of Mergers & Acquisitions Committee are given below:

Sr. No	Name and Designation	Designation(s)	Category
1.	Mr. Anil Sardana	Chairman	Executive Director
2.	Mr. K Jairaj	Member	Non-Executive & Independent
3.	Dr. Ravindra H. Dholakia	Member	Non-Executive & Independent

The minutes of M&A Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer acts as the Secretary of the Committee.

K. Legal, Regulatory & Tax Committee

The Board at its meeting held on 29th October, 2021, constituted the Legal, Regulatory & Tax ("LRT") Committee as sub-committee of Risk Management Committee. As on 31st March, 2023, the LRT Committee comprise of three members, with a majority of Independent Directors A detailed charter of the LRT Committee is available on the website of the Company at https://www.adanitransmission.com/ investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program	A
2.	To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk	H
3.	To review compliance with applicable laws and regulations	H
4.	To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company	A
5.	To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, issues pertaining to compliance with various laws or regulations or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies	P
6.	To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee	A

Composition, Meetings and Attendance of Legal, Regulatory & Tax Committee

During the FY 2022-23, two meetings of LRT Committee were held on 1st August, 2022, and 16th March, 2023.

The details of LRT Committee meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. Anil Sardana, Chairman	Executive Director	02	02	100%
2.	Mr. K. Jairaj, Member	Non-Executive & Independent Director	02	01	50%
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	02	02	100%

The minutes of LRT Committee Meetings are reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

L. Reputation Risk Committee

The Board at its meeting held on 29th October, 2021, constituted the Reputation Risk Committee (RRC) as sub- committee of Risk Management Committee. As on 31st March, 2023, the Reputation Risk Committee comprise of three members, with a majority of Independent Directors. A detailed charter of the Reputation Risk Committee is available on the website of the Company at https://www.adanitransmission.com/investors/board-and-committee-charters

Terms of reference:

SN	Terms of Reference	Frequency
1.	To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite	H
2.	To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships / programs	H
3.	To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee	P
4.	To recommend good practices and measures that would avoid reputational loss	A
5.	To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company	P

Frequency **A** Annually **H** Half yearly **P** Periodically

During the FY 2022-23, one meeting of RRC was held on 1st August, 2022.

The details of RRC meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings held during FY 2022-23		% of Attendance
			Held	Attended	
1.	Mr. Anil Sardana, Chairman	Executive Director	01	01	100%
2.	Mr. K. Jairaj, Member	Non-Executive & Independent Director	01	--	--
3.	Dr. Ravindra H. Dholakia, Member	Non-Executive & Independent Director	01	01	100%

The minutes of Reputation Risk Committee Meetings at reviewed by the Board at its subsequent meetings.

Mr. Jaladhi Shukla, Company Secretary and Compliance Officer act as the Secretary of the Committee.

Investor Services:

M/s. Link Intime India Private Limited are acting as Registrar & Share Transfer Agent of the Company. They have adequate infrastructure and VSAT connectivity with both the depositories, which facilitate better and faster services to the investors.

Name, Designation and Address of the Compliance Officer:
Mr. Jaladhi Shukla,
Company Secretary and Compliance Officer
Adani Transmission Limited
"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad - 382421
E-mail ID: jaladhi.shukla@adani.com

4. Subsidiary Companies

None of the subsidiaries of the Company other than Adani Electricity Mumbai Limited, Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited comes under the purview of the Material Non-Listed Indian Subsidiary as per criteria given in the SEBI Listing Regulations. The Company has nominated Mr. K. Jairaj, Independent Director of the Company as Director on the Board of these three material subsidiaries.

The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, interalia, by following means:

a) Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.

b) Minutes of unlisted subsidiary companies are placed before the Board of the Company regularly.

c) A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings.

The risk factors and project reports of the subsidiary companies are also reviewed by the Audit Committee of the Company.

The Company has a policy for determining 'material subsidiaries'. The policy is uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

5. Whistle Blower Policy:

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance. The Audit Committee monitors and reviews the investigations of the whistle blower complaints.

6. General Body Meetings

a) Annual General Meetings

The date, time and location of the Annual General Meetings held during the preceding three years and special resolutions passed thereat are as follows:

Financial Year	Day & Date	Location of Meeting	Time	No. of Special Resolutions passed
2019-20	Thursday, 24th June, 2020	Through Video-Conferencing / Other Audio Visual Means	10.00 a.m.	3
2020-21	Tuesday, 13th July, 2021	Through Video-Conferencing / Other Audio Visual Means	11.00 a.m.	1
2021-22	Wednesday, 27th July, 2022	Through Video-Conferencing / Other Audio Visual Means	11.00 a.m.	5

b) Whether special resolutions were put through postal ballot last year, details of voting pattern:

There were no Special Resolutions passed through postal ballot process during FY 2022-23.

c) Whether any resolutions are proposed to be conducted through postal ballot:

No resolution is proposed to be passed by way of Postal Ballot at the ensuing AGM.

d) Procedure for postal ballot:

Prescribed procedure for postal ballot as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time shall be complied with whenever necessary.

7. Means of Communication

a) Financial Results:

The quarterly/half-yearly and annual results of the Company are normally published in the Indian Express (English) and Financial Express (a regional daily published from Gujarat).

The quarterly / half-yearly and annual results and other official news releases are displayed on the website of the Company – www.adanitransmission.com shortly after its submission to the Stock Exchanges.

b) Intimation to Stock Exchanges:

The Company regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

c) Earnings Calls and Presentations to Analysts:

At the end of each quarter, the Company organizes meetings / conference call with analysts and investors and the presentations made to analysts and transcripts of earnings call are uploaded on the website thereafter.

The Company has maintained consistent communication with investors at various forums organized by investment bankers.

8. Other Disclosures

a) Disclosure on materially significant related party transactions:

All related party transactions entered into during the financial year were at arm's length basis and in the ordinary course of business. The details of related party transactions are disclosed in financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

The Related Party Transaction Policy is uploaded on the website of the Company at https://www.adanitransmission.com/ investors/corporate-governance.

b) In the preparation of the financial statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

c) Details of compliance

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

d) ADANI Code of Conduct

The ADANI Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company.

A declaration signed by the Managing Director affirming the compliance with the ADANI Code of Conduct by the Board Members and Senior Management Personnel of the Company is as under:

Declaration as required under the SEBI Listing Regulations

All Directors and senior management of the Company have affirmed compliance with the ADANI Code of Conduct for the financial year ended 31st March, 2023.

Anil Sardana
Managing Director

Place: Ahmedabad
Date: 29th May, 2023

Adani Code of Conduct for Prevention of Insider Trading

Adani Code of Conduct for Prevention of Insider Trading, as approved by the Board, inter alia, prohibits dealing in the securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The said code is available on the website of the Company.

e) CEO / CFO Certificate

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report.

They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

f) Proceeds from public issues, rights issues, preferential issues etc.

The Company discloses to the Audit Committee, the uses / application of proceeds /funds raised from rights issue, preferential issue as part of the quarterly review of financial results, whenever applicable.

g) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

h) The Material Events Policy, Website Content Archival Policy, Policy on Preservation of Documents are uploaded on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

i) As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at https:// www.adanitransmission.com/investors/ corporate-governance.

j) Details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company at https://www.adanitransmission.com/investors/corporate-governance.

k) The Company has put in place succession plan for appointment to the Board and to Senior Management.

l) The Company complies with all applicable Secretarial Standards.

m) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this Report.

n) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the ensuing AGM are given herein and in the Annexure to the Notice of the 10th AGM to be held on Wednesday, 19th July, 2023.

o) The Company has obtained certificate from M/s. Chirag Shah & Associates, Practising Company Secretaries confirming that none of the Directors of the Company is debarred or disqualified by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this report.

p) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part, is given below:

(₹ In Crore)

Payment to Statutory Auditors	FY 2022-23
Audit Fees	2.27
Out of pocket expenses	0.05
Other Matters	0.35
Total	**2.67**

(All amounts excluding GST)

q) As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, the Company has constituted Internal Complaints Committees (ICs) which are responsible for redressal of complaints related to sexual harassment. During the year under review, there were no complaints pertaining to sexual harassment. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

10. General Shareholder Information

A. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L40300GJ2013PLC077803.

B. Annual General Meeting:

Day and Date	Time	Mode
Wednesday, 19th July, 2023	11.00 a.m.	Through Video Conferencing / Other Audio Visual means

C. Registered Office:

"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421.

D. Financial Calendar for 2023-24: (tentative schedule, subject to change)

Period	Approval of Quarterly results
Quarter ending 30th June, 2023.	Mid August, 2023
Quarter and half year ending 30th September, 2023	Mid November, 2023
Quarter ending 31st December, 2023	Mid February, 2024
The year ending 31st March, 2024	End May, 2024

E. Date of Book Closure:

Wednesday, 12th July, 2023 to Wednesday, 19th July, 2023 (both days inclusive) for the purpose of 10th Annual General Meeting.

F. Dividend Distribution Policy

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy. Accordingly, a policy was adopted to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The Dividend Distribution Policy of the Company is available on the website of the Company at https://www. adanitransmission.com/investors/corporate- governance.

G. Listing on Stock Exchanges:

(a) The equity shares of the Company are listed with the following stock exchanges

BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001	(Stock Code : 539254)
National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai – 400 051.	(Stock Code : ADANITRANS)

(b) Depositories:

1. **National Securities Depository Limited (NSDL)**
   Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
2. **Central Depository Services (India) Limited (CDSL)**
   25th Floor, A Wing, Marathon Futurex, Mafatlal Mills Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400013

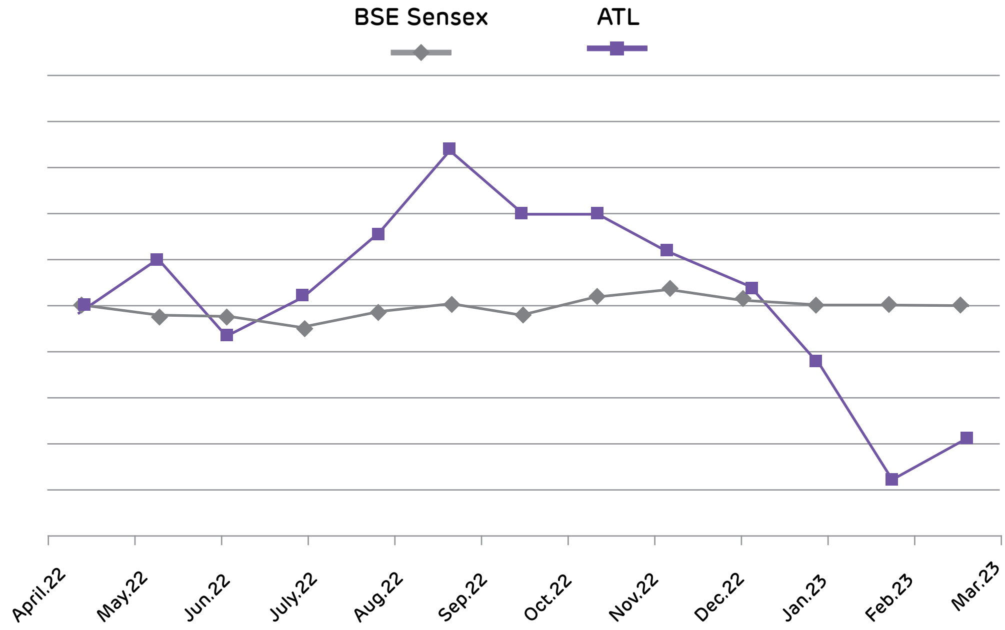
Annual Listing fees to BSE & NSE and Annual Custody / Issuer fee of NSDL & CDSL for FY 2023-24 will be paid on receipt of the invoices from respective agencies.

H. Market Price Data: High, Low during each month in Financial Year 2022-23.

Monthly share price movement during the year 2022-23 at BSE & NSE:

Month	BSE			NSE		
	High (₹)	Low (₹)	Volume (No. of shares)	High (₹)	Low (₹)	Volume (No. of shares)
April, 2022	2828.45	2427.45	859499	2825.50	2421.45	10542486
May, 2022	2819.65	2049.85	902377	2816.50	2055.00	7747142
June, 2022	2473.75	1953.00	442136	2473.65	1956.05	11180867
July, 2022	3110.10	2402.70	940518	3109.60	2400.65	9735878
August, 2022	3971.65	3267.60	802680	3960.70	3261.75	11167613
September, 2022	4105.55	3290.70	995352	4105.40	3289.80	11503774
October, 2022	3357.05	3036.40	932201	3358.75	3035.30	11270062
November, 2022	3337.45	2715.55	442126	3342.45	2716.15	16370903
December, 2022	2832.45	2272.30	586541	2834.25	2270.20	13175824
January, 2023	2782.35	1710.10	1117853	2784.10	1708.20	20524693
February, 2023	1730.25	642.55	1626566	1723.50	642.90	19832307
March, 2023	1125.25	674.65	3893961	1124.55	675.00	40163074

I. Performance in comparison to broad-based indices such as BSE SENSEX



J. Registrar and Share Transfer Agents:

M/s. Link Intime India Private Limited are appointed as Registrar and Share Transfer (R&T) Agents of the Company for both Physical and Demat Shares. The address is given below:

M/s. Link Intime India Private Limited

5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad – 380006

Tel: +91-79-26465179

Fax : +91-79-26465179

Contact Person: Mr. Nilesh Dalwadi

Shareholders are requested to correspond directly with the R & T Agent for queries pertaining to their shares such as transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

K. Share Transfer System:

The Company's shares are compulsorily traded in the demat segment on stock exchanges, bulk of the transfers take place in the electronic form. The share transfers received in physical form are processed through R & T Agent, within seven days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission, issue of duplicate share certificate, dematerialization etc. to the Securities Transfer Committee. All the physical transfers received are processed by the R & T Agent and are approved by the Securities Transfer Committee well within the statutory period of one month. The Securities Transfer Committee meets every fortnight for approval of the transfer, transmission, issue of duplicate share certificate, dematerialization/ rematerialization of shares etc. and all valid share transfers received during the year ended 31st March, 2023 have been acted upon. The share certificates duly endorsed are returned immediately to the shareholders by the R & T Agent.

During the year under review, the Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for year ended 31st March, 2023 with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R & T Agents of the Company at the address given above.

L. Dematerialization of Shares and Liquidity:

The equity shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The demat security (ISIN) code for the Equity Share is INE931S01010.

As on 31st March, 2023, 111,52,86,275 shares (constituting 99.98%) were in dematerialized form.

The Company's equity shares are frequently traded on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

M. The Distribution of Shareholding as on 31st March, 2023 is as follows:

Number of shares	Number of shareholders		Equity Shares held in each category	
Category	**Holders**	**% of Total**	**Total Shares**	**% of Total**
1 to 500	3,23,618	98.58	90,27,335	0.80
501 to 1000	2,207	0.67	16,63,130	0.14
1001 to 2000	1,019	0.31	15,10,980	0.13
2001 to 3000	323	0.09	8,20,976	0.07
3001 to 4000	208	0.06	7,48,173	0.06
4001 to 5000	121	0.03	5,49,888	0.04
5001 to 10000	302	0.09	22,17,130	0.19
Above 10000	471	0.14	109,89,55,071	98.51
TOTAL	**3,28,269**	**100.00**	**111,54,92,683**	**100.00**

N. Shareholding Pattern as on 31st March, 2023 is as follows:

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	79,92,31,081	71.65
Foreign Portfolio Investors	23,47,59,958	21.05
Mutual Funds, Financial Institutions/Banks	4,23,76,161	3.80
N.R.I. and Foreign National	4,69,621	0.04
Private Bodies Corporate	18,51,035	0.17
Indian Public and others	3,67,03,911	3.29
Clearing Members (Shares in Transit)	1,00,916	0.01
Total	**111,54,92,683**	**100.00**

O. Listing of Debt Securities:

As on 31st March, 2023, 1000 Unsecured, Listed, Rated, Redeemable, Taxable, Non-Convertible Debentures were listed on the Wholesale Debt Market Segment of BSE Limited.

P. Debenture Trustees (for privately placed debentures):

Catalyst Trusteeship Ltd.
810, 8th Floor, Kailash Building,
26, Kasturba Gandhi Marg,
New Delhi – 110 001
Tel +91-11-4302 9101
Email ID: sameer.trikha@ctltrustee.com
Website: www.catalysttrustee.com

Q. Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity.

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at 31st March, 2023.

R. During the year under review, the Company raised ₹ 3,850 crores through allotment of 1,56,82,600 Equity Shares of face value of Re.10/- each at a premium of ₹ 2,444.95/- per Equity Share by way of preferential allotment on a private placement basis and it has been fully utilized for the purpose for which it was raised and there has been no deviation or variation in utilisation of this sum.

S. The Company and its Subsidiaries have not grated any loans and advances in the nature of loans to firms / companies in which Company's Directors are interested.

T. Details of the Company's material subsidiary (as per Regulation 16 of the SEBI Listing Regulations):

Name	Date of Incorporation	Place of incorporation	Statutory Auditor	Date of appointment of Statutory Auditor
Adani Electricity Mumbai Limited	18.09.2008	India	M/s. Deloitte Haskins & Sells LLP	27.09.2018
Adani Transmission (India) Limited	02.12.2013	India	M/s. Deloitte Haskins & Sells LLP	06.08.2018
Maharashtra Eastern Grid Power Transmission Company Limited	15.02.2010	India	M/s. Deloitte Haskins & Sells LLP	06.08.2018

U. Commodity Price Risk/Foreign Exchange Risk and Hedging:

In the ordinary course of business, the Company is exposed to risks resulting from exchange rate fluctuation and interest rate movements. It manages its exposure to these risks through derivative financial instruments. The Company's risk management activities are subject to the management, direction and control of Treasury Team of the Company under the framework of Risk Management Policy for Currency and Interest rate risk as approved by the Board. The Company's Treasury Team ensures appropriate financial risk governance framework for the Company through appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The decision of whether and when to execute derivative financial instruments will be governed by the risk management policy framework while also considering the prevailing market conditions and the relative costs of the instruments.

V. Major Plant Locations:

Not Applicable

W. Address for correspondence:

The shareholders may address their communications / suggestions / grievances /queries to:

1. **Mr. Jaladhi Shukla**

   Company Secretary and Compliance Officer
   Adani Transmission Limited
   Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421
   Tel: (079) 25555 555, 26565 555.
   Fax: (079) 26565 500, 25555 500.
   Email id: jaladhi.shukla@adani.com

2 **M/s. Link Intime India Private Limited**

   5th Floor, 506 to 508, Amarnath Business Centre - 1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellis bridge, Ahmedabad – 380006
   Tel: +91-79-26465179
   Fax : +91-79-26465179
   Contact Person: Mr. Nilesh Dalwadi
   Email id: ahmedabad@linkintime.co,in

X. Credit Rating:

Domestic:

Rating Agency	Facility	Rating/Outlook
ICRA	Commercial Paper Issuance	A1+
India Ratings and Research	Commercial Paper Issuance	A1+
India Ratings and Research	Non-convertible debentures	AA+/Negative
India Ratings and Research	Working capital facility	AA+/Negative

International:

Rating Agency	Facility	Rating/Outlook
Fitch	Dollar Bond	BBB-/Stable
Moody's	Dollar Bond	Baa3/Negative

Non-mandatory Requirements (Schedule II Part E of the SEBI Listing Regulations) :

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. The Board:

Your Company has an Executive Chairman and hence, the need for implementing this non-mandatory requirement does not arise.

2. Shareholders Right:

The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.adanitransmission.com. The same are also available on the sites of stock exchanges (BSE & NSE) where the shares of the Company are listed i.e.www.bseindia.com and www.nseindia.com.

3. Separate posts of Chairperson and CEO:

Mr. Gautam S. Adani is the Chairman. Mr. Anil Sardana is the Managing Director and Mr. Bimal Dayal is the CEO - Transmission Business and Mr. Kandarp Patel is the CEO - Distibution Business of the Company.

4. Reporting of Internal Auditor:

The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

Certification by Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

We have reviewed the financial statements and the cash flow statements for the year ended 31st March, 2023 and that to the best of our knowledge and belief:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2023 which are fraudulent, illegal or violation of the Company's Code of Conduct.
4. We accept responsibility for establishing and maintaining internal control system and that we have evaluated the effectiveness of the internal control system of the Company and we have disclosed to the auditors and the Audit Committee, efficiencies in the design or operation of internal control system, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that we have indicated to the Auditors and the Audit Committee that:
   a) there have been no significant changes in internal control system during the year;
   b) there have been no significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   c) there have been no instances of significant fraud of which we have become aware, involving management or an employee having a significant role in the Company's internal control system

Place : Ahmedabad	**Bimal Dayal**	**Kandarp Patel**	**Rohit Soni**
Date : 29th May, 2023	CEO - Transmission Business	CEO - Distribution Business	Chief Financial Officer

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Adani Transmission Limited
Adani Corporate House, Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar, Ahmedabad – 382 421

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Adani Transmission Limited having CIN L40300GJ2013PLC077803 and having registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Gautam Shantilal Adani	00006273	17/06/2015
2.	Mr. Rajesh Shantilal Adani	00006322	17/06/2015
3.	Mr. Anil Sardana	00006867	10/05/2018
4.	Mr. Ravindra Harshadrai Dholakia	00069396	26/05/2016
5.	Mr. Kalaikuruchi Jairaj	01875126	17/06/2015
6.	Mrs. Meera Shankar	06374957	17/06/2015
7.	Mrs. Lisa Caroline MacCallum	09064230	30/11/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Chirag Shah and Associates

Chirag Shah
Membership No.: 5545
CP No.: 3498
UDIN : F005545E000486674
Peer Review Cer. No.704/2020

Date: 29th May, 2023
Place: Ahmedabad

Compliance Certificate on Corporate Governance

To,
The Members of
Adani Transmission Limited

We have examined the compliance of conditions of Corporate Governance by Adani Transmission Limited ("the Company") for the year ended on 31st March, 2023 as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

CS Chirag Shah
Partner
Chirag Shah and Associates
FCS No.: 5545
C. P. No. 3498
UDIN : F005545E000486443
Peer Review Cer. No. 704/2020

Place : Ahmedabad
Date : 29th May, 2023

Management discussion and analysis

Global economy

Overview: The global economic growth was estimated at a slower 3.2% in 2022, compared to 6% in 2021 (which was on a smaller base of 2020 on account of the pandemic effect). The relatively slow global growth of 2022 was marked by the Russian invasion of Ukraine, unprecedented inflation, pandemic-induced slowdown in China, higher interest rates, global liquidity squeeze and quantitative tightening by the US Federal Reserve.

The challenges of 2022 translated into moderated spending, disrupted trade and increased energy costs. Global inflation was 8.7% in 2022, among the highest in decades. US consumer prices increased about 6.5% in 2022, the highest in four decades. The Federal Reserve raised its benchmark interest rate to its highest in 15 years. The result is that the world ended in 2022 concerned that the following year would be even slower.

The global foreign direct investment (FDI) equity, reinvested earnings and other capital declined 24% in 2022, to nearly $1.28 trillion. Global trade expanded by 2.7% in 2022 (expected to slow to 1.7% in 2023). (Source: OECD, WTO data)

The S&P GSCI TR(Global benchmark for commodity performance) fell from a peak of 4,319.55 in June 2022 to 3495.76 in December 2022. There was a decline in crude oil, natural gas, coal, lithium, lumber, cobalt, nickel and urea realisations. Brent crude oil dropped from a peak of around USD 120 per barrel in June 2022 to USD 80 per barrel at the end of the calendar year following the enhanced availability of low-cost Russian oil.

Regional growth (%)	2022	2021
World output	3.2	6.1
Advanced economies	2.5	5
Emerging and developing economies	3.8	6.3

(Source: IMF, World Bank, UNCTAD)

Performance of major economies

United States: Reported GDP growth of 2.1% compared to 5.9% in 2021

China: GDP growth was 3% in 2022 compared to 8.1% in 2021

United Kingdom: GDP grew by 4.1% in 2022 compared to 7.6% in 2021

Japan: GDP grew 1.7% in 2022 compared to 1.6% in 2021

Germany: GDP grew 1.8% compared to 2.6% in 2021

[Source: PWC report, EY report, IMF data, OECD data]

Outlook

The global economy is expected to grow 2.8% in 2023, influenced by the ongoing Russia-Ukraine conflict. Concurrently, global inflation is projected to fall marginally to 7%. Despite these challenges, there are positive elements within the global economic landscape. The larger economies like China, the US, the European Union, India, Japan, the UK and South Korea are not in a recession. Approximately 70% of the global economy demonstrates resilience, with no major financial distress observed in large emerging economies. The energy shock in Europe did not result in a recession and significant developments, including China's progressive departure from its strict zero-covid policy and the resolution of the European energy crisis, fostered optimism for an improved global trade performance. Despite high inflation, the US economy demonstrated robust consumer demand in 2022. Driven by these positive factors, global inflation is likely to be still relatively high at 4.9% in 2024. Interestingly, even as the global economy is projected to grow less than 3% for the next five years, India and China are projected to account for half the global growth (Source: IMF).

Indian economy

Overview: Even as the global conflict remained geographically distant from India, ripples comprised increased oil import bills, inflation, cautious government and a sluggish equity market. India's economic growth was 7.2% in FY 2022-23. India emerged as the second fastest-growing G20 economy in FY 2022-23. India overtook UK to become the fifth-largest global economy. India surpassed China to become the world's most populous nation (Source: IMF, World Bank)

Growth of the Indian economy

	FY 20	FY 21	FY 22	FY23
Real GDP growth(%)	3.7	-6.6%	9.1	7.2

Growth of the Indian economy quarter by quarter, FY 2022-23

	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23
Real GDP growth (%)	13.1	6.2	4.5	6.1

(Source: Budget FY24; Economy Projections, RBI projections)

According to the India Meteorological Department, the financial year 2023 delivered 8% higher rainfall over the long-period average. Due to unseasonal rains, India's wheat harvest was expected to fall to around 102 million metric tons (MMT) in FY2022-23 from 107 MMT in the preceding year. Rice production at 132 million metric tons (MMT) was almost at par with the previous year. Pulses acreage grew to 31 million hectares from 28 million hectares. Due to a renewed focus, oilseed area increased by 7.31% from 102.36 lakh hectares in FY2021-22 to 109.84 lakh hectares in FY2022-23.

India's auto industry grew 21% in FY23; passenger vehicle (UVs, cars and vans) retail sales touched a record 3.9 million units, crossing the previous high of 3.2 million units in FY19. The commercial vehicles segment grew by 33%. Two-wheeler sales fell to a seven-year low; the three-wheeler category grew 84%.

Till the end of Q3FY23, the banking system's total gross non-performing assets (NPAs) fell to 4.5% from 6.5% a year ago. Gross NPA for FY23 was expected to be 4.2% and a further drop is predicted to be 3.8% in FY2023-24.

As India's domestic demand remained steady amidst a global slowdown, import growth in FY23 was estimated at 16.5% to $714 billion as against $613 billion in FY22. India's merchandise exports were up 6% to $447 billion. India's total exports (merchandise and services) grew 14 percent to a record of $775 billion and is expected to touch $900 billion in FY2023-24. Till Q3 FY23, India's current account deficit, a crucial indicator of the country's balance of payments position, decreased to $18.2 billion or 2.2% of GDP. India's fiscal deficit was in nominal terms at ~ Rs 17.55 lakh crore, which is 6.4% of the country's GDP for the year ending March 31, 2023.

India's headline foreign direct investment (FDI) numbers rose 20-to a record $84.8 billion in FY2021-22, However, during the fiscal year 2022-23, the country experienced a 16% decrease in foreign direct investment (FDI) inflows, amounting to $71 billion on a gross basis. This decline can be attributed to the unfavourable global economic conditions and stands as the first contraction in FDI in the past ten years.

India's foreign exchange reserves, which had witnessed three consecutive years of growth, experienced a decline of approximately $70 billion in FY2022-23, primarily influenced by rising inflation and interest rates. Starting from $606.47 billion on April 1, 2022, reserves decreased to $578.44 billion by March 31, 2023. The Indian currency also weakened during this period, with the exchange rate weakening from Rs. 75.91 to a US dollar to Rs. 82.34 by March 31, 2023, driven by a stronger dollar and an increasing current account deficit. Despite these factors, India continued to attract investable capital.

The country's retail inflation, measured by the consumer price index (CPI), eased to 5.66% in March 2023. Inflation data on the Wholesale Price Index, WPI (calculates the overall price of goods before retail) eased to 1.3% during the period. In 2022, CPI hit its highest of 7.79% in April; WPI reached its highest of 15.88% in May 2022. By the close of the year under review, inflation had begun trending down and in April 2023 declined below 5%, its lowest in months.

India's total industrial output for FY23, as measured by the Index of Industrial Production or IIP, grew 5.1% year-on-year as against a growth of 11.4 % in FY2021-22.

India moved up in the Ease of Doing Business (EoDB) rankings from 100th in 2017 to 63rd in FY23. As of March 2023, India's unemployment rate was 7.8 %.

In FY2022-23, total receipts (other than borrowings) were estimated at 6.5% higher than the Budget estimates. Tax-GDP ratio was estimated to have improved by 11.1 % Y-o-Y in RE 2022-23. The government is also estimated to have addressed 77% of its disinvestment target in FY23 (Rs 50,000 crore against a target of Rs 65,000 crore).

The total gross collection for FY23 was Rs 18.10 lakh crore, an average of Rs 1.51 lakh a month and up 22% from FY22, India's monthly goods and services tax (GST) collections hit the second highest ever in March 2023 to Rs. 1.6 lakh crore. For FY2022–23, the government collected Rs 16.61 lakh crore in direct taxes, according to data from the Finance Ministry. This amount was 17.6 % more than what was collected in the previous fiscal.

Per capita income almost doubled in nine years to USD 2,093 during the year under review, a rise of 15.8 percent over the previous year. India's GDP per capita was USD 2,320 (March 2023), close to the magic figure of USD2500 when consumption spikes across countries. Despite headline inflation, private consumption in India witnessed continued momentum and was estimated to have grown 7.3 percent in 2022-23.

Outlook: There are green shoots of economic revival, marked by an increase in rural growth during the last quarter and an appreciable decline in consumer price index to less than 5 % in April 2023. India is expected to grow around 6-6.5 % in FY2024, catalysed in no small measure by the government's 35% capital expenditure. The growth could also be driven by broad-based credit expansion, better capacity utilisation and an improving trade deficit. Headline and core inflation could trend down. Private sector investments could revive. What provides optimism is that even as the global structural shifts are creating a wider berth for India's exports, the country is making its largest infrastructure investment. This unprecedented investment is expected to translate into a robust building block that, going ahead, moderates logistics costs, facilitates a quicker transfer of products and empowers the country to become increasingly competitive. This can benefit India's exports in general, benefiting several sectors. The construction of national highways in 2022-23 was 10,993 kilometres; the Ministry of Road Transport and Highways awarded highway contracts of 12,375 km in the last financial year

The global landscape favours India: Europe is moving towards a probable recession, the US economy is slowing, China's GDP growth forecast of 4.4% is less than India's GDP growth of 7.2% and America and Europe are experiencing their highest inflation in 40 years.

India's production-linked incentive appears to be catalysing the downstream sectors. Inflation is steady. India is at the cusp of making significant investments in various sectors and emerging as a suitable industrial supplement to China. India is poised to outpace Germany and Japan and emerge as the third-largest economy by the end of the decade. The outlook for private business investment remains positive despite an increase in interest rates. India is less exposed to Chinese economic weakness, with much less direct trade with China than many Asian peers.

Broad-based credit growth, improving capacity utilisation, the government's thrust on capital spending and infrastructure should bolster investment activity. According to our surveys, manufacturing, services, and infrastructure sector firms are optimistic about the business outlook. The downside risks are protracted geopolitical tensions, tightening global financial conditions and slowing external demand.

(Source: IMF data, RBI data, Union budget 2023-24 data, CRISIL report, Ministry of Trade & Commerce, NSO data)

Union Budget FY 2023-24 provisions

The Budget 2022-23 sought to lay the foundation for the future of the Indian economy by raising capital investment outlay by 33% to Rs. 10 lakh crores, equivalent to 3.3% of GDP and almost three times the 2019-20 outlay, through various projects like PM Gati-shakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition and Climate Action, as well as Financing of Investments. An outlay of Rs. 5.94 lakh crore was made to the Ministry of Defence (13.18% of the total Budget outlay). An announcement of nearly Rs. 20,000 crores was made for the PM Gati-Shakti National Master Plan to catalyse the infrastructure sector. An outlay of Rs. 1.97 lakh crore was announced for Production Linked Incentive schemes across 13 sectors. The Indian government intends to accelerate road construction in FY24 by 16-21% to 12,000-12,500 km. The overall road construction project pipeline remains robust at 55,000 km across various execution stages. These realities indicate that a structural shift is underway that could strengthen India's positioning as a long-term provider of manufactured products and its emergence as a credible global supplier of goods and services

Global power sector overview

The global electricity demand is expected to increase by 2.4% in 2022, which is lower than the January forecast of 3%.The growth rate is expected to remain steady in 2023. This is a decrease from the 6% rise seen in 2021 but in line with the five-year average before the COVID-19 pandemic. Renewable energy sources, specifically wind and solar power, were able to fulfill 77% of this increased demand, while the remaining portion was met by hydro power. China, the US, and India saw varying levels of success in meeting their increased demand for electricity with wind and solar power. Specifically, China was able to meet 92% of its electricity demand increase with wind and solar power, the US with 81%, and India with 23%.

The global power generation market size is expected to reach $2,462.37 billion in 2026 and it is expected to grow at a CAGR of 10.1% to reach $3,982.36 billion in 2031.

The demand for electricity in China is expected to increase significantly, with the country accounting for a third of global electricity demand by 2025. This is a substantial increase from its 5% share in 1990 and 25% share in 2015. With the strong growth of electricity demand in other parts of Asia, the region is expected to make up more than 50% of the world's electricity demand by 2025.

The use of wind and solar energy has experienced a significant increase, exceeding 5% of global electricity production since 2015, and has more than doubled since then. For the first time, the combined output of solar panels and wind turbines has exceeded that of all nuclear power plants worldwide. In contrast, the proportion of nuclear energy used in global electricity production has remained relatively stable due to the lack of new plant construction outside of China and the closure of older nuclear plants in OECD countries.

(Source: Hindustan Times)

Indian power sector overview

In the fiscal year 2022-23, India witnessed a 9.5 percent year-on-year increase in power consumption, reaching a total of 1,503.65 billion units. Comparatively, the power consumption in the previous fiscal year, 2021-22, stood at 1,374.02 billion units (BU).

India has one of the world's most diverse power sectors, which is both extensive and intricate. The country utilizes a variety of power generation sources, including traditional sources such as coal, lignite, natural gas, oil, hydro, and nuclear power, as well as sustainable non-conventional sources like wind, solar, and even agricultural and domestic waste.

Over the past few decades, India has undergone significant changes in its power sector. Nearly all citizens have access to grid electricity, power deficiencies have decreased, and renewable energy capacity has grown to comprise a quarter of the country's overall capacity. In order to address the growing demand for electricity, there is a pressing need to augment installed generating capacity. According to a 2018 index that evaluated the overall power of 25 nations in the Asia-Pacific region, India was ranked fourth, fifth, and fifth in wind, solar, and renewable power installed capacity, respectively. Additionally, the country was the sixth-highest investor in clean energy, with an investment of US$90 billion. As of 2018, India was the only G20 nation on track to meet its Paris Agreement targets. As of October 31, 2022, India has an installed power capacity of 408.71 gigawatts (GW), making it the third-largest producer and consumer of electricity globally.

(Source: PIB, IBEF, CEA)

India's per capita power consumption

Countries	India	China	USA	France	Japan
Per capita electricity consumption in kWh (2022)	1255	5331	4437	6977	7190

(Source: Statista, PIB)

India's power generation

Year	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Power generation (in billion units)	1308.1	1376.1	1389.1	1381.8	1491.8	1624.2

*Upto March 2023 (Provisional), Source: CEA

India is projected to have a surplus of energy amounting to 2.9%, as well as a peak surplus of 3.4%. for FY2022-23 according to Central Electricity Authority. During 2022-23, the western, southern, eastern, and northeastern regions of India are anticipated to experience energy surpluses of 6.3%, 4.1%, 1.3%, and 15.4%, respectively. Only the northern region is predicted to encounter a deficit of 1.2%, which could be compensated by surplus power from other regions.

The Central Electricity Authority (CEA) is expecting an additional 8,970 megawatts (MW) of power capacity to be installed during the year. This includes 6,210 MW of thermal, 2,060 MW of hydropower and 700 MW of nuclear capacity. In FY 2022-23, the Ministry of Power has sanctioned a gross generation program of 1,644 billion units (BU), which is equivalent to 77% of the overall generation. Renewable energy sources are estimated to generate 184 BU or 11% of the total generation, while hydropower and nuclear will account for 150.66 BU and 43.33 BU of power generation, respectively, during 2022-23.

The Indian power sector is experiencing significant changes that are redefining the industry's outlook. The growing demand for electricity in India is being propelled by sustained economic growth, and in the coming years, a rising number of Indian households are expected to acquire appliances, air conditioning units, and vehicles. The country is adding electricity capacity equivalent to that of Los Angeles each year to power its urban population. The government's 'Power for All' initiative has stimulated capacity expansion, but competition is intensifying on both the market and supply sides, including fuel, logistics, finances, and manpower.

(Source: IBEF, CEA, Ministry of Power)

Outlook

The Indian power sector is experiencing significant changes that are redefining the industry's outlook. The future of the power industry in India appears bright, with sustained economic growth continuing to drive demand for electricity. The government's 'Power for All' initiative has accelerated capacity expansion in the country. By 2026-27, it is anticipated that India's installed power generation capacity will reach nearly 620 GW, with renewable energy sources accounting for 44% and coal accounting for 38% of the capacity.

Indian power transmission sector overview

India has often faced a situation where its power transmission capacity has not kept up with its power generation capacity. However, in recent times, there has been a growing push to expand India's transmission network in order to keep pace with rising electricity generation, escalating demand for electricity, and the development of new urban and semi-urban areas, as well as the emergence of new electricity generation locations, particularly in the renewable energy sector.

India has added 14,625 circuit kilometers and 75,902 MVA of new transformation capacity in the fiscal year 2022-23. However, the power transmission sector will require even greater capacity to effectively transmit power from regions with high levels of renewable energy to the rest of the country. To this end, grid digitalization will be crucial in enabling the bidirectional flow of both information and power. Moreover, the deployment of utility-scale energy storage, which can act as both a source and a sink of power, could greatly enhance system flexibility.

India has set ambitious targets to reduce the carbon intensity of its economy by over 45% by the end of this decade, achieve 50% of its cumulative electric power from renewables by 2030, and achieve net-zero carbon emissions by 2070. To achieve these goals, India's national transmission grid needs to be significantly upgraded to support the widespread adoption of renewable energy. India has abundant renewable energy resources that are unevenly distributed across the country. To meet the demand from states with limited renewable energy resources, a broadening of the national transmission network was necessary, and this has been validated in practice. However, to ensure a balance between the intermittent nature of renewable energy and consistent power supply, robust interstate grid connectivity and effective electricity storage are also required. The complexities of India's grid demonstrate that a lack of transmission network infrastructure could hinder the adoption of renewable energy, and there is an increasing risk that renewable energy utilization could be sub-optimal without proper grid discipline and a modern transmission network.

The transmission sector in India is becoming more competitive, which is expected to lead to increased renewable energy generation without these assets becoming scattered. The growing involvement of new transmission players is helping to reduce construction costs, introduce updated technologies, and encourage the timely completion of projects. This has also increased the country's access to global debt and equity. Additionally, the higher valuation of some transmission companies is evidence of the way in which a supportive regulatory framework can attract capital investment for transforming India's electricity system. The private sector is playing a critical role by investing significant capital at a low cost in the creation of transmission networks, taking advantage of record-low global interest rates, reduced risk, and extended infrastructure yields. This approach will also free up finite resources of state governments that can now be allocated to strengthening other social sectors such as health or education.

With substantial transmission planning and investment in renewable energy, many Indian states have the potential to transform from being net electricity importers to net exporters of low-cost, zero-pollution, and zero-emission electricity. Furthermore, ambitious distributed hybrid projects that efficiently utilize the transmission network are expected to reduce transmission tariffs as the costs will be spread across an increasing stream of energy units.

(Sources: IEEFA, PV magazine, Ministry of Power)

India's transmission line capacity addition

Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Cumulative capacity (in circuit kilometers)	4,13,407	4,25,071	4,41,821	4,56,716	4,71,341

*Up to March 2023 (Source: powermin.gov)

India's transformation capacity addition

Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Cumulative capacity (in MVA)	8,99,663	9,67,893	10,25,468	10,04,450	11,80,352

*Up to March 2023 (Source: powermin.gov)

Government initiatives

Revamped Distribution Sector Scheme (RDSS) - The Revamped Distribution Sector Scheme has been approved by the Cabinet Committee on Economic Affairs, with an allocation of Rs.3,03,758 crore and a gross budgetary support of Rs.97,631 crore from the Indian government over a five-year period from FY 2021-22 to FY 2025-26. This reforms-based and results-linked scheme aims to reduce the Aggregate Technical and Commercial (AT&C) losses to levels of 12-15% across India and eliminate the gap between Average Cost of Supply (ACS) and Average Revenue Realized (ARR) by 2024-25.

Ujjwal Discom Assurance Yojna (UDAY) - Launched in November 2015, UDAY is a scheme aimed at improving the operational and financial efficiency of State Power Distribution Companies (DISCOMs) in India. DISCOMs in the country have been struggling to eliminate the gap between the average cost of supply and realized revenue (ACS-ARR gap). Through the Ujjwal Discom Assurance Yojana (UDAY), financial recovery is expected for the DISCOMs.

24x7 - Power for All - The initiative to provide 24x7 power to all households, industries, commercial businesses, public needs, and other electricity-consuming entities, as well as adequate power to agricultural farm holdings, is a joint initiative of the Government of India (GoI) and state governments.

DeenDayal Upadhyaya Gram Jyoti Yojana (DDUGJY): The Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY) is a flagship program of the Ministry of Power and a key initiative of the Government of India aimed at providing uninterrupted power supply to rural India, including village electrification. The scheme is designed to benefit rural households by providing access to electricity, which is essential for the growth and development of the country.

Integrated Power Development Scheme (IPDS): In December 2014, the Ministry of Power in the Indian government introduced the Integrated Power Development Scheme (IPDS) to strengthen power sub-transmission and distribution networks in urban areas. The scheme aims to reinforce sub-transmission and distribution networks, improve metering of distribution transformers, feeders, and consumers, enable Enterprise Resource Planning (ERP) and IT infrastructure in urban towns, and implement Real-Time Data Acquisition System (RT-DAS) projects. As of November 2021, projects worth Rs. 30,904 crores were sanctioned under IPDS, and a grant of Rs.16,478 has been released. Additionally, distribution system reinforcement projects have been completed in 524 circles.

Pradhan Mantri Sahaj Bijli Har Ghar Yojana : The Pradhan Mantri Sahaj Bijli Har Ghar Yojana is a government project in India that aims to provide electricity to all households. It was announced by Prime Minister Narendra Modi in September 2017 with a target of completing the electrification process by December 2018. Eligible households identified via the Socio-economic and Caste Census (SECC) of 2011 will receive free electricity connections, while others will be charged Rs. 500. The project has a total outlay of Rs. 16,320 crores with a Gross Budgetary Support (GBS) of Rs. 12,320 crores. The scheme includes the provision of five LED lights, one AC fan, and one AC power plug to each beneficiary household, along with Repair and Maintenance (R&M) for five years. The government has also launched a website, saubhagya.gov.in, to disseminate information about the scheme.

Budget allocation: The solar power sector has received a boost in the Union Budget for 2023-24, with a budgetary allocation of Rs 7,327 crore, a 48 per cent increase over the previous allocation of Rs 4,979 crore. The budget allocates Rs 4,970 crore for grid-interactive solar power projects, Rs 1,996 crore for the PM-KUSUM project, and Rs 361 crore for off-grid solar power projects, according to the Expenditure Budget document for 2023-24. The Phase-III of the off-grid solar PV programme includes plans to install 300,000 solar streetlights, distribute 2.5 million solar study lamps, and install solar power packs with a total aggregated capacity of 100 MWp. The AJAY Phase-II scheme will see the installation of over 300,000 solar streetlights. Additionally, there are plans to undertake 20 MW projects of concentrated solar thermal. The allocation for wind energy projects in the current financial year is Rs. 1,214 crores, which is a 14% decrease from the previously allocated Rs. 1,413 crores as per the revised estimates. (Source: Economic Times)

National Green Hydrogen Mission: The National Green Hydrogen Mission was approved by the Union Cabinet on January 4, 2023, with the objective of achieving a green hydrogen production capacity of at least 5 million metric tonnes (mmt) and an associated renewable energy capacity addition of around 125 gigawatts (GW) by 2030. The aim of the mission is to reduce nearly 50 MMT of greenhouse gas emissions annually by 2030 through the promotion of demand creation, production, and utilization of green hydrogen across various sectors. (Source: www.downtoearth.org.in)

Growth drivers

Growing population: India has overtaken China as the world's most populous country. Further, India's population is expected to continue to grow and reach 1.52 billion by 2036, which will result in an increased need for power transmission infrastructure in the country.

Urbanisation: As the population of the country is expected to increase, there is also an anticipated rise in the urban population. By 2030, it is expected that the urban population in India will reach 600 million, which will account for 40% of the total population.

Renewable energy targets: The urgent need to address climate change at a global level is a significant concern for India. While India's greenhouse gas emissions are relatively small compared to the rest of the world, its contribution to the issue has become increasingly important. In response, India has set a target of achieving 500 GW of renewable energy capacity by 2030 and improving its energy efficiency. This ambitious goal reflects India's commitment to addressing climate change and reducing its carbon footprint.

Green Energy Corridors: The Indian government has launched two schemes, namely the Green Energy Corridor I and Green Energy Corridor II, to develop highways for renewable power transmission. These projects implemented upgraded technologies and systems to enhance grid stability. To improve power quality, the country employed Static Var Compensators (SVCs) and Static Synchronous Compensators (STATCOMs) to ensure stabilized voltage levels and increase the power transfer capability of the transmission lines.

Growing inter-regional demand-supply gap: As load centers are situated far away from conventional power generation centers, the gap between demand and supply is increasing in various regions.

Legacy infrastructure: To keep up with ongoing trends and replace legacy infrastructure, India - the second largest market for transmission infrastructure after China - needs to install new transmission and distribution infrastructure.

Growing private sector investments: The Indian power sector has experienced a significant change due to the increasing private sector investments, which are estimated to be just fewer than 50%.

(Source: The wire, IEA, Economic Times, Livemint, India Today)

Financial overview

Operational revenues: During FY2022-23, operational revenue stood at Rs.12,149 crores as against Rs. 10,184 crores in FY2021-22.

Interest and finance costs: Net interest and finance costs increased by 27% in FY2022-23.

Profit after tax: The Company reported a profit after tax of Rs.1,281 Crore in FY2022-23 compared to Rs. 1,236 Crore in the preceding year.

Key ratios

Particulars	2022-23	2021-22
Debt-equity ratio	2.68	2.71
Return on equity/Net worth (%)	10.78	11.75
Book value per share (Rs.)	114.39	72.29
Earnings per share (Rs.)	11.10	8.9

Company overview

Adani Group made its entry into the power transmission segment in 2006, prior to the establishment of Adani Transmission Limited (ATL). The primary reason behind the formation of ATL was to meet the power evacuation needs of Adani's Mundra thermal power plant. The power transmission lines installed for this purpose covered over 3,800 circuit kilometers, connecting Mundra to Dehgam, Mundra to Mahendragarh, and Tiroda to Warora.

As the demand for power transmission continued to grow, Adani Transmission Limited (ATL) saw opportunities for expansion and was formally established in 2015 as a separate entity carved out from Adani Enterprises Limited (AEL). ATL pursued various growth strategies including acquiring existing transmission assets, such as GMR's transmission assets in Rajasthan in 2016, Reliance Infrastructure's transmission assets in Gujarat, Madhya Pradesh, and Maharashtra in 2017, and KEC's Bikaner-Sikar transmission asset in Rajasthan in 2019. In 2014, ATL had already conceived a new transmission line extending over 1200 ckm from Adani's Tiroda power plant to meet growing demand. The company's initial foray into power transmission had been prompted by the power evacuation requirements of Adani's Mundra thermal power plant, and the resulting development of transmission lines spanning more than 3,800 ckm with connections to various locations.

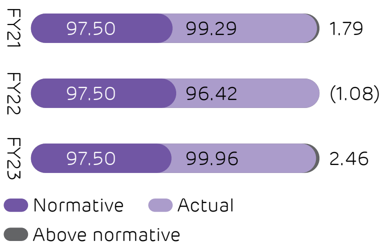
Adani Transmission Limited (ATL) expanded its presence in the power distribution sector by acquiring Reliance Infrastructure's power generation, transmission, and distribution business in August 2018. Adani Electricity Mumbai Limited currently has a distribution network covering over 400 square kilometers and serves over 12 million consumers in Mumbai suburbs and Thane district. ATL is the largest private transmission company in India, with a portfolio of around 19,779 circuit kilometers of transmission lines and more than 46,001 MVA of power transmission capacity. The company has set an ambitious target of owning 30,000 circuit kilometers of transmission assets by 2030.

Operating history

ATL earned incentive payments for maintaining network availability above regulatory requirements, i.e., average availability of 99.7% in FY23.

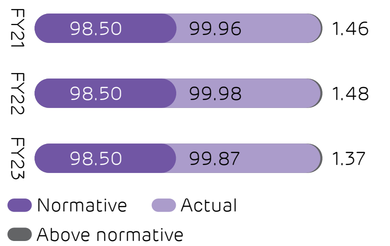
±500 kV Mundra - Mahendragarh HVDC Transmission System (ATIL - Asset-1 HVDC)

(%) Availability



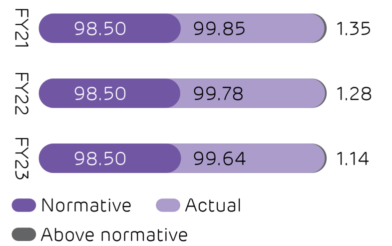
±500 kV Mundra-Mahendragarh HVAC Transmission System (ATIL – Asset-1 HVAC)

(%) Availability



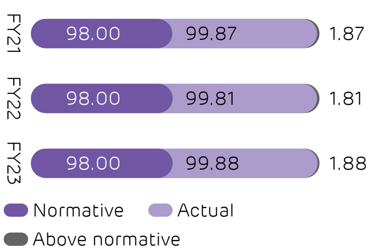
400 kV Mundra-Sami-Dehgam Transmission System (ATIL - Asset 2 HVAC)

(%) Availability



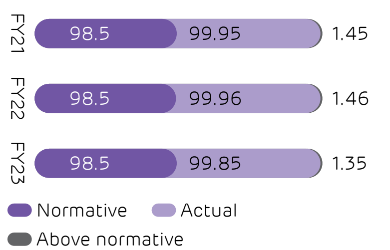
400 kV Tiroda-Warora Transmission System (ATIL - TW)

(%) Availability



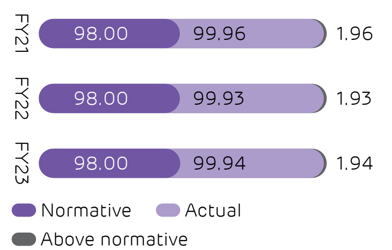
Maharashtra Eastern Grid Power Transmission company Limited (MEGPTCL)

(%) Availability



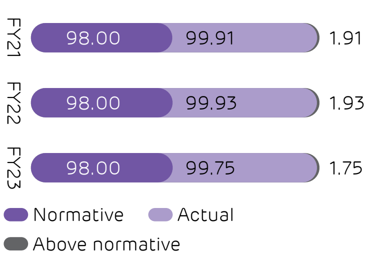
Chhattisgarh-Western Region Transmission Limited (CWRTL)

(%) Availability



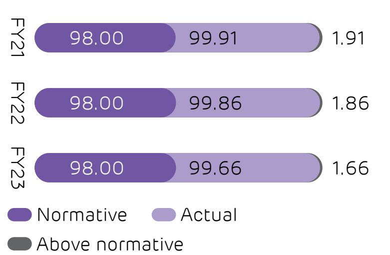
Raipur-Rajnandgaon-Warora Transmission Ltd. (RRWTL)

(%) Availability



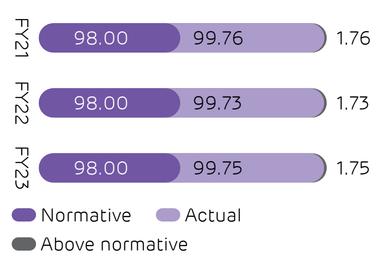
Sipat Transmission Ltd. (STL)

(%) Availability



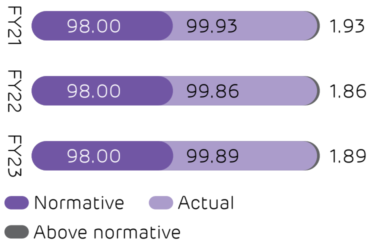
Western Transmission (Gujarat) Ltd. (WTGL)

(%) Availability



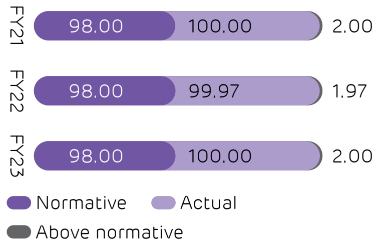
Western Transco Power Ltd. (WTPL)

(%) Availability



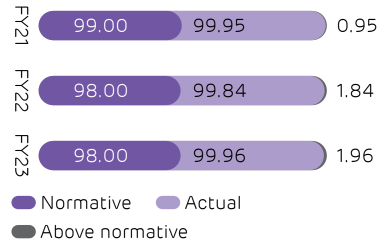
Adani Transmission Bikaner Sikar Private Ltd. (ATBSPL)

(%) Availability



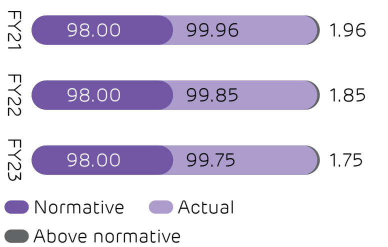
Adani Transmission (Rajasthan) Ltd. (ATRL)

(%) Availability



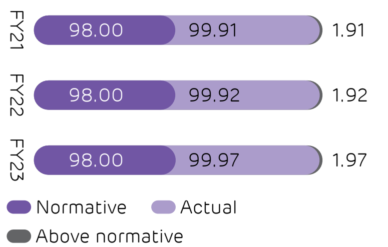
Aravali Transmission Service Company Ltd. (ATSCL)

(%) Availability



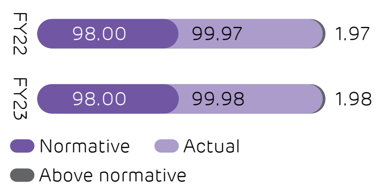
Maru Transmission Service Company Ltd. (MTSCL)

(%) Availability



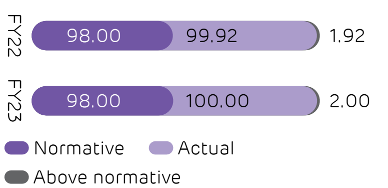
Alipurduar Transmission Ltd. (ATL)

(%) Availability



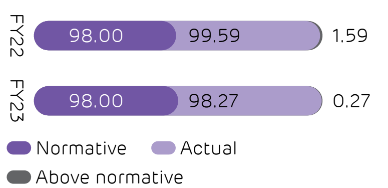
Warora Kurnool Transmission Limited (WKTL) (Partially operational)

(%) Availability



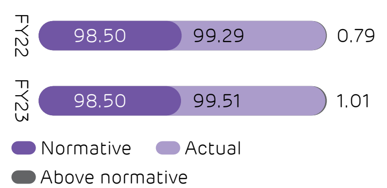
Ghatampur Transmission Limited (GTL)

(%) Availability



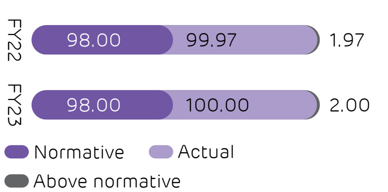
Obra - C Badaun Transmission Limited (OCBTL)

(%) Availability



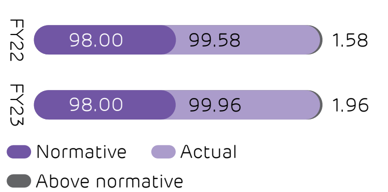
Fatehgarh Bhadla Transmission Limited (FBTL)

(%) Availability



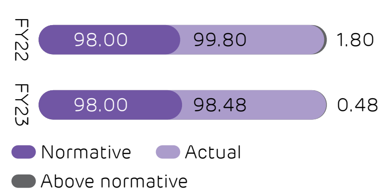
North Karanpura Transco Limited (NKTL) nset - (partially operational)

(%) Availability



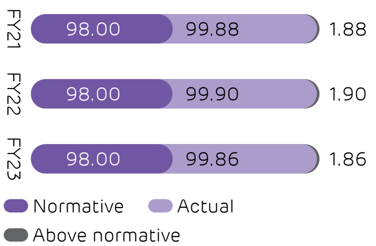
Bikaner-Khetri Transmission Limited (BKTL)

(%) Availability



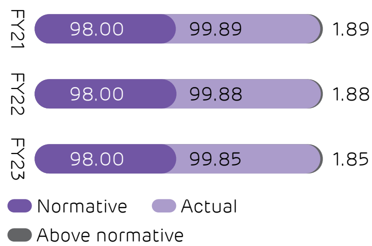
PPP-8 Hadoti Power Transmission Service Ltd. (HPTSL)

(%) Availability



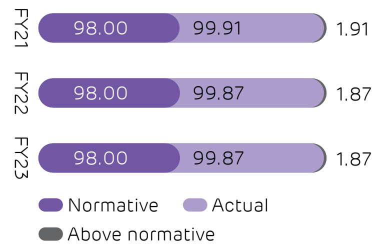
PPP-9 Barmer Power Transmission Service Ltd. (BPTSL)

(%) Availability



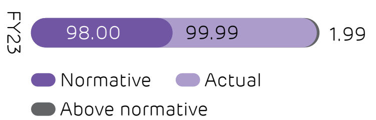
PPP-10 Thar Power Transmission Service Ltd. (TPTSL)

(%) Availability



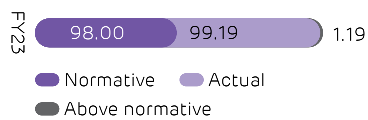
Jam khambhaliya Transco Limited (JKTL)

(%) Availability



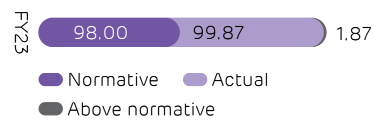
Lakadia Banaskantha Transco Limited (LBTL)

(%) Availability



WRSS XXI (A) Transco Limited (WTL)

(%) Availability



Details of Significant Changes in the Key Financial Ratios and Return on Net Worth

Pursuant to amendment made in Schedule V to the Listing Regulations, details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in Key Financial Ratios and any changes in Return on Net Worth of the Company (on standalone basis) including explanations are included as per note no. 48 forming part of the standalone financial statements of the company.

Human resources

ATL's market leadership was reinforced by its human resource practices. The company invested in both formal and informal training, as well as on-the-job learning. It emphasized employee engagement by providing an enriched workplace, challenging job profiles, and regular dialogues with management. The company has one of the highest employee retention rates in the industry, creating leaders from within and strengthening its prospects. As of March 31, 2023, the company had 5,002 permanent employees on a consolidated basis.

Internal control systems and their adequacy

Adani Transmission Limited (ATL) had effective internal control procedures in place that were appropriate for its size and operations. The Board of Directors was responsible for the internal control system and ensured that it was adequate, effective, and applied properly. The Company's internal control system was designed to ensure management efficiency, measurability, and verifiability, reliable accounting and management information, compliance with all applicable laws and regulations, and the protection of the Company's assets. This was done to promptly identify and manage the risks faced by the Company, including operational, compliance-related, economic, and financial risks

Cautionary statement

This statement made in this section describes the Company's objectives, projections, expectation and estimations which may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

Business Responsibility & Sustainability Reporting

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity -	L40300GJ2013PLC077803
2	Name of the Listed Entity	Adani Transmission Limited ("ATL / the Company")
3	Year of incorporation	2013
4	Registered office address	"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India
5	Corporate address	"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421, Gujarat, India.
6	E-mail	jaladhi.shukla@adani.com
7	Telephone	(91) 79 25555366
8	Website	www.adanitransmission.com
9	Financial year for which reporting is being done	1.04.2022 to 31.03.2023
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)
11	Paid-up Capital -	₹1,115.49 Crore
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Mr. Santosh Kumar Singh Designation: Chief Sustainability Officer Telephone Number: (079) 25557289 Email Id: cso.transmission@adani.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Disclosures under this report are made on a consolidated basis. We have taken the business of Generation, Transmission and Distribution of Electricity.

II. Products/services

14. Details of business activities (accounting for 90% of the turnover):

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Transmission services	Power transmission Services	30%
2	Generation, Transmission and Distribution	Power Generation, Distribution and Transmission Services	64%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Electricity Generation, Transmission and distributions	35106	94%

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	The entity has Pan India presence across 14 (Fourteen) states namely, Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal and Karnataka.		
International	None		

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	The entity has Pan India presence across 14 (Fourteen) states namely ,Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Maharashtra, Madhya Pradesh, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, West Bengal and Karnataka.
International (No. of Countries)	None

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The organisation has domestic turnover only.

c. A brief on type of customers

The Company works in both B2B (Power Generation and Transmission) and B2C business (Retail Electricity Distribution). The B2C business is done by Retail Electricity distribution arms of ATL i.e. Adani Electricity Mumbai Limited (AEML) and MPSEZ Utilities Limited (MUL).

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
			EMPLOYEES			
1.	Permanent (D)	2150	1945	90%	205	10%
2.	Other than Permanent (E)	5	5	100%	0	0%
3.	**Total employees (D + E)**	**2155**	**1950**	**90%**	**205**	**10%**
			WORKERS			
4.	Permanent (F)	2852	2704	95%	148	5%
5.	Other than Permanent (G)	4851	4755	98%	96	2%
6.	**Total employees (F + G)**	**7703**	**7459**	**97%**	**244**	**3%**

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	5	4	80%	1	20%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**5**	**4**	**80%**	**1**	**20%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	2	2	100%	0	0%
5.	Other than permanent (G)	0	0	0%	0	0%
6.	**Total differently abled workers (F + G)**	2	2	100%	0	0%

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	7	2	29%
Key Management Personnel	4	0	0%

20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

Month	FY 2022-23 (Turnover rate in current FY)			FY 2021-22 (Turnover rate in previous FY)			FY 2020-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	7.4%	7.3%	7.4%	5.32%	4.00%	5.23%	4.84%	4.03%	4.78%
Permanent Workers	6.1%	5.4%	6.1%	NA	NA	NA	NA	NA	NA

Note – During previous FY the permanent workers were considered under other than permanent workers.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Adani Transmission (India) Limited	Subsidiary	100%	Yes
2	Maharashtra Eastern Grid Power Transmission Co. Limited	Subsidiary	100%	Yes
3	Sipat Transmission Limited	Subsidiary	100%	Yes
4	Raipur-Rajnandgaon-Warora Transmission Limited (RRWTL)	Subsidiary	100%	Yes

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
5	Chhattisgarh-WR Transmission Limited	Subsidiary	100%	Yes
6	Adani Transmission (Rajasthan) Limited	Subsidiary	99.99% (Note 1)	Yes
7	North Karanpura Transco Limited	Subsidiary	100%	Yes
8	Maru Transmission Service Company Limited	Subsidiary	100%	Yes
9	Aravali Transmission Service Company Limited	Subsidiary	100%	Yes
10	Hadoti Power Transmission Service Limited	Subsidiary	100%	Yes
11	Barmer Power Transmission Service Limited	Subsidiary	100%	Yes
12	Thar Power Transmission Service Limited	Subsidiary	100%	Yes
13	Western Transco Power Limited	Subsidiary	100%	Yes
14	Western Transmission (Gujarat) Limited	Subsidiary	100%	Yes
15	Fatehgarh-Bhadla Transmission Limited	Subsidiary	100%	Yes
16	Ghatampur Transmission Limited	Subsidiary	100%	Yes
17	Adani Electricity Mumbai Limited	Subsidiary	74.90%	Yes
18	Adani Electricity Navi Mumbai Limited (Formerly Known as AEML Infrastructure Limited) (AEML Infra)	Subsidiary	100%	Yes
19	OBRA-C Badaun Transmission Limited	Subsidiary	100%	Yes
20	Adani Transmission Bikaner Sikar Private Limited	Subsidiary	99.99% (Note 1)	Yes
21	WRSS XXI (A) Transco Limited	Subsidiary	100%	Yes
22	Bikaner Khetri Transco Limited	Subsidiary	100%	Yes
23	Lakadia Banaskantha Transco Limited	Subsidiary	100%	Yes
24	Jamkhambhaliya Transco Limited	Subsidiary	100%	Yes
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited) (AIPL)	Subsidiary	100%	Yes
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited) (SISPL)	Subsidiary	100%	Yes

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
27	Power Distribution Services Limited	Subsidiary	74.90%	Yes
28	Adani Electricity Mumbai Infra Limited	Subsidiary	100%	Yes
29	Kharghar Vikhroli Transmission Limited (KVTL)	Subsidiary	100%	Yes
30	Alipurduar Transmission Limited	Subsidiary	100 % (Note 2)	Yes
31	AEML Seepz Limited	Subsidiary	100%	Yes
32	Adani Transmission Step One Limited	Subsidiary	100%	Yes
33	Warora-Kurnool Transmission Limited	Subsidiary	100%	Yes
34	ATL HVDC Limited	Subsidiary	100%	Yes
35	MP Power Transmission Package-II Limited	Subsidiary	100%	Yes
36	MPSEZ Utilities Limited	Subsidiary	100%	Yes
37	Karur Transmission Limited	Subsidiary	100%	Yes
38	Khavda-Bhuj Transmission Limited	Subsidiary	100%	Yes
39	Adani Transmission Step-Two Limited	Subsidiary	100%	Yes
40	Adani Transmission Mahan Limited	Subsidiary	100%	Yes
41	Adani Electricity Jewar Limited	Subsidiary	100%	Yes
42	BEST Smart Metering Limited	Subsidiary	100%	Yes
43	Adani Cooling Solutions Limited	Subsidiary	100%	Yes
44	WRSR Power Transmission Limited	Subsidiary	100%	Yes
45	Adani Transmission Step-Three Limited	Subsidiary	100%	Yes
46	Adani Transmission Step-Four Limited	Subsidiary	100%	Yes
47	Adani Transmission Step-Five Limited	Subsidiary	100%	Yes
48	Adani Transmission Step-Six Limited	Subsidiary	100%	Yes
49	Adani Transmission Step-Seven Limited	Subsidiary	100%	Yes
50	Adani Transmission Step-Eigth Limited	Subsidiary	100%	Yes
51	Adani Transmission Step-Nine Limited (Now Known as NE Smart Metering Limited)	Subsidiary	100%	Yes
52	Adani Electricity Aurangabad Limited	Subsidiary	100%	Yes

Sr. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
53	Adani Electricity Nashik Limited	Subsidiary	100%	Yes
54	Khavda II-A Transmission Limited	Subsidiary	100%	Yes
55	Adani Green Energy Thirty Limited	Subsidiary	100%	Yes
56	Adani-LCC JV	Partnership firm	20%	No

Note 1 - Adani Transmission (Rajasthan) Limited (ATRL) and Adani Transmission Bikaner Sikar Private Limited (ATBSPL) have entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL and ATBSPL (the "Golden Share") in favour of the RRVPNL.

Note 2 - The Adani Transmission Ltd has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on 5th July 2020 for acquisition of Alipurduar Transmission Ltd. ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, the Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents.

Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.

VI.

CSR Details		Response
22. (i)	Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii)	Turnover (in ₹.) for CSR at ATL standalone	₹ 688.00 Cr.
(iii)	Net worth (in ₹)	₹ 10326.65 Cr.

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redressal policy)	Current Financial Year (FY 2022-23)			Previous Financial Year (FY 2021-22)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees and workers	Yes	171	64	Refer note 1	0	0	NA
Customers	Yes	65696	383	Refer note 2	0	0	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	Yes	0	0	NA	0	0	NA

Note 1: All grievances out of purview of the divisional level are escalated to the quarterly Apex Works Committee consisting of business heads of various business verticals and equal number of various union General Secretaries/Vice Presidents

Note 2: Cases which are pending have been registered in the last week of March 23 & are within their defined TAT (Turnaround Time). Zero Pending as on date 25th April 2023

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative
1.	Biodiversity Conservation	Risk	Reducing the impact of business operation on biodiversity and focus on optimisation of natural resources.	ATL works to build partnerships and work constructively with stakeholders, assess its impacts on key biodiversity issues and make decisions after considering the biodiversity impacts. By adopting a dedicated biodiversity policy and becoming a signatory to the Insolvency and Bankruptcy Board of India (IBBI), ATL has strengthened its commitment to being a responsible corporate citizen in the field of biodiversity. As per the policy, ATL has set a target to become "Net Positive" in terms of biodiversity by FY 2024-25.	Positive Implication - Risk of escalation in project cost. Example - Route diversion for protecting biodiversity or proactively planning the routes with minimal biodiversity impacts, helps us optimize the project cost.(Fatehgarh Transmission Line in state of Rajasthan for GIB) Additionally a study has been conducted by CII for 3 season Biodiversity Assessment at Dahanu resulting in mangrove plantation program. Enhance biodiversity at our substations through greening of substation program introducing 17 biodiversity species and plan to cover 4.5million by 2030.
2.	Climate Change (Energy and Emissions)	Risk & opportunity	Climate Change poses one of the biggest threat to our business continuity. Climate adaptation and mitigation are key to building a future-ready organisation.	The Governing Policies on Environment and Sustainability defines the process for measuring monitoring and reducing the Company's environmental impact.	Negative Implication- Select Stakeholders demanding phasing out of thermal power plant. Positive Implication- Opportunity to tap renewable power for business continuity & sustainable growth.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative
3.	Water Stewardship	Risk & opportunity	Water is a shared resource, making it important for businesses to use it responsibly. Ensuring responsible consumption is key to the business social license to operate and ensure a sustainable planet for all.	Focusing on Company's Net Water Neutrality by increasing the number of Rainwater Harvesting Ponds reduces the dependency on freshwater.	Negative Implication- 26 of 31 operational assets currently falls under extremely high water stress region. Positive Implication- Though transmission business is not water intensive, still adoption of Rain water harvesting ponds and recharge wells, enhancing brand image of the company and improving social license to operate.
4.	Business ethics and values	Risk	Ethical conduct, integrity and transparent two-way communication with stakeholders is integral to ensuring regulatory compliance and building stakeholder trust.	The Company has instituted several policies and procedures on business ethics, integrity, and transparency. Annual internal audits are being conducted to review the effective implementation of policies.	Negative Impact - In order to maintain and build trust among investors and other stakeholders, enhancing brand value business ethics and values plays a critical role, if not adhered, credibility and transparency will be lost, impacting the revenue and growth prospects.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative
5	Occupational Health and Safety	Risk	Failure to ensure employee health, safety and well-being can negatively impact the productivity. This can consequently affect our business operations, customer satisfaction and profitability.	Our goal is to promote safe working environment and ensure Zero harm. We provide safety trainings to employees and workers on regular basis to ensure their holistic well- being.	Negative Implication- Loss of skilled man-hours required for installation, commissioning, operation, and maintenance of assets. This can consequently affect our business operations, customer satisfaction and profitability.
6	Customer orientation and satisfaction	Opportunity	High levels of customer satisfaction are integral for ensuring a resilient business that thrives in an increasingly-competitive landscape.		Positive Implication- Building Customer confidence enhances new business opportunities. The Company has instituted a robust customer feedback mechanism. Regular interactions are undertaken with the customers to understand the needs and to ensure that the offerings and customer service are up to the mark and their inputs are incorporated during decision making for new business opportunities.
7	Employee Engagement	Opportunity	Regularly engaging with employees ensures high retention rate and employee satisfaction. This decreases employee turnover and increases the workforce effectiveness.	-	Positive Implication- Aligning the business values and purpose leading to Productivity Improvement and talent retention & attraction.

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative
8	Corporate governance compliance	Opportunity	A strong governance structure is essential to ensure effective and transparent business conduct.	-	Positive Implication- Transparent business practices leads to Building trust among investors and other stakeholders, enhancing brand value. Productivity Improvement and talent retention and attraction.
9	Economic Performance	Opportunity	Strong economic performance forms the backbone of ensuring successful business operations. This will facilitate us with opportunities to explore new growth avenues.	-	Positive Implication- Enhancing trust among the stakeholders, building credibility and helping to tap new finance opportunities.
10	Anti-Corruption	Opportunity	Adapting anti-corruption practices will avoid any reputational damage to the business.	-	Positive Implication- Enhancing trust among the stakeholders, building credibility, build brand reputation, and helping to tap new finance opportunities.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure	P	P	P	P	P	P	P	P	P
Questions	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available	https://www.adanitransmission.com/investors/corporate-governance								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015 for Quality Management System ISO 14001:2015 for Environment Management System ISO 26000:2010 for Social Responsibility ISO 27031:2011 for Information and Communication Technology (ICT) Readiness for business continuity ISO 45001:2018 for Occupational Health and Safety ISO 50001:2018 for Energy Management System ISO 55001:2014 for Asset Management System ISO 27001:2013 for Information Security Management System ISO 22301:2019 for Business Continuity Management System https://www.adanitransmission.com/investors/corporate-governance								
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	1) Board Governance as per world best practices 2) To be in Top-10 companies globally for ESG benchmarking of Electric Utility Sector by FY 2024-25 by avoiding GHG emissions through sourcing renewable energy and building supporting infrastructure- 60% renewable in total electricity distribution by ATL-AEML by 2027. 4) Emission intensity target in line with India's Nationally Determined Contributions (NDCs) and performance disclosures in public domain 5) Committed to Health and Safety of workforce with Zero Harm and Zero Leak objective by bringing Leadership commitment, Uniform deployment of safety standards and procedures, Capacity building, Systems and Processes 6) IT – enablement of Adani Energy Vertical ESG framework by FY 2023-24 under O&M phase by 2024-25 9) Integrate with Management Systems in the company to conduct business with no net loss to biodiversity and 100% alignment with India Business Biodiversity Initiative (IBBI) and public disclosures by 2023-24 10) Building green supply chain by integration of Associates for 100% of critical supplies by 2023-24 11) Systematic Materiality Assessment and integration with Management Systems in the company 12) Inclusive growth including communities by undertaking CSR initiatives aligned with business impacts to leave positive footprints and societal happiness								
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	Key Performance targets across EGS parameters are set internally and monitored and acted upon continuously.								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements:	Our group wide mission of Nation Building provides a guiding framework for investment in business that spurs India's economic growth, which is essential for the wellbeing of our citizens. The Group firmly believes that embedding Environmental, Social, and Governance (ESG) principles in its business operations is not only a responsibility but a crucial component of our identity. Adherence to these principles helps build resilience, transform culture and long-term value creation to systematically identify opportunities, manage risks, and secure the interest of all our stakeholders. At ATL, we have undertaken a rigorous mapping of emission footprint. Further, we adhere to disclose our performance in a transparent manner in alignment with global standards and frameworks. Each of our businesses aims to be a sector leader in reducing direct emissions, sourcing renewable energy for operations, and collaborating with value chain partners to reduce indirect emissions.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board has established a Corporate Responsibility Committee solely composed of the Independent Directors to oversee strategies, activities and policies including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework.								
9. Does the entity have a specified Committee of the Board / Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	The Board of the Company has constituted a Corporate Responsibility Committee comprising solely of the Independent Directors, which meets on a quarterly basis								

Name of Member	Composition of Committee
Mr. K. Jairaj	Chairman (Independent Director)
Dr. Ravindra H. Dholakia	Member (Independent Director)
Mrs. Meera Shankar	Member (Independent Director)

10. Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)
	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Quarterly

	P1	P2	P3	P4	P5	P6	P7	P8	P9
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Section C: Principle wise performance

PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	% of persons in respective category covered by the awareness programme
Board of Directors	01	• Regulations and concession agreement	100% (Independent directors)
		• Employee wellbeing, Korn Ferry's Four-Dimensional Executive Assessment	
		• Environmental wellbeing and sustainable services, sustainability and inclusive growth	
		• Service quality, marketing for imported coal	
Key Managerial Personnel	44	• Adani Cyber Security Awareness course	96%
		• POSH & Gender Sensitization	
		• Insider Trading - Adani Group	
		• Introduction to ESG	
		• Safety Trainings	
Employees other than BoD and KMPs	447	• Adani Cyber Security Awareness course	76%
		• POSH & Gender Sensitization	
		• Insider Trading - Adani Group	
		• Introduction to ESG	
		• Employee Volunteering with 'Be a Swachhagrahi - Create a Culture of Cleanliness'	
		• Safety Trainings	
		• Prevention of Sexual Harassment	
		• Health & Wellbeing	
		• Ethics	
		• Safety Training	
		• Functional & Technical Training	
Workers	29	• Safety, Technical & Behavioral Training	72%

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	Name of regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine	Nil	Nil	Nil	Nil	Nil

Monetary					
Settlement	Nil	Nil	Nil	Nil	Nil
Compounding Fee	Nil	Nil	Nil	Nil	Nil

Non-Monetary				
	NGRBC Principle	Name of regulatory/ enforcement agencies/judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/enforcement agencies/ Judicial institutions
Not Applicable	Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company has an Anti-Corruption and Anti-Bribery policy in place.

Weblink:(https://www.adanitransmission.com/-/media/Project/Transmission/CorporateGovernance/Corporate-Policies-related-to-Good-Governance/ATL-Anti-Corruption--Anti-Bribery-Policy.pdf)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23 (Current Financial Year)		FY 2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of Complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

There were zero cases of corruption and Conflict of Interest in the reporting year and as a result there were no fines, penalties or corrective actions taken against the entity by any legislative or judicial institutions.

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Contractor Safety Management	41%
10	Environmental Aspect (Climate Change, Water stewardship etc)	45%
22	Safety trainings to service contractors	100% for eligible contractors

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

   Yes, we have laid down guidelines to manage or avoid conflict of interest involving members of the Board. These guidelines are incorporated in the organisation's Code of Conduct for Board Members and Senior Management. All applicable members are expected to dedicate their best efforts and decisions to advance the Company's interests. Any situation that involves or reasonably expected to involve in a conflict of interest shall be promptly reported. The COC covers the following aspects of Conflict of Interest:

- Corporate Business Opportunity
- Payment or gift from others
- Company property
- Confidential Information

Weblink for 'Code of Conduct for Board of Directors and Senior Management of the Company' -(https://www.adanitransmission.com/-/media/Project/Transmission/Investor/documents/Policies/A29-ATL-Code-of-Conduct-for-Board-and-Senior-Management--dtd-04012020.pd)

PRINCIPLE 2 - Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1 **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	Current financial Year (FY 2022-23)	Previous financial Year (FY 2021-22)	Details of improvements in environmental and social impacts
R&D	Rs 31.42 Lakh	Rs 31.98 Lakh	**Major Details of Improvements:**
Capex	Rs 141 Lakh	Rs 440 Lakh	• Enhancement of Safety Measures by technology intervention • Installation of Water Meter for Water consumption measurement and further reduction • Use of UAV (Unmanned Aerial Vehicle) for Transmission Line Inspection which reduces the manual patrolling and save fuel consumption. • Solar Rooftop systems

2 a. **Does the entity have procedures in place for sustainable sourcing?**

Yes

b **If yes, what percentage of inputs were sourced sustainably?**

Yes, our supply chain management policy effectively governs our sustainable supply chain management practices. We ensure that our supplier selection process integrates the prerequisites of sustainability. Our supplier code of conduct acts as a framework for assessing and disseminating company's requirements, values and culture to suppliers. We also encourage our suppliers to adhere to social and environmental standards such as SA 8000, ISO 14001, and ISO 45001. Moreover, we have also devised a supplier screening and risk assessment programme which serves as an initiatory requirement in our vendor onboarding process. In addition to the regulatory and qualitative aspects, our supplier assessment scorecard also incorporates ESG aspects for screening and prequalification of our suppliers. We have classified our suppliers and identified them as critical based on value of business and nature of supply. Further, our supplier screening framework is used to assess the identified critical suppliers on predefined ESG parameter which act as a key enabler on our Responsible Supply Chain journey.

3 **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Due to the nature of our operations, the scope is limited for safely reclaiming products for reuse, recycle and disposal at the end of life. However, we have defined processes for managing waste at our operational sites.

All the hazardous waste generated across our premises is handled, segregated, stored and transported in accordance with applicable regulatory requirements and best industry practices.

All the hazardous waste is disposed of in an environmentally sound manner through authorised vendors. Additionally, the non-hazardous waste generated at our premises comprises of scrap metal, wood waste, glass, tyres, e-waste, cardboard, and paper are sold and auctioned. With our consistent efforts in reduction of waste generation, 99% of our operations (under O&M phase) have been certified as Zero Waste to Landfill sites.

Furthermore, in alignment with the UNSDG 12- Responsible Consumption and Production, we have devised the following targets:

- Zero waste to landfill across all its sites by FY 2024-25
- Becoming a Single Use Plastic (SUP) free company

4 **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same Extended Producer Responsibility (EPR) is not applicable owing to the Company's nature of business (electricity transmission)**

Owing to the nature of the Company's service offerings, EPR is not applicable to the Company.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing Industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product / Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
Not applicable. However, ATL takes proactive steps to avoid any significant environmental & or social impact from ash produced from power generation @ Dahanu					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product/Service	Description of the risk/concern	Action taken
Not applicable. However, ATL takes proactive steps to avoid any significant environmental & or social impact from ash produced from power generation @ Dahanu		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input Material	Recycled or re-used input material to total material	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Steel	37% of total steel*	37% of total steel*

* as per CRISIL Research report 2022, India Steel average scrap content = 37%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	Owing to the nature of the Company's service offerings (electricity), packaging is not applicable to the Company. Nor the service has any end of of life impact on environment or society. ATL takes all preventive measures to avoid any significant social or environmental impact. ATL is certified for Zero Waste to Landfill by third party (M/s Intertek).					
E-waste						
Hazardous waste						
Other Waste						

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category

Not applicable.
Owing to the nature of the Company's service offerings(electricity), packaging is not applicable to the Company. Nor the service has any end of of life impact on environment or society. ATL takes all preventive measures to avoid any significant social or environmental impact. ATL is certified for Zero Waste to Landfill by third party (M/s Intertek).

PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1945	1945	100%	1945	100%	0	0%	559	29%	0	0%
Female	205	205	100%	205	100%	205	100%	0	0%	0	0%
Total	2150	2150	100%	2150	100%	205	10%	559	26%	0	0%
Other than Permanent employees											
Male	5	5	100%	5	100%	0	0%	5	100%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	5	5	100%	5	100%	0	0%	5	100%	0	0%

b. **Details of measures for the well-being of workers:**

Category	% of workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	2704	2704	100%	2704	100%	0	0%	0	0%	0	0
Female	148	148	100%	148	100%	148	100%	0	0%	0	0
Total	2852	2852	100%	2852	100%	148	5%	0	0%	0	0
Other than Permanent employees											
Male	4755	3814	80%	3814	80%	0	0%	0	0%	0	0
Female	96	66	69%	66	69%	96	100%	0	0%	0	0
Total	4851	3880	80%	3880	80%	96	2%	0	0%	0	0

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	No. of workers covered as a % of total workers	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	NA	100%	Y	NA	100%	Y
Others – please specify	NA	NA	NA	NA	NA	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

In conformance with our Diversity, Equality, and Inclusion policy as well as the Code of Conduct, we are an equal opportunity employer and ensure that we fulfill the requirements of the Right of Persons with Disabilities Act, 2016. We provide our employees with the requisite infrastructure to address accessibility of workplaces for differently abled. For example, we have the provision of ramps and dedicated toilets at all office locations and elevators with braille sign for visually impaired.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, our Diversity, Equity and Inclusion policy showcase our commitment on equal opportunity. Our unwavering commitment of delivering value while nurturing and promoting diversity across our operation aids in promoting an environment or trust, empathy and mutual respect.

Weblink: https://www.adanitransmission.com/-/media/Project/Transmission/CorporateGovernance/Corporate-Policies-related-to-Good-Governance/Diversity-Policy-for-Adani-Transmission.pdf

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100	100	NA	NA
Female	100	100	NA	NA
Total	100	100	NA	NA

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No **(If Yes, then give details of the mechanism in brief)**
Permanent Workers	Yes. grievances are handled through works committee, "Charter of Demand" and Consultation with Representatives
Other than Permanent Workers	Yes. Works Committee for Grievance Redressal. Various internal committees for resolving day to day operations i.e., Canteen, Safety and Cultural committees.
Permanent Employees	Yes. Adani Grievance Management System Employees can report their grievances to their BU HR Teams initially. In case the resolution is not satisfactory, then a grievance can be raised through the tool. The Grievance Redressal Committee protects and safeguards the confidentiality of the aggrieved employees.
Other than Permanent Employees	Yes. Applicable same as Permanent employees

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY 2022-23			FY 2021-22		
	Total employees / workersin respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	**2150**	**0**	**0%**	**5105**	**3027**	**59%**
- Male	1945	0	0%	4768	2871	60%
- Female	205	0	0%	377	156	46%
Total Permanent Workers	**2852**	**2852**	**100%**	**0**	**0**	**0**
- Male	2704	2704	100%	0	0	0
- Female	148	148	100%	0	0	0

Note - In FY 2021 – 22 Permanent workers considered under Permanent Employees

8. **Details of training given to employees and workers:**

Category	FY 2022-23					FY 2021-22				
	Total (A)	On health and safety measures		On skill upgradation		Total (D)	On health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	2,367	1,463	62%	1,914	81%	2,514	1,403	56%	2,192	87%
Female	818	377	46%	490	60%	209	133	64%	194	93%
Total	**3,185**	**1,840**	**58%**	**2,404**	**75%**	**2,723**	**1,536**	**56%**	**2,386**	**88%**
Workers										
Male	1,992	1,841	92%	273	14%	576	229	40%	458	80%
Female	78	72	92%	12	15%	47	25	53%	18	38%
Total	**2,070**	**1,913**	**92%**	**285**	**14%**	**623**	**254**	**41%**	**476**	**76%**

Note: FY2021-22 numbers revised for training with active head count against total training provided previous year.

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1,950	1,930	99%	4,768	4,763	99%
Female	205	203	99%	337	335	99%
Total	**2,155**	**2,133**	**99%**	**5,105**	**5,098**	**99%**
Workers						
Male	2,704	2,704	100%	0	0	0%
Female	148	148	100%	0	0	0%
Total	**2,852**	**2,852**	**100%**	**0**	**0**	**0%**

Note: In FY 2021 – 22 Permanent workers considered under Permanent Employees

10. **Health and safety management system:**

a. **Whether an occupational health and safety management system been implemented by the entity? (Yes/No). If yes, the coverage of such system?**

Yes, at ATL, we strive to provide a safe and healthy working environment to our employees and contract workers. The majority of risks for our business arise from high voltage substations, height work activities, road related incidents and construction activities. We are an ISO 45001:2018 certified organisation and work meticulously to achieve the target of zero fatalities. We conduct an in-depth inquiry into lost time incidents and fatalities to track, monitor, prevent, and mitigate the causes with immediate effect.

We have undertaken several initiatives such as Safe Eye (induction for recruits), Safe Connect (periodic corporate conference call to share safety practices), Safe Alert (Health, Safety and Environment alerts) , Monthly Safety Quiz Series" (MSQS) based on Group Safety Standards. These initiatives are conducted twice a month. Furthermore, Safe Library (online content library, Daily morning meeting with O&M Team and Weekly morning meeting with Projects team is conducted to discuss the various incidents reported across the group. Take away's from these incidents are extracted and tracked on daily basis. In addition to the aforementioned, we conduct periodic safety audits of under-construction and operational sites.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

At ATL, we identify work-related hazards and assess risks by conducting a Hazard Identification and Risk Assessment (HIRA), Vulnerabilities Risk Assessment (VSR), and using safety checks and assurance (SCA). We also conduct safety risk field audits (SFRA) frequently. Our processes include:

- Conduction of Hazard identification and Risk assessment for all maintenance activities. The awareness about the controls to mitigate the risk, is created among the workers before starting of maintenance activity through Job Safety Analysis (JSA), Safety Interaction (SI) Implementations.
- Provision of the safety protocols for all critical activities posing high potential risk. This protocol is signed by senior member's team consisting of representatives from Operation, Safety and Maintenance department.
- Carrying of Operation & Maintenance activities using defined Permit to Work (PTW) & Lock Out Tag Out (LOTO) system
- SRFA – Conduction of Safety risk field audit periodically to know the status of Contractor / Sub Contractors safety implementation at site during work and find out deviations (if any).
- Acquiring additional permits on daily basis for monitoring of Height, confined space, Work under water Bodies, Hot Work, etc.
- Formation of CFT for monitoring overhauling activity and any long-term critical activity.
- Closure of recommendations of CFT Safety audits, on priority and ensuring close loop of implementation
- Strict Compliance of Life Saving Safety Rules (LSSR) during job execution with use of Video Analytics System for close monitoring.
- Conduction of Safety monthly Audit, Protocol for critical plant process such as Hydrogen/Chlorination plant/Chemical storage
- Conduction of external safety audit as per statutory requirements.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

Yes, at ATL, we have adopted a group-wide Safety Standard for Incident Reporting and Investigation for assessing safety incidents as well as to prevent its recurrence in the future. The Safety Incident Reporting, Classification, and Investigation Standard sets the organisation's safety requirements and has been upheld as Life Saving Safety Rules. The incident investigation process contributes to the continuous improvement of safety systems and performance by identifying and implementing actions to prevent an incident recurrence and promoting an atmosphere of openness by improving communications and understanding about the incident. At ATL, the COO meets every worker from each Departments on 10th & 30th of every month to discuss hazards they faced while working, also Cross functional Safety Samwad is conducted all plant seniors with workers in 12 Locations of plant. Additionally, all executives regularly inquire about the safety on the premises across all the locations.

d. Do the employees/workers of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, the employees and workers have access to non-occupational medical and healthcare services.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.88	0.86
	Workers	0.15	
Total	Employees	107	74
	Workers	17	42
No. of fatalities	Employees	0	0
	Workers	3	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy workplace.**

We have a robust safety governance structure and comply with all applicable health and safety standards. We provide our employees and workers an opportunity to actively engage, participate, and provide their feedback on how to improve our health and safety practices.

At ATL, we provide our employees and workers safety trainings as follows:

- 100% safety induction training to the newly appointed contractor safety workers
- Training on working at height and electrical safety by competent authority and regular training through T&CB taskforces.
- Knowledge management sessions to translate knowledge from departmental level to plant level through yearly Training calendar by TTC.
- Suraksha samwad for O&M workers by Senior leaders for guiding about safety concern, issues, awareness.
- Toolbox talks by site engineers, for workers engaged in work activity. All workmen are made aware about the risk involved in maintenance activity being carried out.
- Technical sessions at TTC.

Moreover, to ensure safe and healthy workplace, we carry out the following activities:

- Daily morning meeting with O&M Team and Weekly morning meeting with Projects team is conducted to discuss the various incidents reported across the group. Take away's from these incidents are extracted and tracked on daily basis.
- Monthly Safety Quiz Series" (MSQS) to conduct based on Group Safety Standards, and it is supposed to be conducted twice in every month
- The workers working at height are physically and medically checked by safety department and OHC and are issued Height pass.
- Safe Connect: On monthly basis all the employees are connected in group talk through MS Teams wherever they are located. This two-way communication enables employees to discuss the focus area, efforts done for safety excellence and performance sharing.
- Safe Alert: Preparation and Circulation of HSE alerts on the Observation analysis, Incidents happened outside and across our organisation.
- VSR: Analysis of Adani Group's risk exposure to identify vulnerable risks and unsafe conditions that may cause incidents with severity 4/5.
- Safety Risk Field Audits (SRFA) are carried out across all the sites on weekly basis to evaluate the Safety Performance Index of an overall site.
- Audits: As a part of assurance, regular site safety audits are being done at ATL including internal, cross functional and external as well.
- SPIS: The management of health and safety against previous targets and industry benchmarks is ensured by Safety Performance Indicator Scorecard (SPIS) through lagging indicators, Assurance & Leadership.
- Critical Vulnerability Factors (CVF's) based on various High potential incidents are defined and status of its implementation is tracked on monthly basis.
- Business Safety Council Meeting is being conducted on once in two-month basis for discussion on defined taskforce KPI's of various safety aspects at business level.
- LSSR - LSSR are identified and displayed at prominent location within department. All employees are regularly reading the same & implement the actions in day-to-day work. LSSR Videos developed in house and same shown to AMC workers during their schedule Training.
- Displaying safety awareness sign boards at Prominent Locations.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	6	0	Health & Safety concerns are regularly discussed in Zonal Safety meetings and Joint Safety Committee meetings. Complaints on working conditions, health & safety are attended through Safety Improvement plan in system.	0	0	NA
Health & Safety	4	0		0	0	NA

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

At ATL, we have undertaken the following initiatives to safeguard our employees and workers from any significant risks or concerns arising from the working conditions:

- Usage of safety net and a rescue kit has been mandated for all workers working at height as a second line of protection.
- All the T&P's, PP Rope, lifting accessories etc are made to be critically inspected prior to start of work.
- Use of New Generation Hydra vehicle with improved safety features i.e. improved visibility for operator, use of Wheel Guards, improved balancing of vehicle to avoid toppling instance has been made mandated at all sites and use of old generation hydra is banned.
- Explored the Technology based solution to monitor various safety statistics of two (02) and four (04) wheelers plying across different locations with an aim to bring down the Vehicular accidents.
- Training has been conducted on height work standard and height work rescue from certified agency before deployment a worker work at height.
- Safety Improvement with Technological Intervention by providing in house Development of Hot Water Temperature Control at Canteen after very High Temperature water was observed.
- In House Safety Improvement by providing safe load operation for wheel Loader.
- Safety Enhancement by Eliminating working at Height by relocating Air supply Isolation valve of Duct Hopper at Ground floor.
- Safety Improvement by providing 24-volt base portable siren while working in confine space.
- Provision of Fire Detection Alarm at EV charging station near Admin Building after Drivers suggestions.
- Safety Enhancement of Chlorine Leak Detectors by providing data at PCR for close monitoring in case of Chlorine Gas Emergency.
- Linking of Railway signal with level crossing gate (East) at Railway Bridge.
- Provision of Camera for Mill Internal Inspection to Eliminate confine space Hazards.
- Inhouse Development of Safety Model to demonstrate safety measures to be taken below 220kv EHV lines.

- In Adequate approach at Take up pully Platform of Conveyor 9A/B ladder attended.
- Procurement of LT live cable detection tool
- Procurement of Stretchers
- Provision of VRD to welding machines

Leadership Indicators

1. **Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)**

   Yes for Employees and extended the benefits to workers as per the Death Benevolent Policy w.e.f 1st April 2023

2. **Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.**

   The Company has adequate mechanisms to ensure that requisite statutory dues, as applicable to the transactions of the Company with its value chain partners, are deducted and deposited in accordance applicable regulations and reviewed as per regular audit processes. The Company also collects necessary certificates and proofs from its contractors with respect to payment of statutory dues relating to contractual employees and workers. The Company expects its value chain partners to behave ethically and with integrity in all its business transactions and uphold standards of fair business practices.

3. **Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:**

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year	FY 2022-23 Current Financial Year	FY 2021-22 Previous Financial Year
Employees	0	0	0	0
Workers	3	0	0	0

4 **Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)**

Yes, we have a provision of outplacement assistance services and personal finance management. Further, we have signed a contract with M/s LHH, a leading outplacement agency for providing career opportunities to employees who opt for it in order to facilitate continued employability.

5 **Details on assessment of value chain partners:**

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%
Working Conditions	100%

6 **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable

PRINCIPLE 4 - Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   To create long-term value for our stakeholders, we comprehend that engagement with stakeholders is of paramount importance for us. Our engagement aids in understanding the needs of our stakeholders, working with them to minimise risks, maintaining social legitimacy, improving credibility, and gaining their trust. At ATL, we have identified our stakeholders as groups and individuals who have the ability to influence and/ or be impacted by our operations or activities, change in technology, regulations, market, and societal trends either directly or indirectly. The identified group of stakeholders comprises of communities, employees, supply chain partners, customers, investors, regulators, and civil society organisations. We are committed to engage openly and authentically with our stakeholders to enhance cooperation and mutual support for a sustainable relationship.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	**Whether identified as Vulnerable & Marginalized Group (Yes/ No)**	**Channels of communication** (Email, SMS Newspaper, Pamphlets, Advertisement, community meetings, Notice Board, Website), other	**Frequency of engagement** (Annually/ Half yearly/ Quarterly/ others- please specify)	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Employees	No	• Performance appraisal	Continuous, monthly, half-yearly and need- based	• Respect and dignity
		• Newsletters		• Non-discrimination and fair treatment
		• HR online surveys		• Talent management, learning and skill development
		• Emails		• Career planning and growth
		• Town Hall / open-house meetings		• Work-life balance
		• Health, Safety and Environment (HSE) committee meetings and safety alerts		• Work environment
		• Apex meetings		• Health and safety
		• Policy communication		• Fair remuneration, job clarity and job security
		• Portal/intranet		• Grievance redressal
		• Get-togethers		• Proactive communication
		• Co-created HR policy		• Ethical behavior
		• HR connects		
		• Open-door policy		
		• Online survey		

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS Newspaper, Pamphlets, Advertisement, community meetings, Notice Board, Website), other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Shareholders and investors	No	• Annual Reports	Quarterly, Annual, and need-based	• Compliance to laws and regulatory requirements
		• Sustainability Reports		• Return on investment/ dividend
		• Annual General Meetings		• Timely interest and debt repayment
		• Communication to stock exchanges		• Social and environment performance
		• Investor engagements		• Company strategies
		• Quarterly conference calls		• Corporate governance
		• Rating agency notes		• Timely communication
		• Engagement with research analysts		• Anti-corruption and ethical behavior
		• Information on website		
Governments, Local Administration and Statutory and Regulatory Authorities	No	• Emails	Continuous, Need based	• Conformity to contractual
		• In-person meetings/letters		• conditions, SLAs and availability
		• Telephone calls		• Compliance with regulatory requirements
		• Progress and performance reports		• Grievance redressal
		• Feedback call from the CEO's office		• Anti-corruption and ethical behavior
		• 24x7 call center		• System availability
		• Chatbot		• Uninterrupted power supply
		Touch Point/Kiosk		Safe product
		• Emails		• Compliance and taxes
		• In-person meetings/letters		• Timely responses to queries
		• Telephone calls		• Anti-corruption
		• Progress and performance reports		• Disaster and relief management
		• Petitions		• System reliability
		• Accident incident reports		• CSR
		• Returns under applicable laws		• Cyber security management
				• Information security management

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS Newspaper, Pamphlets, Advertisement, community meetings, Notice Board, Website), other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Engineering, Procurement and Construction (EPC) and Supply Chain Partners	No	• Contract/general conditions of contract audits	Continuous, Need based	• Fairness and transparency in contractual processes
		• Feedback and evaluation reports		• Competence development of supply chain partners
		• Vendors/ partners meet		• Security at workplace
		• In-person meetings		• Timely payment and honoring commitments
		• Toolbox talks		• Long-term association
		• HSE meetings		• Clarity in terms and conditions
		• Emergency response drills		• Guidance and co- ordination related to quality, environment, health, and safety at site
		• Progress reports		• Anti-corruption and ethical behaviour
		• Monthly meetings		
		• Online survey		
Local Communities, NGOs and General Public	Yes	• Community engagement and local community meetings	Continuous, Need based	• Social need identification and community welfare
		• Newspapers and CSR volunteers		• Grievance redressal
		• Hoardings		• Fair process and evaluation of any losses and compensation
		• One-on-one meetings with farmers		• Proactive communication
		• Gram Panchayat / Gram Sabha		• Environmental protection and nonpollution
		• Sustainability Reports Focused group discussion		• Indigenous rights Emergency response and disaster management

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The company endeavours to incorporate sustainability aspects into all its systems and processes. Respective functional heads engage with the stakeholders on various topics and the relevant feedback from such consultation is provided to the Board for any concern related to economic, environmental, and social topics. Our mailing portal aids in addressing the concerns of our vendors and customers. Our employees use the grievance management system for raising their concerns and grievances which are addressed.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, our material issues are identified based on our engagement with our stakeholders. We have set bold aspirations towards our sustainable journey and our sustainability goals.

- Saksham: Providing training to women in meter reading
- Blood Donation Drives
- Distribution of clothes to the needy

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   We understand our responsibility to help the residents around these locations as well as reach out to the marginalized and vulnerable communities in the respective areas. We ensure to defend their rights, interests, natural and cultural resources as well as give them resources to participate and benefit from development. We recognise the importance of gaining access to robust and quality medical services, especially for the economically marginalized and vulnerable populations. Acknowledging this need, we have worked towards heavily improving access to essential healthcare infrastructure and services. Mobile Health Care Unit & Health Check-up Camp in Government Schools are some of the highlights of initiatives taken by us.

PRINCIPLE 5- Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (D)	% (D/C)
			Employees			
Permanent	2150	1031	48%	5105	905	18%
Other than permanent	5	5	100%	0	0	0%
Total Employees	**2155**	**1036**	**48%**	**5105**	**905**	**18%**
			Workers			
Permanent	2852	3	0%	0	0	0%
Other than permanent	**4851**	**0**	**0%**	**6073**	**0**	**0%**
Total Workers	**7703**	**3**	**0%**	**6,073**	**0**	**0%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2022-23 Current Financial Year					FY 2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**2150**	**0**	**0%**	**2150**	**100%**	**5105**	**00**	**0%**	**5105**	**100%**
Male	1945	0	0%	1945	100%	4768	00	0%	4768	100%
Female	205	0	0%	205	100%	337	00	%	337	100%
Other than Permanent	**5**	**0**	**0%**	**5**	**100%**	**00**	**00**	**0%**	**00**	**0%**
Male	5	0	0%	5	100%	00	00	0%	00	0%
Female	0	0	0%	0	0%	00	00	0%	00	0%
Workers										
Permanent	**2852**	**0**	**0%**	**2852**	**100%**	**00**	**00**	**0%**	**00**	**0%**
Male	2704	0	0%	2704	100%	00	00	0%	00	0%
Female	148	0	0%	148	100%	00	00	0%	00	0%
Other than Permanent	**4851**	**171**	**4%**	**4680**	**96%**	**6073**	**00**	**0%**	**6073**	**100%**
Male	4755	168	4%	4587	96%	5937	00	0%	5937	100%
Female	96	3	3%	93	97%	136	00	0%	136	100%

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	05	₹24,50,000/- (see note 3 below)	O2	₹9,50,000/- (See note 3 below)
Key Managerial Personnel	05	-	-	-
Employees other than BoD and KMP	1904	23,42,884	205	19,40,178
Workers	2741	10,21,068	148	12,27,313

Note:

1. Executive Directors and KMPs are not drawing any remuneration from the Company during FY 22-23.
2. MD and CFO are drawing remuneration from one of the operational subsidiary of the Company for FY 22-23.
3. Represents the sitting fees drawn by the Independent Directors (except Ms. Lisa MacCallum) during FY 22-23.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes, Adani Grievance Management System is in place which is responsible for addressing human rights impacts or issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

At ATL, all employees can report human rights abuses through an online grievance redressal mechanism, known as Adani Grievance Management System. The system is accessible to permanent employees and workers. Initially, employees and workers can report their grievances to BU HR teams. In case the resolution is not satisfactory, a grievance can be raised through an online ticket on the system. The system is designed to resolve a grievance within a defined timeline of 14 days, considering the day a grievance is raised. Furthermore, the Grievance Redressal Committee ensures to protect and safeguard the confidentiality of the aggrieved.

6. Number of Complaints on the following made by employees and workers:

	FY 2022-23 Current Financial Year			FY 2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	NA	0	0	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/ Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human	0	0	NA	0	0	NA
Rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases

ATL's Vigil mechanism (Whistle Blower Policy) and POSH policy have provisions for addressing complaints pertaining to discrimination, unethical behaviour, actual or suspected fraud or violation of the code of conduct. All complaints are taken up by the Internal Complaint Committees (ICCs), which are governed under strict confidentiality. There are defined procedures to protect complainant from any retaliatory actions. The policies have ample provisions that provides adequate safeguards against victimisation of employees and Directors and also provide direct access to the Chairperson of the Audit Committee in exceptional cases. An employee can also raise any other grievances through the online grievance portal. The system is designed to redress the grievance within a defined timeline of 14 working days. The grievances are resolved in fair and time bound manner maintaining utmost confidentiality. All the pertinent information is maintained by the POSH Committee or Grievance Committee in a secure manner. Moreover, identity of the aggrieved is protected until final investigation is completed.

8. Do human rights requirements form part of your business agreements and contracts?

Yes. The Human rights related requirements are covered as a part of the vendor onboarding process through ARIBA portal.

9. Assessments for the year:

We have defined systems for ensuring compliance with regulatory requirements. There is a Code of Conduct for employees and Suppliers' Code of Conduct to ensure conformity with business ethics and human rights requirements. Also, the human rights criteria are screened through online ARIBA portal during vendor onboarding process. In addition, we review compliance with these requirements during contract execution. In all our business units, it is mandatory to check the age proof documents at the time of recruitment to prevent employment of child labor and during the induction session essential business ethics and human rights related aspects are covered for creating awareness among employees.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	We are complied with all applicable laws and no complaint or issues were found on any of these issues.
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others – please specify	

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Not Applicable

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

We have proactively assessed potential human rights issues across our operations in the last 3 years. We also conduct internal/ external audits in addition to ISO audits to identify the observation if any. We are 100% compliant with Human rights related concerns.

2. Details of the scope and coverage of any Human rights due diligence conducted.

We recognise human rights as a key risk factor and pay significant emphasis on addressal of its impacts. Henceforth, human rights also form part of our organisation's risk matrix. This inclusion is reviewed periodically to ensure its effectiveness. Furthermore, periodic Social Accountability Risk Assessments are also carried out to systematically assess and address potential social responsibility risks. We also conduct training sessions for our on roll and off roll employees across seven divisions and zonal offices. This enables in creating awareness among our workforce about human rights and its associated impacts.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

All our offices comply with the Rights of Persons with Disabilities Act, 2016, ensuring equal opportunities and a diverse work environment. We have provisions for differently abled individuals (employees, workers & or visitors) including assistance and workplace modifications which enables individuals (employees, workers & or visitors) with disabilities for carrying out their jobs easily. Our corporate offices are equipped with wheelchair ramps, dedicated toilets, and Braille signs in elevators for accessibility. All our locations meet national and local requirements for accommodating individuals with disabilities. Our infrastructure incorporates comprehensive plans to ensure accessibility in work areas, restrooms, common areas, and movement around facilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Assessments initiated and critical Tier 1 suppliers will be assessed from FY23-24.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others – please specify	

PRINCIPLE 6 -Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A) GJ	94,853	81,305
Total fuel consumption (B) GJ	32,862,442	31,688,494
Energy consumption through other sources (C) GJ	-	-
Total energy consumption (A+B+C) GJ	**32,957,295**	**31,769,799**
Energy intensity per million rupee of turnover (Total energy consumption/ turnover in rupees)	238.12	267.16
Energy intensity (optional) – the relevant metric may be selected by the entity	NA	NA

Note: ATL has evaluated the basis of energy consumption within the organisation and revised value in ESG Report FY21-22.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Yes

Parameter	Site	Target Set	Target Achieved	Escerts Issued (No.)
PAT -1 Cycle	Adani Dahanu Thermal Power Station	2523 kcal/Kwh	2511.71 Kcal/Kwh	4591
PAT -2 Cycle	Adani Dahanu Thermal Power Station	2519.42 kcal/Kwh	2495.4 Kcal/Kwh	8749

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	17,76,885	15,76,876
(ii) Groundwater	57,693	40,884
(iii) Third party water	661	32,518
(iv) Seawater / desalinated water	48,81,05,573	46,54,95,317
(v) Others	7,731	1,47,898
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**18,42,970**	**17,98,176**
Total volume of water consumption (in kiloliters)	**18,42,970**	**17,98,176**
Water intensity per million rupee of turnover (Water consumed / turnover)	13.32	15.16
Water intensity (optional) –the relevant metric may be selected by the entity	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out .

Yes data assured by M/s. DNV GL Business Assurance India Private Limited.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

We have a proactive approach towards judicious water consumption. We ensure treatment of all effluents before discharge. Some of the initiatives that we have taken to minimise our freshwater consumption are as follows:

- ATL is a water positive organisation with our total water recharge exceeding the water consumption
- ADTPS (Adani Dahanu Thermal Power Station) is certified with ISO 46001 Water Efficiency Management System.
- The effluent generated in the thermal power plant is treated in neutralization pit established and disposed off as per Maharashtra Pollution Control Board (MPCB) consent to operate guidelines.
- In all our operating locations, treated water is used for gardening purposes.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOx	MT	4,035.1	3,571.6
SOx	MT	2,909.2	2,106.4
Particulate matter (PM)	MT	540	454.0
Persistent organic pollutants (POP)	NA	NA	NA
Volatile organic compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others please Specify	NA	NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes,name of the external agency. Yes assured by M/s. DNV GL Business Assurance India Private Limited.

The air emission sources (stacks, chimneys etc.) are monitored on a defined frequency by an approved laboratory/ agency as mandated by the Central and respective State Pollution Control Boards. The details of air emissions are submitted to PCB annually in Form-5 (Annual Environment Statement).

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	28,26,019	26,91,062
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	4,35,862	5,57,775
Total Scope 1 and Scope 2 emissions per rupee of Turnover	Mt of CO2e/ Million Rupee of Revenue	23.57	27.39
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes assured by M/s. DNV GL Business Assurance India Private Limited.

7. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

   In line with India's Nationally Determined Contribution, we have committed to reducing our GHG emissions across our operations including value chain. To achieve our objective, we have set a target to decrease our GHG emission intensity (on per rupee revenue generation) by 40-45% by FY 23-24. We aim to achieve this by expanding the share of renewables and investing in energy efficient initiatives such as:

   - Unit: 01 (U1) Replacement of HP (High Pressure) & Intermittent Pressure (IP) Turbine – Over Hauling (OH) of LP Turbine
   - Reduction in slip loss of Boiler Feed Pump (BFP) No :1B hydraulic coupling in Unit: 01 (U-01)
   - Using Solar to Offset Auxiliary consumption from Grid
   - Monitoring and optimised utilisation of Diesel in Diesel Generating (DG) Set
   - Monitoring Sulfur Hexaflouride (SF6) Gas leakage through latest technology cameras
   - Certification of >99 % Zero Waste to Land Fill

8. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	5.01	5.34
E-waste (B)	216.25	350.47
Bio-medical waste (C)	0.09	0.01
Construction and demolition waste (D)	1.85	0.00
Battery waste (E)	38.93	23.13
Radioactive waste (F)	0.00	0.00
Other Hazardous waste. Please specify, if any. (G)	167.99	286.99
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2,589.99	2,956.82
Total (A+B + C + D + E + F + G + H)	**3,020.11**	**3,622.75**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	2816.45	3,614.89
(ii) Re-used	18.80	0.30
(iii) Other recovery operations	0	0.02
Total	**2,834.75**	**3,615.20**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	19.97	6.95
(ii) Landfilling	22.01	23.25
(iii) Other disposal operations	11.84	0.00
Total	**53.82**	**30.20**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency: Yes assured by M/s. DNV GL Business Assurance India Private Limited. Also The Company is certified for Zero Waste to Land fill by M/s. Intertek

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We ensure responsible resource consumption and implementation of circular economy principles to minimise waste generation in all our operations. Our integrated management system tracks waste related datapoints to monitor segregation at source and disposal as per the applicable regulations.

Waste is looked from the lens of value creation and multiple initiatives are taken to reuse/ recycle and recover the waste generated.

Following are the major categories of waste generated in company:

Hazardous Waste	Non-Hazardous Waste	E-Waste & Batteries
• Oil Drums	• Wood Scrap	• Transformer
• Used Transformer Oil	• Plastic Scrap	• MV Vfd Panel
• Used/ Spent Oil	• Steel Scrap (tower material)	• Used Batteries
• Waste / Residue	• Aluminum Scrap (conductors)	• Switchgear
• Containing Oil MS barrel	• GI Scrap	• Meters
• Waste Resin	• Metal Scrap	• Capacitors
• Waste Bitumen compound	• Aluminum Scrap (others)	• Relays
• Empty Contaminated Drums	• Scrap Rubber	• Igniters
	• Scrap Copper	• Fuses
	• Scrap Corroded APH Baskets	
	• Saw dust	
	• MS scrap	
	• Reinforcement steel	
	• Cables	

All our businesses have a standard procedure to segregate waste into mainly three categories: Hazardous waste, Electronic and electric waste and Non-Hazardous wastes (or solid waste including metals and plastic). Following are the time frames adopted by AEML complying with environmental and legal requirements for safe disposal of wastes:'

Type	Env. & Legal requirements?	Time frame for disposal Hazardous
Hazardous	Yes	Disposal within 90 days*
Electronic & Electric (including meters)	Yes	Disposal within 180 days
Non-Hazardous	No	Transmission: - Disposal within 120 days Distribution: - Disposal within 365 days Generation: - Need based disposal

*Note: -

- Waste is given to vendors identified by the Central Procurement Group in accordance with the environmental and legal requirements such as the presence of the Consent to Operate (CTO) by local regulator.
- Hazardous waste is disposed through vendors appointed as per the local regulations (e.g., Mumbai Waste Management Ltd.)
- Other solid and non-hazardous waste is supplied to the interested vendors for either recycling or reuse.
- Scrap disposal notes are generated by the material management group at each business by following a coordinated process, Thereafter, respective material management groups coordinate with vendors, AEML accounts & security team for evacuation of waste material from sites.
- AEML proactively appoints parties who are recycling / reusing the waste material and only non-reusable/ recyclable materials or as required under local regulations are incinerated or landfilled.

10. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:**

S. No.	Location of operations/ offices	Type of Operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	Dahanu Thermal Power Station	Electricity Generation	Yes

11. **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
In our Transmission and distribution business EIA study is not applicable, however for generation business no new project or expansions proposed during the current FY (2022-23).					

12. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
For Transmission and Distribution Business Air & Water Act is not applicable. There have been no non -compliances at generation facility during the reporting period.				

Leadership Indicators

1. **Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:**

Parameter	FY 2022-23	FY 2021-22
From renewable sources [GJ]		
Total electricity consumption (A)	12.37	5.06
Total fuel consumption (B)	-	0
Energy consumption through other sources (C)	-	0
Total energy consumed from renewable sources (A+B+C)	**12.37**	**5.06**
From non-renewable sources [GJ]		
Total electricity consumption (D)	94,853	85,487
Total fuel consumption (E)	3,28,62,442	3,16,03,008
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F) [GJ]	**32,957,295**	**3,16,88,494**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes assured by M/s. DNV GL Business Assurance India Private Limited.

2. **Provide the following details related to water discharged:**

For our generation facility as per consent to operate condition, ETP & STP are installed in the plant area which provides primary, secondary and tertiary treatment. treated waste from STP is used for horticulture purposes.

Parameter	FY 2022-23	FY 2021-22
(i) To Surface water		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(ii) To Groundwater		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment – Shock treatment of Chlorine dosing	48,81,05,573	46,54,95,317
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of Treatment	0	0
Total water discharged (in kilo-litres)	**48,81,05,573**	**46,54,95,317**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes assured by M/s. DNV GL Business Assurance India Private Limited,

3. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

ATL has Owning to the nature of the service of ATL, which is not very water intensive, Yet WRI Aqueduct analysis was carried out by the Company to access Water related risks.

The study indicates that ATL has 11 of 31 sub-stations operations in water stressed areas & Water depletion areas in water stressed areas.

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

1) Mohindergarh HVDC in Haryana

2) Badaun substation in Uttar Pradesh and
Following 9 substations in Rajasthan

3) Alwar Substation

4) Bar Substation

5) Deedwana Substation

6) Ghamurwali Substation

7) Ghumati Substation

8) Khatoti Substation

9) Riyabari Substation

10) Shekhsar Substation

11) Ahore Substation

(ii) Nature of operations: Sub stations operations where water is primarily used for domestic (Drinking & Hygiene) purpose by operating staff

(iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	30
(ii) Groundwater	26,032	16,620
(iii) Third party water	96	550
(iv) Seawater / desalinated water	0	0
(v) Others	726	1,928
Total volume of water withdrawal (in kilolitres)	26,854	19,127
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0.194 KL/Million Rs	0.161 KL / Million Rs
Water intensity (optional) – the relevant metric may be selected by the Entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater	0	0
- No treatment	0	0
- With treatment – please	0	0
specify level of treatment	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, name of the external agency. Yes assured by M/s. DNV GL Business Assurance India Private Limited,

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	31,17,797	40,89,587
Total Scope 3 emissions per rupee of turnover		22.53	34.47
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

(Y/N) If yes, name of the external agency. Yes assured by M/s. DNV GL Business Assurance India Private Limited,

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Adani Transmission Limited became a signatory to the India Business and Biodiversity Initiative (IBBI), a Ministry of Environment, Forest and Climate Change initiative with the Confederation on Indian Industry (CII) as the nodal agency. The company intends to have 100% alignment with India Business Biodiversity Initiative (IBBI) and public disclosures by 2023- 24. The Biodiversity Index Score of ATL is 66/100, which was conducted for Adani DTPS, Dahanu since the site operates in an Eco-sensitive Zone. During the biodiversity assessment, 225 floral species and 144 faunal species were identified.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
Report is under study and appropriate actions (if any) shall be implemented			

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, we have a Business Continuity and Disaster Management Plan. The Business Continuity Plan oversees the organisational risks such as strategic, financial, credit market, liquidity, technology, security, property, IT, legal, regulatory, reputational and other risks. Further, we also have an ISO 22301: 2019 Business Continuity management system implemented for our operations.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

Currently, we are in the process of identification of impacts to the environment, arising from the value chain of the entity.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

At ATL, we follow a robust supplier engagement practice to mitigate any ESG related risks in the supply chain. We have developed a comprehensive supplier screening and Assessment Framework comprising of a supplier score card to assess the performance of all suppliers under evaluation. Our environmental evaluation KPIs for suppliers include the following:

- Environmental Management Certification
- Energy Management Certification
- Energy and GHG Emissions
- Water Conservation

- Land Conservation
- Pollution
- Green Packaging
- Management and disposal of hazardous substances
- Environmental Compliance

PRINCIPLE 7 -Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

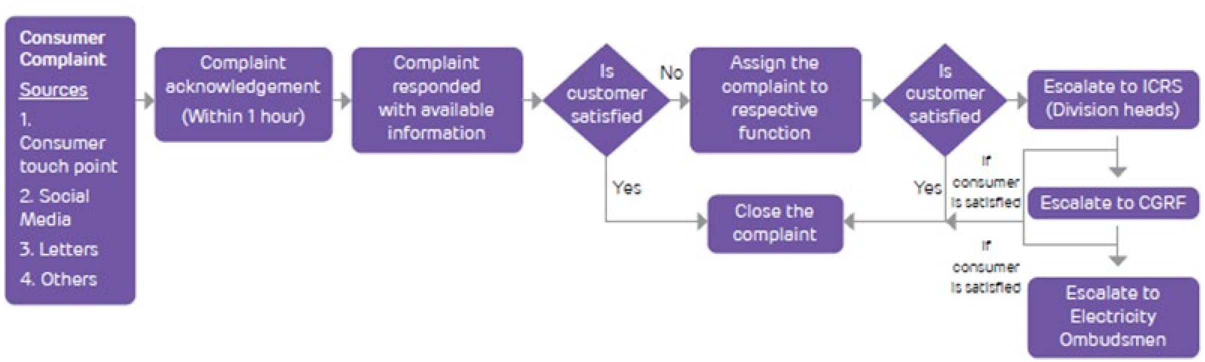
Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations. -**

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.**

S. No	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Electric Power Transmission Association (EPTA)	National and State
2	Northern Regional Power Committee (NRPC)	National and State
3	Confederation of Indian Industry (CII)	National and State
4	Federation of Indian Chamber of Commerce and Industry (FICCI)	National and State
5	Association of Power Producers (APP)	National and State
6	Gujarat Chamber of Commerce and Industry (GCCI)	State
7	Independent Power Producers Association of India (IPPAI)	National and State
8	Ahmedabad Management Association (AMA)	State
9	Quality Circle Forum of India (QCFI)	National and State
10	India Business and Biodiversity Initiative (IBBI)	National and State
11	National Safety Council	National and State
12	Gujarat Safety Council (GSC)	State
13	GRI South Asia Charter on Sustainability Imperatives (GRI)	National and State
14	United Nation Global Compact	National
15	UN Energy Compact	National

2. **Provide details of corrective action taken or underway on any issues related to anti- competitive conduct**



by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Nil	Nil	Nil

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No	Public Policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of review of Board (Annually/Half Yearly/Quarterly/ Others-Please Specify)	Web Link- if available

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link

Not Applicable:

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

ATL has adopted a Right of Way approach in its transmission and distribution lines which does not warrant land acquisition. Consequently, compensation for ROW is provided as per the local administrative orders.

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Name of project for which R&R in ongoing	State	District	No. of Project Affected Families (PAF)	% of PAFs covered by R&R	Amounts No. paid to PAFs in the FY (in INR)

Not Applicable:

3. Describe the mechanisms to receive and redress grievances of the community.

   We keep our communities at the heart of everything that we do at ATL. Consequently, we continuously engage with local communities to work on projects underlying the national and global priorities. For any grievance, community members can directly lodge their complaints either in writing or orally to the company designated personnel- mostly CSR head at the BU.

   Further, programme officers maintain constant contact with key community stakeholders to enable complaint lodging on one-on-one basis.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23 (Current Financial Year)	FY 2021-22 (Previous Financial Year)
Directly sourced from MSMEs/small producers	55%	54%
Sourced directly from within the district and neighbouring districts	58%	54%

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No	State	Aspirational District	Amount spent (In INR)
1.	Rajasthan	Sirohi	9.11 Lakhs

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)- No**

   (b) **From which marginalised /vulnerable groups do you procure?- Not applicable**

   (c) **What percentage of total procurement (by value) does it constitute?- Not applicable**

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:**

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

Name of authority	Brief of case	Corrective action taken
Not applicable		

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Meri Sangini Meri Margdarshika - ATL (cluster - I, Jalore/Sirohi, Rajasthan)	1777	Not Identified
2	Meri Sangini Meri Margdarshika - ATL (cluster - II, Nagpur, Maharashtra)	1340	Not Identified
3	Pond Deepening - (Sorda, Chitri, Bar, Peeplu, Khatoti, Rajnandgaon)	7283	Not Identified
4	Community Health - ADTPS Dahanu tribal belt (Mega Medical Camp, Cancer Detection camp, Mental wellness camp)	2589	100%
5	Education - ADTPS Dahanu tribal belt (School Praveshotsav, Bala painting, Udaan)	6122	100%
6	Sustainable Livelihood Development - ADTPS Dahanu tribal belt (Mahalaxmi Shetkari Utpadan Sahkari Sanstha, Saksham Tailoring unit)	1192	100%
7	Education - AEML (Uththan - Mumbai is initiated in Mumbai with BMC schools)	10448	Not Identified
8	Sustainable Livelihood Development - AEML ('Swabhimaan' in Mira Road and Malad - Malwani areas)	1800	Not Identified

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

   Ensuring timely and efficient resolution of stakeholder concerns is of utmost importance to our business continuation at ATL. Well-established protocols are in place to handle consumer complaints and feedback. Our web-enabled Customer Grievance Redressal Mechanism is a consumer-friendly complaint registration and tracking system. Complaints can be lodged on the web-portal by duly filling in the necessary information in the prescribed format with an undertaking. The complaints are automatically escalated to the next level in case they are not responded within the defined timelines against each level of escalation.

3. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable considering the nature of Company's product
Safe and responsible usage	100%
Recycling and/or safe disposal	Not Applicable considering the nature of Company's product

4. **Number of consumer complaints in respect of the following:**

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	16	0	Complaint not addressed to AEML directly. Complaints addressed to local Govt authorities and AEML was respondent to the complaints
Delivery of essential services	4,72,593	0	No supply related complaints received from consumers of AEML	5,50,623	0	No supply related complaints received from consumers of AEML
Restrictive Trade Practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA

	FY 2022-23		Remarks	FY 2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Other - Consumer Complaints on Food Products, adulteration, short weight etc.	65,696	383 (0 pending as on date)	General Service-related complaints received from consumers of AEML. *-383 Cases which are pending have been registered in Last week of the March 23 & are within their defined TAT. Zero Pending as on date 25th April 2023	69,587	0	General Service-related complaints received from consumers of AEML.

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not applicable	Not applicable
Forced recalls	Not applicable	Not applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy

Yes, we have information security policy in place that is consistent with our commitment to establishing and enhancing cybersecurity preparedness and minimising exposure to related risks.

Weblink: https://www.adanitransmission.com/-/media/Project/Transmission/CorporateGovernance/Corporate-Policies-related-to-Good-Governance/Information-and-Security-Policy.pdf

The B2C business of ATL, i.e. Adani Electricity Mumbai Limited is certified with ISO-27001 Certified Information Security Management system has been established. ATL has implemented ISMS(Information security management system) conforming to the ISO-27001:2013 standard. In the current year ATL plans to upgrade its' ISMS to the latest ISO-27001:2022 standard. Further, An Independent audit of ATL's Information technology and Operations technology infrastructure by a reputed third-party auditor is underway for additional assurance.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Proactive customer centric voluntary initiatives are undertaken being an essential service provider to educate the consumers wrt safety during monsoon etc, energy efficiency programs are run thru emails, SMS, roadshows, kiosks for energy efficient products and appliances.

ATL have taken the following steps to secure customer data.

Cyber security awareness for customers

1) AEML created flyers which were circulated through email educating customers on cyber threats through Phishing, Vishing and SMShing.

2) AEML created an awareness video clip which was circulated on visual media on various security measures to be taken by customer against cyber threats.

3) AEML circulated text messages through WhatsApp, SMS to create cyber security awareness.

Measures taken on Cyber security and Data Privacy of customers

1) Data encryption while data is at REST and in Motion.

2) Masking of customer PII data

3) Annual IT and OT Cyber security assessment through Cert-In empaneled vendor

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available). The details of our services can be accessed on our website https://www.adanitransmission.com.**

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   We publish newspaper advertisements, circulate emails, tips in the bills and drive SMS campaigns to inform consumers regarding safe and responsible usage of power. Additionally, safety related tips are regularly published for consumers during monsoon season, festive season

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services. SMS alerts are configured in the system and consumers are informed pro-actively in case of a power outage**

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. -Not applicable**

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

   Yes, customer satisfaction survey is carried out by an external agency for consumers for the services provided. Feedback regarding different services like New Connection, Customer Services, Bill Delivery, Bill Complaints Attending, Self Service Options (Website, Mobile App, Chatbot etc.) is being taken from consumers of AEML.

5. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches along with impact:

      No data breaches detected.

   b. Percentage of data breaches involving personally identifiable information of customers:

      No data breaches detected.

DNV

Independent Assurance Statement

Introduction

DNV Business Assurance India Private Limited ('DNV') has been commissioned by the management of Adani Transmission Limited 'ATL' or the 'Company', Corporate Identity Number: L40300GJ2013PLC077803) to undertake an independent assurance of the company's Business Responsibility and Sustainability Reporting ('BRSR') disclosure "Principle 6", (Businesses should respect and make efforts to protect and restore the environment) which is part of ATL's reporting on BRSR disclosures included in its Annual Report, it shall also be published in digital/ online format. The disclosures in this Report have been prepared based on the requirements of SEBI Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, prescribing format of the BRSR, the guidance notes and the nine principles of the National Guidelines on Responsible Business Conduct, 2019 ('NGRBC') of the Ministry of Corporate Affairs, Government of India. The intended user of this assurance statement is the Management of ATL ('the Management') and its stakeholders. Our assurance engagement was planned and carried out during May 2023

– June 2023 covering the Company's Environmental Performance during 1 April 2022 to 31 March 2023. We performed a limited level of assurance based on our assurance methodology, VeriSustain.

Responsibilities of the Management of Adani Transmission Limited and of the Assurance Provider

The Management has the sole responsibility for the preparation of the Report and is responsible for all information disclosed in the Report as well as the processes for collecting, analyzing and reporting the information presented in the Report. ATL is also responsible for ensuring the maintenance and integrity of its website and any referenced disclosures on environmental performance. In performing this assurance work, DNV's responsibility is to the Management of ATL; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of ATL.

We do not provide any services to ATL, which in our opinion constitutes a conflict of interest with this assurance work. Our assurance engagements are based on the assumption that the data and information provided by the Company to us as part of our review have been provided in good faith and are free from material misstatements.

Scope, Boundary and Limitations

The reporting scope and boundary encompasses environmental performance of ATL as brought out in Section A: General Disclosures of the BRSR.

The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions. We did not engage with any external stakeholders as part of this assurance engagement.

During the assurance process, we did not come across limitations to the scope of the agreed assurance engagement.

Basis of our Opinion

During the verification, we adopted a risk-based approach, and a sample-based verification was carried out for a limited level of verification as per DNV VeriSustain and as agreed with ATL.

We carried out the following activities:

- • Conducted interviews with selected representatives responsible for management of environmental issues and carried out reviews of selected evidence to support topics and claims disclosed in the Report. We were free to choose interviewees and interviewed those with overall responsibility to deliver ATL's overall sustainability objectives.
- Carried out remote verification of only "Environmental data" performance data and sample evidence related to the sampled sites of ATL, to review the processes and systems for aggregating site-level of "Environmental data" information

DNV

- Reviewed the process of reporting on BRSR requirements for "Principle 6" (Businesses should respect and make efforts to protect and restore the environment) Performance Disclosures.
- Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness as per VeriSustain for a limited level of verification.
- An independent assessment of the reports non-financial information against the requirements of BRSR "Principle 6" (Businesses should respect and make efforts to protect and restore the environment) and the guidance notes

Opinion and Observations

Based on the verification undertaken, nothing has come to our attention to suggest that the Report together with referenced information does not adhere to the requirements of BRSR "Principle 6" (Businesses should respect and make efforts to protect and restore the environment) including the General Disclosures, Management and Process Disclosures. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain:

Materiality

The process of determining the issues that is most relevant to an organization and its stakeholders.

The Report brings out the broad range of with the rationale for environmental issues which the Company has identified as being material to its business which are mapped as risks and opportunities, along with the rationale for considering the issue as being material. Key environmental risks, stakeholder opinions and concerns, and peer issues were taken into account while arriving at overall topics which were further prioritized to arrive at the significant material issues.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Stakeholder Inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.

The Report brings out the formal and informal channels in place to engage with its various identified stakeholders, including descriptions of the methods, frequencies and basis of engagement with each stakeholder group, as well as opinions and concerns arising out of the engagement processes during the reporting period. Inputs from the stakeholder engagement are used towards identifying key environmental topics and refining the Company's policies and strategies.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness

The extent to which an organization responds to stakeholder issues.

The Report brings out the approaches adopted by the Company to adapt and/or mitigate impacts related to its identified material issues, as well as responses to key stakeholder concerns. The disclosures bring out the descriptions of structures, policies and processes implemented by ATL towards adopting and reviewing the NGRBC "Principle 6" (Businesses should respect and make efforts to protect and restore the environment), as well as performance data, and processes for governance.

Nothing has come to our attention to believe that the Report does not meet the requirements related to the Principle of Responsiveness.

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.

The Report brings out the processes that ATL has established towards capturing and reporting its sustainability performance related to "Principle "6" (Businesses should respect and make efforts to protect and restore the environment) of NGRBC. The majority of the data and information verified through our remote assessments with the Company's management teams and data owners at the sites, sampled by us as part of our assurance engagement were found to be fairly accurate and reliable. Some of the data inaccuracies identified during the verification process were found to be attributable to transcription, interpretation and aggregation errors. These data inaccuracies have been communicated for correction and the related disclosures were reviewed for correctness.

Nothing has come to our attention to believe that the Report does not meet the principle of Reliability.

DNV

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported?

The Report brings out the Company's performance during FY2023 related to environmental aspects of the BRSR and covering the operations of ATL, covering the performance related to NGRBC "Principle 6" (Businesses should respect and make efforts to protect and restore the environment)". ATL may further strengthen its processes towards capturing and reporting information and data related to Essential and certain Leadership Indicators of Principle-wise Performance Disclosures in future reporting periods.

Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to scope, boundary and time.

Neutrality

The extent to which a report provides a balanced account of an organization's performance, delivered in a neutral tone.

The Report brings out ATL's sustainability (Environmental) performance during the reporting period in a positive and negative tone in terms of content along with descriptions of key risks and opportunities during the reporting period.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct1 during the verification engagement and maintain independence where required by relevant ethical requirements as detailed in DNV VeriSustain. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of any statements or data except for this Assurance Statement and Management Report. DNV maintains complete impartiality toward stakeholders interviewed during the verification process. We did not provide any services to ATL in the scope of assurance during FY2023 that could compromise the independence or impartiality of our work.

For DNV Business Assurance India Private Limited

Digitally signed by Karthik Ramaswamy Date: 2023.06.24 20:56:50 +05'30' Karthik Ramaswamy Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India	Digitally signed by Sharma Anjana Date: 2023.06.24 21:09:31 +05'30' Anjana Sharma Head – Regional Sustainability Operations, DNV Business Assurance India Private Limited, India	Digitally signed by Kakaraparthi Venkata Raman Date: 2023.06.24 21:36:22 +05'30' Venkata Raman Kakaraparthi Assurance Reviewer, Sustainability Services DNV Business Assurance India Private Limited, India

24 June 2023, Mumbai, India.

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[1] The DNV Code of Conduct is available on request from www.dnv.com (https://www.dnv.com/about/in-brief/corporate-governance.html)

Independent Auditor's Report

To The Members of Adani Transmission Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of **Adani Transmission Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 below, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Company had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The Company has represented to us that there is no effect of the allegations made in the Short Seller Report on the Standalone Financial Statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani Group. The Company did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the Company, as stated in Note 50 to the standalone financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 50 to the standalone financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the standalone financial statements in respect of related parties, and whether the Company should have complied with the applicable laws and regulations.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. Except for the matter described in the Basis for Qualified Opinion section above, we believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Key Audit Matters

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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section of our report, we have determined the matters described below to be the key audit matter to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1.	**Short Seller Report ("the Report") (Refer to Basis for Qualified Opinion section above)** In January 2023, there was a Short Seller Report containing allegations relating to the Adani group of companies. The Report alleged that transactions with certain parties named in the Report were not appropriately identified and reported as related parties, which were not in compliance with applicable laws and regulations. The Company had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The allegations in the Report are under investigation by the Securities and Exchange Board of India in accordance with the direction and monitoring of the Hon'ble Supreme Court of India.	**Principal audit procedures performed** • We inquired with the Company on their approach to assess these allegations to ascertain whether there is any effect on the standalone financial statements. • We requested the Company to initiate an independent external examination of these allegations to determine whether these allegations may have any possible effect on the standalone financial statements of the Company. The Company represented to us that these allegations have no effect on the standalone financial statements of the Company, based on the evaluation it performed and because of the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India, did not consider it necessary to initiate an independent external examination • We evaluated the assessment performed by the Company, as described in Note 50 to the standalone financial statements, and have read the memorandum prepared by an external law firm which the Company considered in its assessment, to determine whether these allegations have any possible effect on the standalone financial statements of the Company. The assessment by the Company did not constitute sufficient appropriate audit evidence for the purposes of our audit • In the absence of an independent external examination by the Company and because of insufficient appropriate audit evidence described immediately above, we have performed alternative audit procedures in respect of these allegations including consideration of information relating to the ownership and association of the parties identified in the Report to the extent publicly available. • We also evaluated the design of the internal controls in respect of allegations made on the Company.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is 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, standalone financial statements, and our auditor's reports 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 during the course of our 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, in the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 50 to the standalone financial statements, by the Securities and Exchange Board of India, we are unable to comment whether transactions stated in Basis for Qualified Opinion section above, or any other transactions may result in possible adjustments and/or disclosures in the standalone financial statements in respect of related parties, and whether the Company should have complied with the applicable laws and regulations. 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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS 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 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.

In preparing the standalone financial statements, management 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 intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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 SAs 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.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 standalone 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 standalone 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.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

We are not statutory auditors of majority of the other Adani group companies and therefore the scope of our audit does not extend to any transactions or balances which may have occurred or been undertaken between these Adani group companies and any supplier, customer or any other party which has had a business relationship with the Company during the year.

Our opinion on the standalone financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, 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.

   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d. Except for possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the Company.

   f. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

   g. The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in the paragraph (b) above.

   h. With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a qualified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements for the reasons stated therein.

   i. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   j. 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 has disclosed the impact of pending litigations, if any, on its financial position in its standalone financial statements; Refer Note 35 to the standalone financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

iv. (a) The Management has represented that, to the best of it's knowledge and belief, other than as disclosed in the note 36(i) to the standalone financial statements, no funds (which, are material either individually or in the aggregate) 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.

(b) The Management has represented, that, to the best of it's knowledge and belief, as disclosed in the note 36(ii) to the standalone financial statements, no funds (which are material either individually or in the aggregate) 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.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, except for the possible effects of the matter described in the Basis of Qualified Opinion section above, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 23116642BGWGAZ2779)

Place: Ahmedabad
Date: May 29, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Adani Transmission Limited** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal control with reference to standalone 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 its business, including adherence to 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. 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 standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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.

Except for the matter described in the Basis for Qualified Opinion section below, 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone 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 control with reference to standalone financial statements includes 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 standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone 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 standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:

The Company did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the Company, including on related party relationships, which could potentially result in possible adjustments/disclosures of related party relationships, balances and transactions in the standalone financial statements and compliance with applicable laws and regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone 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.

Qualified Opinion

In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2023, based on the internal control with reference to standalone 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.

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 for the year ended March 31, 2023, and we have issued a qualified opinion on the said standalone financial statements of the Company.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 23116642BGWGAZ2779)

Place: Ahmedabad
Date: May 29, 2023

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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 state 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) As the Company does not hold any intangible assets, reporting under clause 3(i)(a) (B) of the Order is not applicable.

b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company), disclosed in the financial statements included in property, plant and equipment, were held in the name of the Company till the time they were disposed off/transferred during the year.

d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) during the year. The Company does not have any intangible assets.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.

b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets of the Company and other entities. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, debtors / receivables and creditors / payables filed by the Company in respect of current assets held by it and offered as security with such banks are in agreement with unaudited books of account of the Company of the respective quarters ended June 30, 2022, September 30, 2022 and December 31, 2022. The Company is yet to submit the return/ statement for the quarter ended March 31, 2023 with the banks.

(iii) The Company has made investments in, provided guarantee, security, and granted unsecured/secured loans, and advances in the nature of loans to companies, firms or any other parties during the year, in respect of which:

a) The Company has provided loans and advances in the nature of loans, stood guarantee, and provided security during the year and details of which are given below:

(₹ in Crores)

Particulars	Intercorporate deposit in nature of loans*	Advances in nature of loans (Refer Note 38(iv))	Guarantees	Security (Refer note 6-iii of the Financial Statements)#
A. Aggregate amount granted / provided during the year:				
- Subsidiaries @	3,790.44 ^	-	7,198.48	223.07
- Others related Parties	119.72	-	-	-
- Others	292.92	469.17	-	-
B. Balance outstanding as at balance sheet date:				
- Subsidiaries:**	5360.20^	-	7,198.48	4,716.73
- Others related Parties	-	-	-	-
- Others	-	469.17	-	-

* Includes Optionally and Compulsorily Convertible Debentures, Perpetual Debt and Optionally Convertible Redeemable Preference Shares

Does not include securities given for borrowings taken by the Company

@ Does not include investments acquired pursuant to internal restructuring as referred to in Note 37 to the standalone financial statements.

** Carrying value of the assets of the Company which are given as security in respect of borrowings availed by the Company's subsidiaries

^ Includes interest added to principal amount of Inter corporate deposit (ICD) as per the terms and conditions of respective ICD agreements.

b) Except for the possible effects of the matter described in the Basis of Qualified Opinion section in our audit report on the standalone financial statements, the investments made, guarantees provided, security given and the terms and conditions of the grant of all the above-mentioned intercorporate deposits in the nature of loans and advances in the nature of loans provided during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

c) In respect of above intercorporate deposits in the nature of loans and advances in the nature of loans, provided by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and interest due, if any, during the year have been regular as per stipulations.

   In respect of perpetual loans granted by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and in the absence of such schedule, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.

d) According to information and explanations given to us and based on the audit procedures performed, in respect of intercorporate deposits in the nature of loans and advances granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date except for the following advance in the nature of loans provided by the Company which have been overdue for more than 90 days at the balance sheet date. As explained to us, the Management has taken reasonable steps for recovery of the principal amounts and interest as under:

(₹ in Crores)

Particulars	Principal Amount overdue	Interest amount overdue	Total overdue	Remarks
Essar Power Limited (Refer Note 38 (iv) to the standalone financial statements)	469.17	35.21	504.38	On May 04, 2023, both parties have agreed to an extension of the long stop date of the SPA to December 31, 2023, retrospectively on and from 1st August, 2022

e) The details of advances in the nature of loans that fell due and extended by modifying the terms during the year are stated below:

(₹ in Crores)

Name of the party	Aggregate amount that fell due during the year	Date they fell due	Aggregate amount of existing loans extended	Date of extension	Details of the extension granted during the year	Percentage of the aggregate to the total loans granted during the year
Essar Power Limited (Refer Note 38 (iv) to the standalone financial statements)	469.17	1st August 2022	469.17	4th May 2023	Extension of the long stop date to December 31, 2023 retrospectively on and from 1st August, 2022	10.04%

f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.

(iv) Except for the possible effects of the matter described in the Basis of Qualified Opinion section in our audit report on the standalone financial statements, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014, as amended, would apply. Accordingly, clause 3(v) of the Order is not applicable to the Company.

(vi) To the best of our knowledge and according to the information and explanations given to us, the Company is not required to maintain cost records pursuant to Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under section 148(1) of the Companies Act, 2013. Accordingly, clause 3(vi) of the Order is not applicable to the Company.

(vii) In respect of statutory dues:

a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year. We have been informed that the provisions of the Employees' State Insurance Act, 1948 are not applicable to the Company.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2023.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

e) On an overall examination of the financial statements of the Company, we report that the Company has taken funds from the certain subsidiaries, related parties and other entities (including banks) on account of or to meet the obligations of its other subsidiaries as per below details:

(₹ in Crores)

Nature of Fund Taken	On account of or to meet the obligation of subsidiaries			Remarks
	Amount Involved	Relation	Nature of transactions for which funds utilized	
Inter corporate deposits in the nature of loan and bank borrowings	3,265.81	Subsidiaries	Working capital and capital expenditure	None

f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

(x) a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) The Company has made private placement of shares during the year. For such allotment of shares, the Company has complied with the requirements of Section 42 and 62 of the Companies Act, 2013, and the funds raised have been, prima facie, applied by the Company during the year for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of (fully or partly or optionally) convertible debentures during the year.

(xi) a) To the best of our knowledge, except for the possible effects of the matter described in the Basis for Qualified Opinion section in our report on the standalone financial statements, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year. We have taken into consideration the Short Seller Report referred to in our Basis of Qualified Opinion section in our audit report on the standalone financial statements while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) Except for the possible effects of the matter described in the Basis of Qualified Opinion section in our audit report on the standalone financial statements, the Company is in compliance with Section 177 and 188 of the Companies Act 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

b) We have considered the internal audit observations of the Company presented to the Audit Committee on quarterly basis, for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) Having regard to the external legal opinion obtained by the Company:

a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi)(a), (b) and (c) of the Order is not applicable.

b) The Group does not have any CIC as part of the group and accordingly reporting under clause 3 (xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and Management plans 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) As per the information and explanations given to us, the Company is not required to spend any amount towards Corporate Social Responsibility (CSR) during the current financial year and accordingly, there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 23116642BGWGAZ2779)

Place: Ahmedabad
Date: May 29, 2023

Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5	0.49	0.66
Capital Work-In-Progress	5.1	7.52	0.42
Right of Use Assets	5.2	-	0.02
Financial Assets			
(i) Investments	6	6,712.37	6,681.17
(ii) Loans	7	4,740.94	4,257.27
(iii) Other Financial Assets	8	94.81	473.09
Income Tax Assets (Net)	9	11.37	14.20
Other Non-current Assets	10	16.14	1.11
Total Non-current Assets		**11,583.64**	**11,427.94**
Current Assets			
Financial Assets			
(i) Trade Receivables	11	2.25	0.01
(ii) Cash and Cash Equivalents	12	2.64	2.15
(iii) Bank Balances other than (ii) above	13	814.16	386.57
(iv) Loans	14	469.17	700.00
(v) Other Financial Assets	15	75.55	117.82
Other Current Assets	16	18.94	31.88
Total Current Assets		**1,382.71**	**1,238.43**
Total Assets		**12,966.35**	**12,666.37**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	17	1,115.49	1,099.81
Unsecured Perpetual Equity Instrument	18	-	3,131.28
Other Equity	19	9,211.16	(254.28)
Total Equity		**10,326.65**	**3,976.81**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	20	1,740.41	7,405.53
(ia) Lease Liabilities		1.44	1.47
Provisions	21	0.04	0.08
Total Non-current Liabilities		**1,741.89**	**7,407.08**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	22	860.00	1,141.84
(ia) Lease Liabilities		0.03	0.03
(ii) Trade Payables	23		
i. Total outstanding dues of micro enterprises and small enterprises		0.21	0.12
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		2.46	2.89
(iii) Other Financial Liabilities	24	24.76	130.65
Other Current Liabilities	25	10.33	6.92
Provisions	21	0.02	0.03
Total Current Liabilities		**897.81**	**1,282.48**
Total Liabilities		**2,639.70**	**8,689.56**
Total Equity and Liabilities		**12,966.35**	**12,666.37**
See accompanying notes forming part of the financial Statements	2		

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Statement of Profit and Loss for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income			
Revenue from Operations	26	688.00	739.81
Other Income	27	614.79	700.86
Total Income		**1,302.79**	**1,440.67**
Expenses			
Purchases of Stock - in - Trade	28	685.24	734.11
Operating Expenses	29	0.59	-
Employee Benefits Expense	30	1.18	1.57
Finance Costs	31	416.08	762.96
Depreciation and Amortisation Expense	5 & 5.2	0.15	0.26
Other Expenses	32	29.26	6.38
Total Expenses		**1,132.50**	**1,505.28**
Profit/(Loss) before tax		**170.29**	**(64.61)**
Tax Expense:			
Current Tax	33	-	-
Current Tax relating to earlier periods		0.01	-
Total Tax Expense		**0.01**	**-**
Profit/(Loss) after tax		**170.28**	**(64.61)**
Other Comprehensive Income			
(a) Items that will not be reclassified to Profit or Loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		0.00	0.08
(b) Tax relating to items that will not be reclassified to Profit or Loss		-	-
(c) Items that will be reclassified to Profit or Loss			
Effective portion of gains/(losses) on designated portion of hedging instruments in a cash flow hedge		(40.49)	(120.55)
(d) Tax relating to items that will be reclassified to Profit or Loss		-	-
Total Other Comprehensive (Loss) for the year (Net of Tax)		**(40.49)**	**(120.47)**
Total Comprehensive (Loss)/Income for the year		**129.79**	**(185.08)**
Earnings Per Equity Share (EPS) (in ₹)			
(Face Value ₹ 10 Per Share)			
Basic & Diluted Earnings Per Share	34	1.35	(2.65)
See accompanying notes forming part of the financial Statements			

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

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CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Statement of Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash flows from operating activities		
Profit / (Loss) before tax	170.29	(64.61)
Adjustments for:		
- Depreciation and Amortisation Expense	0.15	0.26
- Gain / (Loss) on Sale / Fair Value of Current Investments measured at FVTPL	(16.99)	(50.55)
- Finance Costs	416.08	731.57
- Unrealised Foreign Exchange Loss - Borrowings net of hedging	-	31.39
- Unclaimed liabilities / Excess provision written back	-	(0.05)
- Other income	(3.60)	-
- Interest income	(594.20)	(646.30)
Operating Gain / (Loss) before working capital changes	**(28.27)**	**1.71**
Movement in Working Capital:		
(Increase) / Decrease in Assets :		
- Other financial assets and other assets	31.86	12.11
- Trade Receivables	(2.24)	0.07
Increase / (Decrease) in Liabilities :		
- Other financial liabilities, other liabilities and provisions	(19.86)	1.59
- Trade Payables	(0.34)	(5.75)
Cash generated from / (used in) operations	**(18.85)**	**9.73**
Direct Tax paid (Net of refunds)	3.57	(6.89)
Net cash flows generated from / (used in) operating activities (A)	**(15.28)**	**2.84**
B. Cash flows from investing activities		
Payment for acquisition of property plant and equipment (including capital advance and CWIP)	(22.45)	(0.89)
Payment for purchase of non-current financial assets		
- Acquisition of subsidiaries	(36.74)	(143.48)
- Advance towards acquisition	(6.35)	-
- Investment in Equity shares of Subsidiary Companies	(2.71)	(248.99)
- Loan to Subsidiary in the nature of Equity	-	(58.25)
- Loan received back from Subsidiary in the nature of Equity	-	20.58
- Investment in Optionally Convertible Debentures of Subsidiary Company	(7.80)	(20.99)
- Investment in Compulsory Convertible Debentures of Subsidiary Company	-	(3.41)
Proceeds from / (Deposits in) Bank deposits (net) (Including Margin money deposit)	(68.03)	1.12
Non-current Loans given	(3,643.48)	(3,264.53)
Non-current Loans received back	1,757.53	3,434.33
Current Loans (given) / received back (Net)	184.16	-
Interest received	260.85	524.20
Net cash flows generated from / (used in) investing activities (B)	**(1,585.02)**	**239.69**

Statement of Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
C. Cash flows from financing activities		
Payment for Lease Liability including interest	(0.16)	(0.14)
Proceeds from issuance of Share capital (including share premium)	3,850.00	-
Proceeds from Long-term borrowings	4,201.22	3,698.68
Repayment of Long-term borrowings	(3,182.28)	(3,495.71)
Proceeds /repayment from Short-term borrowings (Net)	167.65	189.19
Proceeds from issue of Unsecured Perpetual Equity Instrument	8.00	75.62
Repayment of Unsecured Perpetual Equity Instrument (including distribution)	(3,075.49)	(0.34)
Finance costs paid (net of realized gain on hedge)	(288.15)	(715.70)
Net cash flows generated from / (used in) financing activities (C)	**1,680.79**	**(248.40)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**80.49**	**(5.87)**
Cash and cash equivalents at the beginning of the year	2.15	8.02
Transfer of restricted reserve pursuant to transaction referred in note (ii) below (D)	(80.00)	-
Cash and cash equivalents at the end of the year (A+B+C+D)	**2.64**	**2.15**
Cash and cash equivalents includes - Refer note 12		
Balances with banks		
- In current accounts	1.28	2.15
- Fixed Deposits (with original maturity for three months or less)	1.36	-
Total Cash and cash equivalents	**2.64**	**2.15**

Note:

(i) For the year ended on 31st March, 2023 Interest accrued on ICD given to related party amounting to ₹ 303.82 Cr (Previous year : ₹ 274.22 Cr) have been converted to the Loan given as per the terms of Contract and Interest accrued on ICD taken from related party amounting to ₹ 43.19 Cr (Previous year : ₹ 20.99 Cr) have been converted to the Loan taken as per the terms of Contract and hence has been considered as non cash transaction.

(ii) As referred in note - 37, certain assets and liabilities were transferred to Adani Transmission Step-one Limited for a consideration in the form of Compulsorily Convertible Debentures. The same being non-cash transactions are excluded from the aforesaid cash flow statement except for transfer of cash equivalent to restricted reserve referred in "D" above.

Notes to Statement of Cash Flows:

1. The Statement of Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"

2. Disclosure under Para 44A as set out in Ind AS on cash flow statements under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Statement of Cash Flows for the year ended 31st March, 2023

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	1st April, 2022	Cash Flows	Unrealised Foreign Exchange Gain/(Loss)	Other *	31st March, 2023
Long-term Borrowings (Refer note below - i)	7,635.02	1,018.94	346.11	(7,259.66)	1,740.41
Short term Borrowings (Refer note below - ii)	912.35	167.65	-	(220.00)	860.00
Unsecured Perpetual Equity Instrument including Distribution (Refer note below - iii)	3,131.28	(3,067.49)	-	(63.79)	-
TOTAL	**11,678.65**	**(1,880.90)**	**346.11**	**(7,543.45)**	**2,600.41**

Changes in liabilities arising from financing activities

(₹ in Crores)

Particulars	1st April, 2021	Cash Flows	Unrealised Foreign Exchange Gain/(Loss)	Other *	31st March, 2022
Long-term Borrowings(Including Current Maturities of Long Term Debt) (Refer note below - i)	7,140.78	202.97	257.14	34.13	7,635.02
Short term Borrowings (Refer note below - ii)	723.16	189.19	-	-	912.35
Unsecured Perpetual Equity Instrument including Distribution (Refer note below - iii)	2,829.70	75.28	-	226.30	3,131.28
TOTAL	**10,693.64**	**467.44**	**257.14**	**260.43**	**11,678.65**

*** Note :**

i) Long term borrowing (USD Bonds) of ₹ 7,391.00 Cr. (P.Y. Nil) transferred to subsidiary under restructuring scheme, ₹ 83.62 Cr has been converted from unsecured perpetual equity instrument to ICD, ₹ 4.53 Cr. (P.Y. ₹ 13.14 Cr.) includes amortisation of ancillary cost and ₹ 43.19 Cr (P.Y. ₹ 20.99 Cr.) interest capitalized on long term borrowing.

ii) Short term loan of ₹ 220.00 Cr. transferred to subsidiary under restructuring scheme.

iii) Distribution on perpetual Equity Instrument ₹ 19.83 Cr. (P.Y. 226.30 Cr.) and conversion from perpetual equity to inter corporate deposit of ₹ 83.62 Cr. (P.Y. Nil)

See accompanying notes forming part of the financial Statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Statement of changes in equity for the year ended 31st March, 2023

A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1st April, 2021	**1,099,810,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2022	**1,099,810,083**	**1,099.81**
i) Issue of shares during the year	15,682,600	15.68
Balance as at 31st March, 2023	**1,115,492,683**	**1,115.49**

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**2,829.70**
i) Add: Availed during the year	75.62
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	225.96
iii) Less: Repaid during the year	-
Balance as at 31st March, 2022	**3,131.28**
i) Add: Availed during the year	8.00
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	19.80
iii) Less: Repaid during the year	(3,075.46)
iv) Less: Conversion into Inter corporate deposit during the year	(83.62)
Balance as at 31st March, 2023	-

C. Other Equity

For the year ended 31st March, 2023

(₹ in Crores)

Particulars	Reserves and Surplus						Item of Other Comprehensive Income	Total Equity
	Capital Reserve	General Reserve	Retained Earnings	Self Insurance Reserve	Security premium	Restructuring reserve	Effective portion of Cash flow Hedge	
Balance as at 1st April, 2021	**11.47**	**1,207.95**	**(1,035.89)**	**12.65**	**-**	**-**	**(39.08)**	**157.10**
Profit for the year	-	-	(64.61)	-	-	-	-	(64.61)
Add / (Less) : Transferred to Self Insurance Reserve	-	(6.00)	-	6.00	-	-	-	-
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(226.30)	-	-	-	-	(226.30)
Add: Other Comprehensive Income / (loss) for the year (Net of Tax)	-	-	0.08	-	-	-	(120.55)	(120.47)

Statement of changes in equity for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Reserves and Surplus						Item of Other Comprehensive Income	Total Equity
	Capital Reserve	General Reserve	Retained Earnings	Self Insurance Reserve	Security premium	Restructuring reserve	Effective portion of Cash flow Hedge	
Balance as at 31st March, 2022	**11.47**	**1,201.95**	**(1,326.72)**	**18.65**	**-**	**-**	**(159.63)**	**(254.28)**
Profit for the year	-	-	170.28	-	-	-	-	170.28
Add / (Less) : Transferred to Self Insurance Reserve	-	(25.01)	-	25.01	-	-	-	-
Add : Addition During the Year	-	-	-	-	3,834.32	-	-	3,834.32
(Less): Distribution on Unsecured Perpetual Equity Instrument	-	-	(19.83)	-	-	-	-	(19.83)
(Less): Other Comprehensive Income / (loss) for the year (Net of Tax)	-	-	0.00	-	-	-	(40.49)	(40.49)
Consequent to restructuring (Refer Note - 37)	-	-	-	-	-	5,321.04	200.12	5,521.16
Balance as at 31st March, 2023	**11.47**	**1,176.94**	**(1,176.27)**	**43.66**	**3,834.32**	**5,321.04**	**-**	**9,211.16**

See accompanying notes forming part of the financial Statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Notes to Financial Statements for the year ended 31st March, 2023

1 Corporate information

> Adani Transmission Limited ("The Company") ("ATL") is a public limited company incorporated and domiciled in India, It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries (together referred to as "the Group") are engaged in the business of generation, transmission and distribution of power through India. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Tamil Nadu, Andhra Pradesh and Telangana and Karnataka. Apart from the above the group also deals in various Bullion commodities.

> Pursuant to an agreement between the Company, Adani Transmission Step-One Limited, Adani Transmission (India) Limited ('ATIL'), and Maharashtra Eastern Grid Power Transmission company Limited ('MEGPTCL'), Company has transferred/novated, its investments in equity shares, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million outstanding as at date of restructuring) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to the ATSOL after obtaining requisite approvals and consents on 31st August, 2022. The company has received the consideration on transferred of the said assets and liabilities in form of Compulsorily Convertible Debentures from ATSOL.

2 Significant accounting policies

a Statement of Compliance

> The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III) (as amended from time to time).

b Basis of preparation and presentation

> These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

> The functional currency of the Company is Indian Rupee (INR). The financial statements are presented in INR and all values are rounded to the nearest Crores (Transactions below ₹50,000.00 denoted as ₹0.00 Cr.), unless otherwise indicated.

c Current versus Non Current Classification

> The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

> A liability is current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

> Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

> The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

d Foreign Currency

> 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

Notes to Financial Statements for the year ended 31st March, 2023

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 (see note 44 for hedging accounting policies).

(iii) Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss within finance costs. All the other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis.

e Revenue Recognition

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

> The specific recognition criteria described below must also be met before revenue is recognised:

(i) Income from Services

Revenues are recognised immediately when the service is provided. The Company collects the tax on behalf of the Government and therefore, these are not economic benefits flowing to the company. Hence they are excluded from revenue.

(ii) Sale of Goods

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

> The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

> The amount of revenue can be measured reliably; and

> It is probable that the economic benefits associated with the transaction will flow to the Company.

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

(iii) Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and amount of the 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 the exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

(iv) Other Income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

f Taxation

> Tax on Income comprises current tax and deferred tax. These are recognised in the 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. 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.

Current income tax relating to items is recognised outside statement of profit and loss (either

Notes to Financial Statements for the year ended 31st March, 2023

in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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, unused tax losses and unused tax credits to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

g Property, Plant and Equipment (PPE)

> Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset.

> Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

> Fixtures and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

> Subsequent additions to the assets after capitalization are accounted for at cost. Cost includes purchase price (net of trade discount & rebates) and any directly attributable cost of bringing the asset to its working condition for its intended use and for qualifying assets, borrowing costs capitalised in accordance with Ind AS 23. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

> Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

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

> Estimated useful lives of assets are as follows:-

Type of Assets	Useful lives
Plant and Equipment	3-15 Years
Furniture and Fixtures	10 Years
Office Equipment	5 Years
Computer Equipment	3 Years
Vehicles	10 Years

> 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.

h Impairment of tangible assets

> At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment losses (if any). When it is not possible to estimate the recoverable amount of an individual asset,

Notes to Financial Statements for the year ended 31st March, 2023

the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash- generating units for which a reasonable and consistent allocation basis can be identified.

> Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

> If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

> When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

i 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. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

> All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

j Inventories

> The inventories are stated at the lower of weighted average cost or net realisable value. Costs include all non-refundable duties and all charges incurred in bringing the goods to their present location and condition. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Unserviceable/damaged stores and spares are identified and written down based on technical evaluation.

k Employee benefits

> Defined benefit plans

- The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

- Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and

- The date that the Company recognises related restructuring costs

- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit

Notes to Financial Statements for the year ended 31st March, 2023

obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.
- A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.
- The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.
- The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.
- 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. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

> **Defined Contribution Plans**

- Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the statement of profit and loss for the period in which the contributions to the respective funds accrue.

> **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.

> **Short-term and other long-term employee benefits**

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

I Fair Value measurement

> Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

> In the principal market for the asset or liability, or

> In the absence of a principal market, in the most advantageous market for the asset or liability.

Notes to Financial Statements for the year ended 31st March, 2023

> The principal or the most advantageous market must be accessible by the Company.

> 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. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

> All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized 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:

> Level 1 - Quoted (unadjusted) market prices 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; and

> 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.

m Financial instruments

> A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

> Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

> Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

> An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

- All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis.
- 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.

1) Classification of financial assets

- Financial assets that meet the following conditions are subsequently measured at amortised cost (except for financial assets that are designated at fair value through profit or loss on initial recognition):
- The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- The contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- For the impairment policy on financial assets measured at amortised cost, Refer note 45
- All other financial assets are subsequently measured at fair value.

Notes to Financial Statements for the year ended 31st March, 2023

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 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.

  On initial recognition, the Company makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

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

- Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Other financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the Statement of Profit and Loss.

2) Effective interest method

- The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

- Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in the Statement of Profit and Loss and is included in the Other income line item.

3) Derecognition of financial assets

- The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

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

4) Impairment of financial assets

- The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

- Expected credit losses rate the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all

Notes to Financial Statements for the year ended 31st March, 2023

contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

- The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instruments has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months.

- If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

- When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

- For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

5) Foreign exchange gains and losses

- The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

- For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in the Statement of Profit and Loss.

(B) Financial liabilities and equity instruments

1) 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.

2) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

3) Financial liabilities

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

4) Financial liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

Notes to Financial Statements for the year ended 31st March, 2023

(a) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

(b) The financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

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. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability.

Fair values are determined in the manner described in Refer note 45

5) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

6) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

7) 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 the Statement of Profit and Loss.

n Reclassification of financial assets and liabilities

> The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

o Offsetting of financial instruments

> Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Notes to Financial Statements for the year ended 31st March, 2023

p Derivative financial instruments and hedge accounting

> **Initial recognition and subsequent measurement:**

- In order to hedge its exposure to foreign exchange and interest rate risks, the Company enters into forward, Principle only Swaps (POS) and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.
- Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.
- Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.
- Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

> **For the purpose of hedge accounting, hedges are classified as:**

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- 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.
- The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

> **Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:**

i) Fair value hedges

- Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.
- When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.
- Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

ii) 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

Notes to Financial Statements for the year ended 31st March, 2023

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.

q Cash & Cash Equivalents

> Cash comprises cash on hand, cash at bank and demand deposit with banks (with an original maturity of three months or less from the date of creation). Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

r Statement of Cash Flows

> Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

s Provision, Contingent Liabilities and Contingent Assets

Provisions

> Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

> The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

> When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

Contingent Assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

t Earnings Per Share

> Basic earnings per equity share is computed by dividing the net profit/(loss) attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

> Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

> The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares).

Notes to Financial Statements for the year ended 31st March, 2023

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

u 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 in the statement of Profit and Loss on a straight-line basis over the lease term.

> Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

> 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.

> 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 Critical accounting judgements and key sources of estimation uncertainty

> The application of the Company's accounting policies as described in Note 2, in the preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

> The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in note 41.

[2] Key sources of estimation uncertainties

Notes to Financial Statements for the year ended 31st March, 2023

4 Recent Pronouncements for Indian Accounting Standards (Ind AS)

New Standard / Amendments issued but not yet effective:

Ministry of Corporate Affairs (MCA) notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

Ind AS 1 – Presentation of Financial Statements The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

The Company does not expect this amendment to have any significant impact in its financial statements.

4.1 Social Security Code

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 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 for the year ended 31st March, 2023

5. Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets						
	Land (Free hold)	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Total
I. Gross Carrying Amount							
Balance as at 1st April, 2021	**0.04**	**0.41**	**0.07**	**0.07**	**0.01**	**0.74**	**1.34**
Additions during the Year	-	-	-	-	-	-	-
Disposals during the Year	-	0.01	0.00	0.07	0.01	-	0.09
Balance as at 31st March, 2022	**0.04**	**0.40**	**0.07**	**-**	**-**	**0.74**	**1.25**
Additions during the Year	-	-	-	-	-	-	-
Disposals / transferred during the Year *	0.04	-	-	-	-	-	0.04
Balance as at 31st March, 2023	**-**	**0.40**	**0.07**	**-**	**-**	**0.74**	**1.21**
II. Accumulated depreciation							
Balance as at 1st April, 2021	**-**	**0.17**	**0.04**	**0.07**	**0.01**	**0.26**	**0.55**
Depreciation for the Year	-	0.02	0.01	0.00	-	0.09	0.12
Eliminated on disposal of assets	-	0.00	0.00	0.07	0.01	-	0.08
Balance as at 31st March, 2022	**-**	**0.19**	**0.05**	**-**	**-**	**0.35**	**0.59**
Depreciation for the Year	-	0.03	0.01	-	-	0.09	0.13
Eliminated on disposal of assets	-	-	-	-	-	-	-
Balance as at 31st March, 2023	-	0.22	0.06	-	-	0.44	0.72
Net Carrying value as at 31st March, 2022	**0.04**	**0.21**	**0.02**	**-**	**-**	**0.39**	**0.66**
Net Carrying value as at 31st March, 2023	**-**	**0.18**	**0.01**	**-**	**-**	**0.30**	**0.49**

(Figures below ₹ 50,000 denoted as ₹ 0.00 Crs.)
* (Refer Note 37)

5.1 Capital work-in-progress:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	0.42	-
Add: Expenditure incurred during the year	7.10	0.42
Less : Capitalised during the year	-	-
Closing Balance	**7.52**	**0.42**

Notes to Financial Statements for the year ended 31st March, 2023

Capital-work-in progress ageing schedule:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2023					
- Projects in progress	7.10	0.42	-	-	7.52
- Projects temporarily suspended	-	-	-	-	-
Total	**7.10**	**0.42**	**-**	**-**	**7.52**

Capital-work-in progress ageing schedule:

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
As at 31st March, 2022					
- Projects in progress	0.42	-	-	-	0.42
- Projects temporarily suspended	-	-	-	-	-
Total	**0.42**	**-**	**-**	**-**	**0.42**

5.2 : Right of Use Assets

(₹ in Crores)

Particulars	Right of Use Assets	
	Plant and Equipment	Total
I. Gross carrying value		
Balance as at 1st April, 2021	0.48	0.48
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31st March, 2022	0.48	0.48
Additions during the year	-	-
Disposals during the year	-	-
Balance as at 31st March, 2023	0.48	0.48
II. Accumulated Amortisation		
Balance as at 1st April, 2021	0.32	0.32
Amortisation Charge for the year	0.14	0.14
Eliminated on disposal of assets	-	-
Balance as at 31st March, 2022	0.46	0.46
Amortisation Charge for the year	0.02	0.02
Eliminated on disposal of assets	-	-
Balance as at 31st March, 2023	0.48	0.48
Net Carrying Value As at 31st March, 2022	0.02	0.02
Net Carrying value as at 31st March, 2023	-	-

Notes to Financial Statements for the year ended 31st March, 2023

6 Non Current Financial Assets - Investments

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
I. Investments - carried at Cost.		
(a) Investments in Equity Instruments - Unquoted		
Investments in Subsidiary Companies (Face value of ₹10 each)		
Nil (31.03.2022 : 11,00,50,000) Equity Shares of Adani Transmission (India) Limited #	-	343.10
Nil (31.03.2022 : 70,75,00,000) Equity Shares of Maharashtra Eastern Grid Power Transmission Company Limited #	-	903.50
4,40,00,000 (31.03.2022 : 4,40,00,000) Equity Shares of Sipat Transmission Limited	44.00	44.00
9,11,00,000 (31.03.2022 : 9,11,00,000) Equity Shares of Raipur - Rajnandgaon-Warora Transmission Limited	91.10	91.10
6,80,00,000 (31.03.2022 : 6,80,00,000) Equity Shares of Chhattisgarh-WR Transmission Limited	68.00	68.00
84,99,999 (31.03.2022 : 84,99,999) Equity Shares of Adani Transmission (Rajasthan) Limited	8.50	8.50
50,000 (31.03.2022 : 50,000) Equity Shares of North Karanpura Transco Limited	0.05	0.05
89,40,000 (31.03.2022 : 89,40,000) Equity Shares of Maru Transmission Service Company Limited	8.94	8.94
52,30,000 (31.03.2022 : 52,30,000) Equity Shares of Aravali Transmission Service Company Limited	5.23	5.23
1,00,00,000 (31.03.2022 : 1,00,00,000) Equity Shares of Hadoti Power Transmission Service Limited	10.00	10.00
80,00,000 (31.03.2022 : 80,00,000) Equity Shares of Barmer Power Transmission Service Limited	8.00	8.00
70,00,000 (31.03.2022 : 70,00,000) Equity Shares of Thar Power Transmission Service Limited	7.00	7.00
1,00,00,000 (31.03.2022 : 1,00,00,000) Equity Shares of Western Transco Power Limited	11.84	11.84
1,00,00,000 (31.03.2022 : 1,00,00,000) Equity Shares of Western Transmission (Gujarat) Limited	13.01	13.01
2,55,00,000 (31.03.2022 : 2,55,00,000) Equity Shares of Fatehgarh-Bhadla Transmission Limited	25.50	25.50
12,19,55,000 (31.03.2022 : 11,93,55,000) Equity Shares of Ghatampur Transmission Limited (Refer note 1 below)	160.90	158.30
301,15,96,827 (31.03.2022 : 301,15,96,827) Equity Shares of Adani Electricity Mumbai Limited	3,427.06	3,427.06
99,99,999 (31.03.2022 : 99,99,999) Equity Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 1 below)	51.06	51.06
5,55,00,000 (31.03.2022 : 5,55,00,000) Equity Shares of OBRA-C Badaun Transmission Limited	55.50	55.50
10,000 (31.03.2022 : 10,000) Equity Shares of Adani Electricity Navi Mumbai Limited (Formerly know as AEML Infrastructure Limited)	0.01	0.01

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
5,40,00,000 (31.03.2022 : 5,40,00,000) Equity Shares of Bikaner Khetri Transmission Limited	54.00	54.00
50,000 (31.03.2022 : 50,000) Equity Shares of WRSS XXI (A) Transco Limited	0.05	0.05
50,000 (31.03.2022 : 50,000) Equity Shares of Lakadia Banaskantha Transco Limited	0.05	0.05
2,12,50,000 (31.03.2022 : 2,12,50,000) Equity Shares of Jam Khambaliya Transco Limited	21.25	21.25
10,000 (31.03.2022 : 10,000) Equity Shares of Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')	0.01	0.01
10,000 (31.03.2022 : 10,000) Equity Shares of Sunrays Infra Space Limited (Formerly known as 'Sunrays Infra Space Private Limited')	0.01	0.01
7,490 (31.03.2022 : 7,490) Equity Shares of Power Distribution Services Limited	0.01	0.01
50,000 (31.03.2022 : 50,000) Equity Shares of Kharghar Vikhroli Transmission Limited	0.05	0.05
5,56,31,020 (31.03.2022 : 5,56,31,020) Equity Shares of Alipurduar Transmission Limited **	415.33	415.33
10,000 (31.03.2022 : 10,000) Equity Shares of Adani Transmission Step-One Limited (Refer note 1 below)	3.61	0.01
53,70,00,000 (31.03.2022 : 53,70,00,000) Equity Shares of Warora-Kurnool Transmission Limited	240.00	240.00
10,000 (31.03.2022 : 10,000) Equity Shares of ATL HVDC Limited	0.01	0.01
50,000 (31.03.2022 : 50,000) Equity Shares of MP Power Transmission Package-II Limited	0.05	0.05
1,31,35,000 (31.03.2022 : 1,31,35,000) Equity Shares of MPSEZ Utilities Limited	116.27	116.27
10,000 (31.03.2022 : 10,000) Equity Shares of Karur Transmission Limited	0.01	0.01
10,000 (31.03.2022 : 10,000) Equity Shares of Khavda-Bhuj Transmission Limited	0.01	0.01
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Two Limited	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Electricity Jewar Limited	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Cooling Solutions Limited (w.e.f. 13th December, 2022)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Best Smart Metering Limited (w.e.f. 27th December, 2022)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Three Limited (w.e.f. 12th January, 2023)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Four Limited (w.e.f. 12th January, 2023)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Five Limited (w.e.f. 11th January, 2023)	0.01	-

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step- Six Limited (w.e.f. 13th January, 2023)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Seven Limited (w.e.f. 12th January, 2023)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Eight Limited (w.e.f. 12th January, 2023)	0.01	-
10,000 (31.03.2022 : Nil) Equity Shares of Adani Transmission Step-Nine Limited (w.e.f. 16th January, 2023) (now known as 'NE Smart Metering Limited')	0.01	-
50,000 (31.03.2022 : Nil) Equity Shares of WRSR Power Transmission Limited	0.05	-
50,000 (31.03.2022 : Nil) Equity Shares of Khavda II-A Transmission Limited	0.05	-
Nil (31.03.2022 : Nil) Equity Shares of Adani Electricity Aurangabad Limited (w.e.f. 15th March, 2023)^	-	-
Nil (31.03.2022 : Nil) Equity Shares of Adani Electricity Nashik Limited (w.e.f. 16th January, 2023)^	-	-
Total (a)	**4,846.63**	**6,086.82**
(b) Investments in Compulsory Convertible Debentures (CCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹100 each)		
0% 31,57,031 (31.03.2022 : 31,57,031) CCD of North Karanpura Transco Limited	31.57	31.57
9% 53,45,250 (31.03.2022 : 50,04,415) CCD of Bikaner Khetri Transmission Limited * (Refer note 2(c))	60.82	55.80
0% 25,00,00,000 (31.03.2022 : Nil) CCD of Adani Transmission Step-One Limited (Refer Note 37)	1,246.60	-
Total (b)	**1,338.99**	**87.37**
Total I (a + b)	**6,185.62**	**6,174.19**

* During the year interest of ₹5.02 Cr. (PY ₹2.35 Cr.) has been added to the carrying value of the instrument.

** The Company has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on 5th July 2020 for acquisition of Alipurduar Transmission Limited ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, Company has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.

^ Company has incorporated wholly owned subsidiary company and investment in equity share capital is pending as on reporting date.

Refer Note 37

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
II. Investments - carried at Fair Value through profit or loss (FVTPL)		
(a) Investments in 0% Optionally Convertible Redeemable Preference Shares - Unquoted		
Investments in wholly owned Subsidiary Company (Face value of ₹10 each)		
3,45,00,000 (31.03.2022 : 3,45,00,000) Preference Shares of Adani Transmission Bikaner Sikar Private Limited (Refer note 2(b))	9.86	8.17
Total (a)	**9.86**	**8.17**
(b) Investments in Optionally Convertible Debentures (OCD) - Unquoted		
Investments in wholly owned Subsidiary Companies (Face value of ₹100 each)		
9% 3,56,22,873 (31.03.2022 : 3,48,42,873) OCD of Ghatampur Transmission Limited (Refer note 1 below and note 2(d))	357.35	339.69
9% 1,06,90,500 (31.03.2022 : 1,06,90,500) OCD of Bikaner Khetri Transmission Limited (Refer note 2 below and note 2(d))	121.87	121.45
0% 18,60,68,844 (31.03.2022 : 18,60,68,844) OCD of Warora-Kurnool Transmission Limited	0.00	0.00
Total (b)	**479.22**	**461.14**
Total II (a+b)	**489.08**	**469.31**

Notes:

1) During the year fair value gain of ₹9.87 Cr (net) (31.03.2022 : ₹32.45 Cr) has been added to the carrying value of the instrument.

2) During the year fair value gain of ₹0.42 Cr (net) (31.03.2022 : 14.55 Cr) has been added to the carrying value of the instrument.

Particulars	As at 31st March, 2023	As at 31st March, 2022
III. Investments - Loan to subsidiary company in the nature of Equity support carried at Cost - Unquoted		
0.01 % Bikaner Khetri Transmission Limited (Refer note below)	37.67	37.67
Total III	**37.67**	**37.67**

Note:
The Company has invested in a subordinated perpetual debt, with a fixed coupon rate having no specific maturity date.

Particulars	As at 31st March, 2023	As at 31st March, 2022
IV. Investment in Partnership firm		
Adani LCC JV (Participation ratio 20%) (w.e.f 12th December, 2022)	0.00	-
Refer Note - 38 (ii)		
Total (I + II + III +IV)	**6,712.37**	**6,681.17**
(Figures below ₹50,000 are denominated by ₹0.00 Crs.)		

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Aggregate carrying value of unquoted investments		
Investment in Equity Instruments (Refer note 37)	4,846.63	6,086.82
Investment in Compulsory Convertible Debentures	1,338.99	87.37
Investment in Optionally Convertible Redeemable Preference Shares	9.86	8.17
Investment in Optionally Convertible Debentures	479.22	461.14
Investment in Loan in the nature of Equity	37.67	37.67
Investment in Partnership firm	0.00	-
Total	**6,712.37**	**6,681.17**

For Charge created on aforesaid assets, Refer note 22

(Figures below ₹50,000 are denominated by ₹0.00 Crs.)

Notes:

1) **Value of Deemed Investment accounted in subsidiaries in term of fair valuation under Ind AS 109**

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Ghatampur Transmission Limited	38.94	38.94
Adani Transmission Bikaner Sikar Private Limited	28.88	28.88
Adani Transmission Step-one Limited	3.60	-
Total	**71.42**	**67.82**

2) **Number of Eq. Shares/OCRPS/CCD/OCD pledged with Lenders against borrowings by the parent company and its subsidiaries are as per below :**

	Number of Equity Shares Pledged	
	As at 31st March, 2023	As at 31st March, 2022
A. Equity Shares		
Subsidiary Companies		
Maharashtra Eastern Grid Power Transmission Company Limited *	-	707,499,994
Adani Transmission (India) Limited *	-	110,049,994
Sipat Transmission Limited	43,999,400	43,999,400
Raipur – Rajnandgaon – Warora Transmission Limited	91,099,400	91,099,400
Chhattisgarh – WR Transmission Limited	67,999,400	67,999,400
Adani Transmission (Rajasthan) Limited	8,499,993	8,499,993
Maru Transmission Service Company Limited	3,754,800	3,754,800
Aravali Transmission Service Company Limited	5,229,994	5,229,994
Hadoti Power Transmission Service Limited	9,999,994	9,999,994
Barmer Power Transmission Service Limited	7,999,994	7,999,994
Thar Power Transmission Service Limited	6,999,994	6,999,994
Western Transco Power Limited	3,857,143	3,857,143
Western Transmission (Gujarat) Limited	3,000,000	3,000,000
Adani Transmission Bikaner Sikar Private Limited	9,999,993	9,999,993
Fatehgarh-Bhadla Transmission Limited	15,299,640	15,299,640

Notes to Financial Statements for the year ended 31st March, 2023

	Number of Equity Shares Pledged	
	As at 31st March, 2023	As at 31st March, 2022
Ghatampur Transmission Limited	62,197,100	60,871,100
Adani Electricity Mumbai Limited	3,011,596,821	3,011,596,821
OBRA-C Badaun Transmission Limited	28,305,000	28,305,000
Alipurduar Transmission Limited	28,371,820	27,259,190
Bikaner Khetri Transmission Limited	27,540,006	27,540,006
Jam Khambaliya Transco Limited	6,375,000	6,375,000
Warora-Kurnool Transmission Limited	273,870,000	273,870,000
Kharghar Vikhroli Transmission Limited	49,994	49,994
Lakadia Banaskantha Transco Limited	49,994	49,994
WRSS XXI (A) Transco Limited	49,994	49,994
* Refer Note - 37		
B. Optionally Convertible Redeemable Preference Shares		
Subsidiary Companies		
Adani Transmission Bikaner Sikar Private Limited	34,500,000	34,500,000
C. Compulsory Convertible Debentures		
Subsidiary Companies		
Bikaner Khetri Transmission Limited	2,726,080	2,726,080
D. Optionally Convertible Debentures		
Subsidiary Companies		
Ghatampur Transmission Limited	18,167,670	17,769,950
Bikaner Khetri Transmission Limited	5,452,157	5,452,157

7 Non Current Financial Assets - Loans

(At Amortised Cost)

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans to Subsidiary Companies * (Refer Note 36, 47 & 37)	4,732.25	4,190.02
Loans to Other related party (Refer Note 36 & 47)	-	59.60
Debt instruments carried at amortised cost : (Unquoted)		
0.01% Compulsorily Convertible Preference Shares in wholly owned subsidiary companies:		
10,00,000 (31.03.2022 : 10,00,000) Preference Shares of Western Transco Power Limited of ₹10 each	5.42	4.77
10,00,000 (31.03.2022 : 10,00,000) Preference Shares of Western Transmission (Gujarat) Limited of ₹10 each	3.27	2.88
Total	**4,740.94**	**4,257.27**

Note:

* Charges has been created on loans given to wholly owned subsidiaries namely - (Refer note 20)

(i) Adani Transmission (India) limited of ₹ Nil Crores (31.03.2022 : ₹552.74 Crores) and

(ii) Maharashtra Eastern Grid Power Transmission Company Limited of ₹ Nil Crores (31.03.2022 : ₹1,513.63 Crores)

Notes to Financial Statements for the year ended 31st March, 2023

8 Non Current Financial Assets - Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances held as Margin Money or security against borrowings	-	360.00
Derivative instruments designated in hedge accounting relationship (Refer note 44 & 37)	-	110.69
Security Deposits	0.01	0.01
Interest Accrued & not due	92.46	-
Lease Receivable	2.34	2.39
Total	**94.81**	**473.09**

For Charge created on aforesaid assets, Refer note 20 & 22

9 Income Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance Income Tax [Net of Provision ₹ Nil (As at 31st March, 2022 ₹12.63 Crores)]	11.37	14.20
Total	**11.37**	**14.20**

10 Non Current Assets - Others

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Capital Advances	15.84	0.48
Group Gratuity Fund (Refer note 42)	0.30	0.63
Total	**16.14**	**1.11**

For Charge created on aforesaid asset, Refer note 20

11 Trade Receivables

(Unsecured otherwise stated)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unsecured, Considered Good	2.25	0.01
Credit Impaired	9.61	9.61
	11.86	**9.62**
Less : Allowance for Doubtful Debts	9.61	9.61
Total	**2.25**	**0.01**

Notes to Financial Statements for the year ended 31st March, 2023

Trade Receivables ageing Schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2023							
(i) Undisputed Trade receivables – considered good	-	2.23	0.01	-	0.01	-	2.25
(ii) Undisputed Trade Receivables – which have significant increase in credit risk"	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
Total	**-**	**2.23**	**0.01**	**-**	**0.01**	**9.61**	**11.86**

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022							
(i) Undisputed Trade receivables – considered good	-	-	-	0.01	-	-	0.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk"	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	-	-	-	-	-	-

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
Total	**-**	**-**	**-**	**0.01**	**-**	**9.61**	**9.62**

For Charge created on aforesaid assets, Refer note 20 & 22

12 Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
In current accounts	1.28	2.15
Fixed Deposits (with original maturity for three months or less)	1.36	-
Total	**2.64**	**2.15**

For Charge created on aforesaid assets, Refer note 20 & 22

13 Bank balance other than Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fixed Deposits (with original maturity for more than three months)		
- Margin Money	800.28	379.44
- Others	13.88	7.13
Total	**814.16**	**386.57**

(Margin Money against short term borrowing)

For Charge created on aforesaid assets, Refer note 20 & 22

14 Current Financial Assets - Loans

(At Amortised Cost)

(Unsecured, Considered Good)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Loans to Subsidiary Companies (Refer Note 36 & 47 & 37)	-	700.00
Loans to others (interest bearing loan towards acquisition) (Refer Note 38 (iv))	69.17	-
Total (a)	**69.17**	**700.00**

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Secured, Considered Good)		
Loans to others (interest bearing loan towards acquisition) (Refer Note 38 (iv))	400.00	
Total (b)	**400.00**	**-**
Total (a+b)	**469.17**	**700.00**

For Charge created on aforesaid assets, Refer note 20 & 22

15 Current Financial Assets - Other

(Unsecured, considered good)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest Receivable	42.31	106.58
Derivative instruments designated in hedge accounting relationship (Refer note 44 & 37)	-	1.15
Security Deposits	0.05	-
Other Receivable	33.13	9.54
Other Financial Assets	0.01	0.51
Lease Receivable	0.05	0.04
Total	**75.55**	**117.82**

For Charge created on aforesaid assets, Refer note 20 & 22

16 Other Current Assets

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance for acquisition	6.35	-
Advances to Suppliers	2.66	2.27
Balances with Government authorities	8.44	4.43
Prepaid Expenses	1.49	25.18
Total	**18.94**	**31.88**

For Charge created on aforesaid assets, Refer note 20 & 22

17 Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised Share Capital		
150,00,00,000 (31.03.2022 - 150,00,00,000) Equity shares of ₹10 each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up Equity Shares Capital		
111,54,92,683 (31.03.2022 - 109,98,10,083) Equity shares of ₹10 each fully paid up.	1,115.49	1,099.81
Total	**1,115.49**	**1,099.81**

Notes to Financial Statements for the year ended 31st March, 2023

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

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. Shares	(₹ in Crores)	No. Shares	(₹ in Crores)
At the beginning of the year	1,09,98,10,083	1,099.81	1,09,98,10,083	1,099.81
Issued during the year	15,682,600	15.68	-	-
Outstanding at the end of the year	**1,11,54,92,683**	**1,115.49**	**1,09,98,10,083**	**1,099.81**

The Board of Directors of the Company, in their meeting held on 8th April 2022 have approved the transaction for issue of 15,682,600 equity share of face value of ₹10 each of the Company, for total consideration of ₹3,850 Crores to Green Transmission investment Holding RSC Limited ("investor"), on a preferential basis. The current principal shareholder of the Investor is IHC Capital Holding LLC , Abu Dhabi, UAE. The transaction is approved by the shareholder in their meeting held on 3rd May, 2022.

b. Terms/rights attached to equity shares

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

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

	As at 31st March, 2023		As at 31st March, 2022	
	No. Shares	% of Holding in the class	No. Shares	% of Holding in the class
Equity shares of ₹10 each fully paid				
- Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	60,16,34,660	53.94%	62,11,97,910	56.48%
- Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP) *	9,94,91,719	8.92%	99,491,719	9.05%
	70,11,26,379	**62.86%**	**72,06,89,629**	**65.53%**

* Adani Tradeline LLP has been converted into Company with the name Adani Tradeline Pvt. Ltd. w.e.f. 6th July, 2022.

d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at 31st March, 2023			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-3.15%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	-	0.00%	-100.00%
Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP) *	9,94,91,719	8.92%	0.00%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	0.00%
Fortitude Trade and Investment Limited	3,39,17,200	3.04%	12.12%

Notes to Financial Statements for the year ended 31st March, 2023

Particulars	No. of shares	% of total shares	% Change during the year
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.33%	0.00%
Gelt Bery Trade and Investment Limited	100	0.00%	100.00%
	79,92,31,081	**71.65%**	**8.97%**

Particulars	No. of shares	% of total shares	% Change during the year
As at 31st March, 2022			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	62,11,97,910	56.48%	0.00%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	88,36,750	0.80%	0.00%
Adani Tradeline LLP	9,94,91,719	9.05%	0.00%
Afro Asia Trade and Investments Limited	3,02,49,700	2.75%	0.00%
Fortitude Trade and Investment Limited	3,02,49,700	2.75%	0.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.75%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.34%	0.00%
	82,39,63,481	**74.92%**	**0.00%**

18 Unsecured Perpetual Equity Instrument

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	3131.28	2829.70
Add: Availed during the year	8.00	75.62
Add: Distribution on Unsecured Perpetual Equity Instrument	19.80	225.96
Less: Repaid during the year	(3,075.46)	-
Less: Conversion into inter corporate deposit during the year	(83.62)	-
Closing Balance	-	3,131.28

a) The Company had issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. This Instrument carrying a interest rate (i.e. 11.80% on ₹1496.11 Cr & 0% on ₹1559.55 Cr as at 31st March, 2022) are perpetual in nature with no maturity or redemption and are callable only at the option of the Company. During the year company has repaid the ₹3075.46 Cr (including distribution on perpetual equity instrument) to Adani Infra (India) Limited.

b) During the year the company has issued Perpetual Equity instrument to the Subsidiary companies for ₹8.00 Crores (P.Y. : ₹75.62 Crores). Company has converted Perpetual equity instrument into inter corporate deposit in current year.

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Name of subsidiaries	As at 31st March, 2022	Availed during the year	Converted into ICD during the year	As at 31st March, 2023	Rate of Interest (%)
Barmer Power Transmission Service Limited	13.00	-	13.00	-	0.00%
Hadoti Power Transmission Service Limited	17.00	-	17.00	-	0.00%
Raipur - Rajnandgaon-Warora Transmission Limited	18.00	-	18.00	-	0.00%
Thar Power Transmission Service Limited	11.00	-	11.00	-	0.00%
Maru Transmission Service Company Limited	16.62	8.00	24.62	-	0.00%
Total :	**75.62**	**8.00**	**83.62**	**-**	

As Instrument are perpetual in nature and ranked senior only to the Share Capital of the Company and the Company does not have any redemption obligation, these are considered to be entirely in the nature of equity instruments.

19 Other Equity

(₹ in Crores)

Particulars		As at 31st March, 2023	As at 31st March, 2022
a. Capital Reserve (refer note (i) below)			
Opening Balance		11.47	11.47
Add : Addition During the Year		-	-
Closing Balance	**Total (a)**	**11.47**	**11.47**
b. Effective portion of cash flow Hedge (refer note (ii) below)			
Hedge Reserve			
Opening Balance		(159.63)	(39.08)
Add: Effective portion of cash flow hedge for the year		(40.49)	(120.55)
Less: Transfer on account of restructuring #		200.12	-
Closing Balance	**Total (b)**	**-**	**(159.63)**
c. General Reserve (refer note (iii) below)			
Opening Balance		1,201.95	1,207.95
Less : Transferred to Self Insurance Reserve		(25.01)	(6.00)
Closing Balance	**Total (c)**	**1,176.94**	**1,201.95**
d. Self Insurance Reserve (refer note (iv) below)			
Opening Balance		18.65	12.65
Add : Addition During the Year		25.01	6.00
Closing Balance	**Total (d)**	**43.66**	**18.65**
e. Retained Earnings (refer note (v) below)			
Opening Balance		(1,326.72)	(1,035.89)

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars		As at 31st March, 2023	As at 31st March, 2022
Add: Profit/(Loss) for the year		170.28	(64.61)
Add: Other comprehensive income arising from remeasurement of Defined Benefit Plans		0.00	0.08
(Less): Distribution on Unsecured Perpetual Equity Instrument		(19.83)	(226.30)
Closing Balance	**Total (e)**	**(1,176.27)**	**(1,326.72)**
f. Security premium (refer note (vi) below)			
Opening Balance		-	-
Add : Addition During the Year		3,834.32	-
Closing Balance	**Total (f)**	**3,834.32**	**-**
g. Restructring reserve (refer note (vii) below)			
Opening Balance		-	-
Add: On account of restructuring #		5,321.04	-
Closing Balance	**Total (g)**	**5,321.04**	**-**
	Total (a + b + c + d + e + f + g)	**9,211.16**	**(254.28)**

Notes:

i. **Capital Reserve** : It has been created on acquisition of subsidiary companies.

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

iii. **General Reserve** : It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.

iv. **Self Insurance Reserve** : The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.

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

vi. **Security premium** : The Company has received an aggregate consideration of ₹3850.00 Cr from Green Transmission Investment Holding RSC Limited towards subscription of 15682600 equity shares of the company of the face value of ₹10 each at price of ₹2454.95 per equity share which includes a premium of ₹2444.95 per equity share aggregating to ₹3834.32 Cr.

vii. **Restructuring reserve** : Company has transferred/novated, its investments in equity shares (at fair value), and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL. The Company has received the consideration on transfer of the said assets and liabilities in form of 0% Compulsorily Convertible Debentures from ATSOL. The transaction being a common control transaction, the difference between net liabilities transferred and the value of CCD recorded, being ₹5,321.04 Crores has been recognized in Other Equity of the Company.

[#] Refer Note - 37

Notes to Financial Statements for the year ended 31st March, 2023

20 Non Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Secured				
Bonds				
4.00% USD Bonds	-	3,748.66	-	-
4.25% USD Bonds	-	3,178.65	-	229.49
Total	**-**	**6,927.31**	**-**	**229.49**
Amount disclosed under the head Current Financial Liabilities - Borrowings (Refer note 22 & 37)	-	-	-	(229.49)
Net amount	**-**	**6,927.31**	**-**	**-**
Unsecured				
From Subsidiaries (Refer note 47)	1,535.84	478.22	-	-
From Other Related Party (Refer note 47)	104.70	-	-	-
8.5% Unsecured Non-Convertible Redeemable Debenture	99.87	-	-	
Net amount	**1,740.41**	**478.22**	**-**	**-**
Total	**1,740.41**	**7,405.53**	**-**	**-**

Notes

Borrowings	Security	Terms of Repayment
Secured 4.00% USD Bonds	- The USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/ Debenture holders): a. Mortgage of land situated at Sanand. b. Hypothecation of all the assets (movable and immovable) including current assets of the Company.	- Nil (31st March, 2022 - 500 Million) USD Bonds, Nil (31st March, 2022- ₹3,789.63 Crores). Company has novated / transferred the bonds to subsidiary.
Secured 4.25% USD Bonds	c. Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. d. All assets (moveable and immovable) of ATIL & MEGPTCL including its current assets. e. Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans");	- Nil (31st March, 2022 - 452.50 Million) USD Bonds, Nil (31st March, 2022- ₹3,429.61 Crores). Company has novated / transferred the bonds to subsidiary.

Notes to Financial Statements for the year ended 31st March, 2023

Borrowings	Security	Terms of Repayment
Inter Corporate Loan	- Unsecured	i) 6.00% ICD of ₹1317.84 Crores, repayable between in March 2025 to 2026 (31st March,2022 - ₹245.20 Crore, ROI increase from 01.10.2022) ii) 8.50% ICD of ₹104.70 Crores, repayable in Mar'26 as per agreement. iii) 9.00% ICD of ₹139.61 Crore, repayble in FY 2025-26 (31st March,2022 - ₹87.78 Crore) iv) 11% ICD of ₹10.05 Crore repayable in March 26 v) 11.10 % ICD of ₹68.34 Crores repayable in March 2026 (31st March,2022 - ₹145.24 Crore)
Non Convertible Debenture	- Unsecured	- 8.50 % 100.00 Crore (31st March, 2022 - Nil) NCD are Half yearly Interest payment starting from May 2023 to Dec 2024. Principal repayment in Bullet payment in Dec 2024.

21 Provisions

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Provision for Gratuity	-	-	-	-
Provision for Compensated Absences (Refer Note 42)	0.04	0.08	0.02	0.03
Total	**0.04**	**0.08**	**0.02**	**0.03**

22 Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Borrowings		
Term Loan		
- From Banks (Refer note 37)	-	209.00
Current maturities of long-term borrowings (Secured) (Refer Note 20 & 37)	-	229.49
Bank Over Draft (secured by way of Margin money deposits (Refer note 8 & 13)	761.29	703.35
Total (a)	**761.29**	**1,141.84**
Unsecured Borrowings		
From Banks (working capital loan)	98.71	-
Total (b)	**98.71**	**-**
Total (a+b)	**860.00**	**1,141.84**

Notes:

- The Secured Term Loan from bank amounting to ₹ Nil (31st March, 2022 ₹209.00 Crores) having rate of interest is 7.75% & 7.90%.

Notes to Financial Statements for the year ended 31st March, 2023

- The Bank Over draft is carrying an interest rate of 8.25% p.a.
- The Unsecured borrowing amounting to ₹98.71 Crores (31st March, 2022 - ₹ Nil) relating to working capital demand loan having rate of 9.60% & 9.70%.
- The Company has submitted all requisite filing on quarterly basis and there is no mismatch between these quarterly submissions and books of accounts.

23 Trade Payables

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Payables		
- Total outstanding dues of micro enterprise and small enterprise	0.21	0.12
- Total outstanding dues of creditors other than micro enterprise and small enterprise	2.46	2.89
Total	**2.67**	**3.01**

The Disclosure in respect of the amounts payable to Micro and Small Enterprises have been made in the standalone Financial Statements based on the information received and available with the company. The Company has not received any claim for interest from any supplier as at the balance sheet date. These facts have been relied upon by the auditors.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(a) The principal amount remaining unpaid to any supplier at the end of each accounting year	0.21	0.12
(b) Interest due on principal amount remaining unpaid to any supplier at the end of each accounting year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

Notes to Financial Statements for the year ended 31st March, 2023

Note : Trade Payables ageing schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	>3 years	
As at 31st March, 2023						
(a) MSME	0.21	-	-	-	-	0.21
(b) Others	1.55	0.91	-	-	-	2.46
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**1.76**	**0.91**	**-**	**-**	**-**	**2.67**

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		< 1 year	1-2 years	2-3 years	>3 years	
As at 31st March, 2022						
(a) MSME	0.12	-	-	-	-	0.12
(b) Others	2.48	0.41	0.00	-	-	2.89
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-	-
Total	**2.60**	**0.41**	**0.00**	**-**	**-**	**3.01**

(Figures below ₹50,000 are denominated by ₹0.00 Crs.)

24 Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	3.19	77.89
Derivative instruments designated in hedge accounting relationship (Refer note 44 & 37)	-	21.62
Payable on purchase of property, plant and equipment	0.66	0.70
Other Financial liabilities	20.91	30.44
Total	**24.76**	**130.65**

Notes to Financial Statements for the year ended 31st March, 2023

25 Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory Liabilities	3.64	6.92
Advance from Customers	6.69	-
Total	**10.33**	**6.92**

26 Revenue from Operations

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Traded Goods	685.56	734.79
Sale of Services	2.44	5.02
Total	**688.00**	**739.81**

Details of Revenue from Contract with Customer

Contract balances:

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

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade receivables (Refer note 11)	2.25	0.01
Contract assets	-	-
Advance from Consumers (Refer note 25)	6.69	-

Contract assets :

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilites :

A Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If the customer pays contribution before the Company transfers goods or services to the customers, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the performance of obligation is satisfied.

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue as per contracted price	688.00	739.81
Adjustments		
Discounts	-	-
Revenue from contract with customers	688.00	739.81

Notes to Financial Statements for the year ended 31st March, 2023

27 Other Income

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Income		
- Bank	59.87	58.43
- Loans & Advance	533.37	587.64
- Others	0.96	0.23
Gain / (Loss) on Fair/Sale Value on instrument / investment measured at FVTPL	16.99	50.55
Foreign Exchange Fluctuation Gain - Borrowings (Net)	-	3.96
Unclaimed liabilities / Excess provision written back	-	0.05
Others	3.60	-
Total	**614.79**	**700.86**

28 Purchases of Stock - in - trade

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Purchases of Stock - in - trade	685.24	734.11
Total	**685.24**	**734.11**

29 Operating expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Repairs and maintenance	0.59	-
Total	**0.59**	**-**

30 Employee Benefits Expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages and Bonus	1.08	1.45
Contribution to Provident and Other Funds *	0.01	0.08
Staff Welfare Expenses	0.09	0.04
Total	**1.18**	**1.57**

* Including contribution to Gratuity expense of ₹(0.05) Crores (PY ₹(0.05) Crores)

31 Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Expenses	262.95	424.92
Interest on Lease Obligation	0.13	0.10
Bank Charges & Other Borrowing Costs	17.52	10.48
Hedging Cost (including premium / interest)	135.48	327.46
Total	**416.08**	**762.96**

Notes to Financial Statements for the year ended 31st March, 2023

32 Other Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Stores and Spares Consumed	-	0.10
Service charges	0.08	-
Repairs and Maintenance - Others	0.06	0.02
Rates and Taxes	0.00	0.01
Legal & Professional Expenses	9.84	4.06
Directors' Sitting Fees	0.31	0.24
Corporate Social Responsibility (Refer Note 40)	-	0.26
Payment to Auditors (Refer note below)	0.58	0.52
Advertisement expense	2.50	0.16
Bid & Tender Expense	14.50	0.54
Communication Expenses	0.01	0.00
Travelling & Conveyance Expenses	0.28	0.04
Miscellaneous Expenses	1.10	0.43
Total	**29.26**	**6.38**

Payment to Auditors

(Excluding Goods and Service Tax)

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
As auditor:		
Statutory Audit Fees	0.44	0.44
Out of pocket expenses	0.00	0.00
Others	0.14	0.08
	0.58	**0.52**

(Figures below ₹50,000 are denominated by ₹0.00 Crs.)

33 Income Tax

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income Tax Expenses		
Current Tax :		
Income Tax Charge	-	-
	-	**-**

The Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective from 01 April, 2019 subject to certain conditions. The Company has adopted to pay the tax at concessional rate by adopting to the said scheme.

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Accounting profit/(loss) before tax	170.29	(64.61)
Income tax using the company's domestic tax rate	42.86	(16.26)
Tax Effect of :		
i) Incremental depreciation / allowance allowable on assets	(0.00)	0.05
ii) Non deductible expenses	(0.00)	0.07
iii) Interest accrued on perpetual equity instrument	(4.99)	(56.95)
iv) In the absence of certainty of future profits no deferred tax asset recognized on unabsorbed business losses	-	73.09
(v) Credit taken for previous year losses for which no DTA was recognized	(37.87)	-
Income tax recognized in statement of profit and loss at effective rate	**-**	**-**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Unused tax losses (Revenue in nature) and Unabsorbed depreciation*	1,196.53	1,322.10

*** Note -**

1. The Company is having carried forward losses aggregating to ₹1,195.98 crore (Previous Year ₹1,321.55 crore) under the Income Tax Act, 1961.
2. Deferred tax assets has not been recognised in respect of the unabsorbed depreciation and unabsorbed losses of the Company aggregating to ₹1,196.53 crore (Previous year ₹1,322.10 crore), in the absence of certainty of future profits. The expiry of unrecognised Deferred Tax Asset is as detailed below:

(₹ in Crores)

As at 31st March, 2023	Business Losses	Unabsorbed Depreciation	Total
Unrecognised deferred tax assets			
Within One Year	6.31	-	6.31
Greater than one year, less than five years	739.57	-	739.57
Greater than five years	450.10	-	450.10
No expiry date	-	0.55	0.55
Total	**1,195.98**	**0.55**	**1,196.53**

(₹ in Crores)

As at 31st March, 2022	Business Losses	Unabsorbed Depreciation	Total
Unrecognised deferred tax assets			
Within One Year	0.00	-	0.00
Greater than one year, less than five years	389.63	-	389.63
Greater than five years	931.92	-	931.92
No expiry date	-	0.55	0.55
Total	**1,321.55**	**0.55**	**1,322.10**

Notes to Financial Statements for the year ended 31st March, 2023

(Figures below ₹50,000 are denominated by ₹0.00 Crs.)

34 Earnings Per Share (EPS)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
Basic and Diluted EPS - From Total Operations			
Profit/(Loss) after tax	(₹ in Crores)	170.28	(64.61)
Less: Distribution on Unsecured Perpetual Equity Instrument	(₹ in Crores)	(19.83)	(226.30)
Loss attributable to equity shareholders	(₹ in Crores)	150.45	(290.91)
Weighted average number of equity shares outstanding during the year	No.	1,11,37,31,076	1,09,98,10,083
Nominal Value of equity share	₹	10	10
Basic and Diluted EPS	₹	1.35	(2.65)

35 Contingent liabilities and commitments :

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(i) Contingent liabilities :		
- Performance bank guarantee given by the Company on behalf of Subsidiary companies	427.14	281.0
- Corporate gurantee given by company on behalf of Subsidiary company	7,198.48	-
	7,625.62	**281.04**

Note:

- Performance Bank guarantee given by the Company on behalf of Subsidiary companies against which the Subsidiary companies have taken counter guarantees from their respective EPC contractors.

(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advance)	20.47	6.89

Note :

- The Company has funding commitments to a subsidiary, the occurrence and amounts of which are contingent on occurrence of future events.

Notes to Financial Statements for the year ended 31st March, 2023

36 (i) Details of the funds loaned by the Company to Intermediaries for further Loan or investment to the Ultimate beneficiaries

(₹ in Crores)

Name of the intermediary to which the funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Sunrays Infra Space Limited (Formerly known as Sunrays Infra Space Private Limited)	12-05-2022	191.60	12-05-2022	186.13	Adani Properties Private Limited
	31-05-2022	80.00	31-05-2022	80.00	

Name of the Entity	Registered Address	Relationship With the Company
Sunrays Infra Space Limited (Formerly known as Sunrays Infra Space Private Limited)	Adani Corporate House, Santigram, Nr. Vaishno Devi Circle, S.G. Highway, Khodiyar Ahmedabad Ahmedabad GJ 382421 IN	Wholly Owned Subsidiary
Adani Properties Private Limited	Adani Corporate House, Santigram, Nr. Vaishno Devi Circle, S.G. Highway, Khodiyar Ahmedabad Ahmedabad GJ 382421 IN	Group Company

(ii) 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.

37 The Company consequent to an agreement (as part of internal restructuring) entered into between itself and its wholly own subsidiaries, viz; Adani Transmission Step-One Limited ('ATSOL'), Adani Transmission (India) Limited ('ATIL'), and Maharashtra Eastern Grid Power Transmission Company Limited ('MEGPTCL'), has transferred/novated, as the case may be, its investments in equity shares of (at fair value), and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million outstanding as at date of restructuring) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals. ATSOL has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of twenty five crore Compulsorily Convertible Debentures (CCD) of face value of ₹100 to ATL amounting to ₹2500.00 Crores. The transaction being Common control transaction has been accounted at book value and the difference being ₹5,321.04 Crores between net liabilities transferred and the consideration received in form of CCD, is recognised under the head 'Restructuring reserve' (Other equity).

Notes to Financial Statements for the year ended 31st March, 2023

Assets transferred :

(₹ in Crores)

Particulars	
Fixed assets (Land)	0.04
Investment in equity share of ATIL & MEGPTCL (having fair value ₹7,821.05 Cr.)	1,246.60
Loans & Advance (current & non current)	1,751.65
Cash Equivalent to Restricted Reserve	80.00
Derivative instruments designated in hedge accounting relationship (current & non current)	293.12
Pre-Paid expenditure (consent Fees)	17.07
Total A :	**3,388.48**

Liabilities transferred :

(₹ in Crores)

Particulars	
Senior Secured USD Bonds (including unamortised cost)	7,391.00
Hedge Reserve	(200.12)
Working Capital	220.00
Interest Accrued but Not Due on bonds	52.04
Total B :	**7,462.92**

(₹ in Crores)

Particulars	
Net liabilities transferred to ATSOL (A-B)	**4,074.44**
Consideration received in form of CCD (having face value ₹2,500.00 Cr.)	1,246.60
Restructuring reserve arise on account of restructuring	**5,321.04**

38 (i) During the year, the Company has signed a Share Purchase Agreement (SPA) and completed the acquisition of :

a. WRSR Power Transmission Limited (WRSR) with effect from 17th January, 2023. WRSR will establish Transmission System for ISTS Network Expansion scheme in Western Region & Southern Region for export of surplus power during high RE scenario in Southern Region.

b. Khavda II-A Transmission Limited (KTL) with effect from 28th March, 2023. KTL will build, own, operate and transfer transmission line for evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part A approximately 380 ckt kms of transmission line connecting Khavda pooling station 2 to Lakadia S/s with bay extension at both end.

(ii) The Company has entered into agreement with the Adani Enterprise Limited (AEL), LCC Project Private Limited (LPPL) to form partnership firm (Adani - LLC JV) on mutual agreed terms for construction, operation and maintenance of Shakkar Pench Link Combined Project for 60 months.

The participation share of each party as per partnership deed is AEL - 60%, ATL - 20%, LPPL - 20%.

(iii) During the year, Company has acquired 100% ownership in Adani Green Energy Thirty Limited (AGE30L) to Khavda - Bhuj Transmission Limited (wholly owned subsidiary of the company)) for consideration of ₹ 0.01 Crores. Accordingly, AGE30L became wholly owned step-down subsidiary w.e.f. 31st March, 2023.

Notes to Financial Statements for the year ended 31st March, 2023

(iv) The Company has signed definitive agreements with Essar Power Limited ('EPL') for acquiring 673 Ckt. kms operational inter-state transmission project owned and operated by Essar Power Transmission Company Limited (EPTCL), a subsidiary of EPL. The Enterprise value for the transaction is ₹ 1,913.00 Crores. Pursuant to the agreement, the Company has given an interest bearing loan of ₹469.17 Crores to EPL of which ₹400.00 Crores is secured by way of Hypothecation over sale Securities. (i.e. shares) of EPL. As EPTCL has one license combining stage I and II assets, EPTCL has filed the petition with CERC for bifurcation of the Transmission License between stage I and stage II assets. The transaction is expected to be completed by December 2023 post the approval of Central Electricity Regulatory Commission ("CERC") and National Company Law Tribunal ("NCLT") for bifurcation of the license.

39 Leases

Disclosure under Ind AS 116 Leases:

(₹ in Crores)

Particulars	
Balance as at 1st April, 2022	1.50
Addition in Lease Liabilities	-
Finance Costs incurred during the year	0.13
Net Payments of Lease Liabilities	(0.16)
Balance as at 31st March, 2023	**1.47**

(₹ in Crores)

Particulars	
Balance as at 1st April, 2021	0.17
Addition in Lease Liabilities	1.37
Finance Costs incurred during the year	0.10
Net Payments of Lease Liabilities	(0.14)
Balance as at 31st March, 2022	**1.50**

The company has entered Optical Fibre Lease Agreement with the Adani Transmission (India) Ltd for grant to Indefeasible Right of Use of Dark fibres on lease to the company for 15 years from Mundra to Mohindergarh for approx. 1020 Kms. Further, the Company is liable to pay the O&M Fees at the rate of 3% per annum of each Link's IRU Fee on quarterly basis in advance.

40 Corporate Social Responsibility (CSR)

As per section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The funds are utilized on the activities which are specified in Schedule VII of the Companies Act, 2013. The utilisation is done by way of contribution towards various activities.

(a) Gross amount as per the limits of Section 135 of the Companies Act, 2013 : ₹ Nil (Previous year : ₹0.26 Crores)

(b) Amount spent and paid during the year ended 31st March, 2023 : ₹ Nil (Previous year : ₹0.26 Crores)

Notes to Financial Statements for the year ended 31st March, 2023

Details of Corporate Social Responsibilities

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
(i) Amount required to be spent by the company during the year	-	0.26
(ii) Amount of expenditure incurred	-	0.26
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
Total amount contributed during the year	**-**	**0.26**
(v) Reason for shortfall : N.A.		
(vi) Nature of CSR activities	In previous year, Activities related to Mobile Health-care unit (Promoting Health care) in Kawai district of Rajasthan state.	
(vii) Details of related party transactions, e.g.,contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	0.26
(viii) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year	N.A.	N.A.

41 Segment Reporting

The Company prepares parent's separate financial statements as well as consolidated financial statements and hence segment reporting as required under Ind AS 108 - 'Operating Segments' has been given in consolidated financial statements. Hence, no separate disclosure of segment reporting is required in standalone financial statements.

42 As per Ind AS 19 Employee Benefits, the disclosures are given below.

- The Company has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five consecutive years of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with the Life Insurance Corporation of India (LIC) in the form of a qualifying insurance policy for future payment of gratuity to the employees.
- Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

(a) (i) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's last drawn salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i). Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	0.12	0.38
Current Service Cost	0.01	0.02
Interest Cost	0.01	0.02
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(0.00)	(0.01)
- Change in financial assumptions	(0.01)	0.03
- Experience variance (i.e., Actual experience vs assumptions)	0.01	(0.10)
Liabilities transferred In/Out	(0.01)	0.01
Benefits paid	-	(0.23)
Present Value of Defined Benefit Obligations at the end of the Year	**0.12**	**0.12**
ii). Reconciliation of Opening and Closing Balances of the Fair Value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	0.76	1.41
Investment Income	0.05	0.09
Contributions		
Benefits paid	(0.38)	(0.74)
Return on plan assets, excluding amount recognised in net interest expenses	-	-
Fair Value of Plan assets at the end of the Year	**0.43**	**0.76**
iii). Reconciliation of the Present value of defined benefit obligation and Fair Value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	0.12	0.12
Fair Value of Plan assets at the end of the Year	0.43	0.76
Net Asset / (Liability) recognised in balance sheet as at the end of the year	**0.31**	**0.64**
iv). Composition of Plan Assets		
100% of Plan Assets are administered by the LIC		
v). Gratuity Cost for the Year		
Current service cost	0.01	0.02
Interest cost	0.01	0.02
Expected return on plan assets	(0.05)	(0.09)
Actuarial Gain / (Loss)	-	-
Net Gratuity cost recognised in the statement of Profit and Loss	**(0.04)**	**(0.05)**
vi). Other Comprehensive Income		
Actuarial (gains) / losses		

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Change in demographic assumptions	(0.00)	(0.01)
- Change in financial assumptions	(0.01)	0.03
- Experience variance (i.e., Actual experience assumptions)	0.01	(0.10)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income	**(0.00)**	**(0.08)**
vii). Actuarial Assumptions		
Discount Rate (per annum)	7.50%	6.90%
Annual Increase in Salary Cost	10.00%	10.00%

viii). The Company has defined benefit plans for gratuity to eligible employees, the contributions for which are made to the Life Insurance Corporation of India who invests the funds as per the Insurance Regulatory Development Authority's guidelines.

ix). Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate and mortality rate. The sensitivity analysis below has been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Defined Benefit Obligation (Base)	(0.12)	0.12

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.13	0.11	0.13	0.11
(% change compared to base due to sensitivity)	6.30%	-5.70%	9.40%	-8.30%
Salary Growth Rate (- / + 1%)	0.11	0.13	0.11	0.13
(% change compared to base due to sensitivity)	-5.70%	6.10%	-8.10%	9.10%
Attrition Rate (- / + 50%)	0.13	0.12	0.14	0.11
(% change compared to base due to sensitivity)	6.50%	-3.80%	12.00%	-8.00%
Mortality Rate (- / + 10%)	0.12	0.12	0.12	0.12
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

x). Asset-Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficient funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in an increase in liability without corresponding increase in the asset).

Notes to Financial Statements for the year ended 31st March, 2023

xi). Effect of Plan on Entity's Future Cash Flows

a) Funding Arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees of the group. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of contribution during the next year is Nil.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cash flows) - 6 years.

Expected cash flows over the next (valued on undiscounted basis):	(₹ in Crores)
1 year	0.02
2 to 5 years	0.06
6 to 10 years	0.07
More than 10 years	0.06

xii). The Company has defined benefit plans for gratuity to eligible employees of the group, the contributions for which are made to the Life Insurance Corporation of India who invests the funds as per the Insurance Regulatory Development Authority's guidelines.

The discount rate is based on the prevailing market yields of the Government of India securities as at the balance sheet date for the estimated term of the obligations.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with the FY 2022-23.

The actuarial liability for compensated absences (including Sick Leave) as at the year ended 31st March 2023 is ₹0.06 Crores (31st March, 2022 is ₹0.11 Crores).

(b) Defined Contribution Plan

(i) Provident fund

- Employer's contribution to Employees' State Insurance Corporation

The Company has recognised the following amount as expense in the financial statements for the year:

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Employer's Contribution to Provident Fund	0.04	0.12

Notes to Financial Statements for the year ended 31st March, 2023

43 The details of loans of the Company outstanding at the end of the year, in terms of regulation 53 (f) & 34(3) read together with para A of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and as per section 186(4) of the Companies Act, 2013.

(₹ in Crores)

	Outstanding Amount		Maximum amount outstanding during the year	
	As at 31st March, 2023*	As at 31st March, 2022	2022-23	2021-22
Maharashtra Eastern Grid Power Transmission Company Limited #	-	1,513.63	1,588.78	2,132.58
Adani Transmission (India) Limited #	-	552.74	552.74	1,205.54
Raipur-Rajnandgaon-Warora Transmission Limited	-	-	0.00	0.43
Chhattisgarh-WR Transmission Limited	-	-	-	10.47
Adani Transmission (Rajasthan) Limited	14.08	14.08	14.08	14.08
North Karanpura Transco Limited	546.98	97.56	546.98	377.15
Maru Transmission Services Company Limited	-	-	-	8.09
Aravali Transmission Service Company Limited	23.19	28.45	28.45	36.61
Western Transco Power Limited	-	-	-	22.04
Western Transmission (Gujarat) Limited	-	-	-	9.10
Fatehgarh Bhadla Transmission Limited	380.86	341.18	380.86	341.18
Ghatampur Transmission Limited	48.45	-	48.45	-
OBRA-C Badaun Transmission Limited	238.00	215.89	238.00	226.82
WRSS XXI (A) Transco Limited	613.00	547.49	613.00	547.49
Lakadia Banaskatha Transco Limited	679.02	611.76	679.02	611.76
Adani Transmission Step-One Limited	280.71	0.41	324.35	0.41
Jam Khambaliya Transco Limited	69.19	61.77	69.19	61.77
Arasan Infra Private Limited	1.63	1.42	1.63	1.76
Sunrays Infra Space Private Limited	-	-	191.60	217.70
AEML Infrastructure Limited	8.57	7.67	8.57	17.24
Adani Electricity Mumbai Infra Limited	-	-	-	33.45
Kharghar Vikhroli Transmission Limited	422.37	380.53	422.37	380.53
MP Power Transmission Package-II Limited	125.61	17.90	125.61	17.90
ATL HVDC Limited	128.73	87.12	128.73	87.12
Warora-Kurnool Transmission Limited	977.64	389.34	977.64	389.34
Adani Infra (India) Limited	-	-	114.72	-
Karur Transmission Limited	14.86	6.25	14.86	6.25
Khavda-Bhuj Transmission Limited	122.61	14.83	122.61	14.83
Adani Transmission Step-Two Limited	0.11	-	0.11	-
WRSR Power Transmission Limited	18.25	-	18.25	-
Khavda II-A Transmission Limited	18.39	-	18.39	-
	4,732.25	**4,890.02**		

* including amount of Interest Accrued.

Notes to Financial Statements for the year ended 31st March, 2023

#Outstanding amount has been transferred to subsidiary company under restructuring scheme. (Refer note - 37)

Type of Borrowers	Amount of loan or advance in the nature of loan outstanding (₹ in Crores)		Percentage to the total Loans and Advances in the nature of loans	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Loans to Subsidiary Companies	4,732.25	4,890.02	100.00%	98.80%
Loans to other related party	-	59.60	0.00%	1.20%

44 Financial Instruments and Risk Overview

(a) Capital Management

- The Company's objectives when managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

  The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

  The funding requirements are met through a mixture of equity, internal fund generation and the borrowings. The Company's policy is to use borrowings to meet anticipated funding requirements.

(₹ in Crores)

Particulars	Refer Note	31st March, 2023	31st March, 2022
Total Borrowings (Including Current Maturities)	20 & 22	2,600.41	8,547.37
Less: Cash and bank balances	12 & 13	(816.80)	(388.72)
Net Debt (A)		**1,783.61**	**8,158.65**
Equity Share Capital & Other Equity (Net)	17 & 19	10,326.65	845.53
Unsecured Perpetual Equity Instrument	18	-	3,131.28
Total Equity (B)		**10,326.65**	**3,976.81**
Total Equity and Net Debt (C=A+B)		**12,110.26**	**12,135.46**
Gearing Ratio (A)/(C)		**0.15**	**0.67**

- No changes were made in the objectives, policies or processes for managing capital during the year ended as at 31st March, 2023 and as at 31st March, 2022.

(b) Financial Risk Management Objectives

- The Company's principal financial liabilities comprise borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Company's operations/projects including those of its subsidiaries which are SPV's for Group projects. The Company's principal financial assets include Investments, loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

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

Notes to Financial Statements for the year ended 31st March, 2023

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

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

Market risk

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

1) Interest rate risk

The company is exposed to changes in market interest rates due to financing, investing and cash management activities. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates and period of borrowings. The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Company's profit for the year ended March 31, 2023 would decrease / increase by ₹1.50 Cr (P.Y. ₹ Nil). This is mainly attributable to interest rates on variable rate borrowings.

2) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company manages its foreign currency risk by hedging transactions that are expected to realise in future. At year end, the Company does not have any foreign borrowing liability and hence no exposure to any foreign currency risk as at period end.

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

Notes to Financial Statements for the year ended 31st March, 2023

Nature	Purpose	As at 31st March, 2023		As at 31st March, 2022	
		Foreign Currency (USD in Million)	(₹ in Crores)	Foreign Currency (USD in Million)	(₹ in Crores)
i) Principal only swaps *	Hedging of foreign currency bond principal liability	-	-	546.25	4,140.17
ii) Forward covers *	Hedging of foreign currency bond principal & Interest liability	-	-	445.16	3,374.00

* Refer note - 37

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

Nature	As at 31st March, 2023		As at 31st March, 2022	
	USD in Millions	(₹ in Crores)	USD in Millions	(₹ in Crores)
Creditors	0.01	0.08	0.09	0.65
Current financial liabilities	-	-	2.73	20.69

Foreign Currency Risk Sensitivity

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

(₹ in Crores)

Nature	For the year ended 31st March, 2023		For the year ended 31st March, 2022	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Risk Sensitivity				
Rupee / USD - (Increase) / Decrease	(0.00)	0.00	(0.21)	0.21

Derivative Financial Instrument

- The Company uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates. The Company does not acquire derivative financial instruments for trading or speculative purposes nor does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of Principal Only Swaps and Forward Currency Contracts to hedge its foreign currency risks and are subject to the Company's guidelines and policies.
- The fair values of all derivatives are separately recorded in the balance sheet within current and non current assets and liabilities. Derivative that are designated as hedges are classified as current or non current depending on the maturity of the derivative.
- The use of derivative can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with stipulated / reputed banks and financial institutions. The use of derivative instrument is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by the 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 enters into derivative financial instruments, such as principal only swaps and forward currency contracts for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately

Notes to Financial Statements for the year ended 31st March, 2023

in the Statement of Profit or Loss. Amounts recognised in OCI are transferred to the Statement of 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 upto August, 2022.

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

(₹ in Crores)

Derivative Financials Instruments	As at 31st March, 2023		As at 31st March, 2022	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
-Forward	-	-	-	20.77
-Principal Only Swaps	-	-	111.84	0.85
Total	**-**	**-**	**111.84**	**21.62**

- **Credit risk**

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

The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

- **Liquidity risk**

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

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

(₹ in Crores)

As at 31st March, 2023	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings #	893.04	1,932.53	-	2,825.57
Trade Payables and Other Financial Liabilities **	27.43	-	-	27.43
Lease liability	0.03	0.23	1.21	1.47

(₹ in Crores)

As at 31st March, 2022	Less than 1 year	1-5 years	More than 5 years	Total
Borrowings *#	1,435.58	6,245.29	3,063.00	10,743.87
Derivative Financial Liabilities	21.62	-	-	21.62
Trade Payables and Other Financial Liabilities **	112.04	-	-	112.04
Lease liability	0.03	0.19	1.28	1.50

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

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

Notes to Financial Statements for the year ended 31st March, 2023

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.

45 Fair Value Measurement

The carrying value of financial instruments by categories as on 31st March, 2023:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investment in Subsidiaries (Compulsory Convertible Debentures)	-	-	1,338.99	1,338.99	1,338.99
Investment in Subsidiaries (Optionally Convertible Debentures)	-	479.22	-	479.22	479.22
Investment in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	9.86	-	9.86	9.86
Trade Receivables	-	-	2.25	2.25	2.25
Cash and Cash Equivalents	-	-	2.64	2.64	2.64
Other Balances with Bank	-	-	814.16	814.16	814.16
Loans	-	-	5,210.11	5,210.11	5,210.11
Other Financial Assets	-	-	170.36	170.36	170.36
Total	**-**	**489.08**	**7,538.51**	**8,027.59**	**8,027.59**
Financial Liabilities					
Borrowings (Including Interest Accrued)	-	-	2,603.60	2,603.60	2,603.60
Trade Payables	-	-	2.67	2.67	2.67
Other Financial Liabilities (including lease liability)	-	-	23.04	23.04	23.04
Total	**-**	**-**	**2,629.31**	**2,629.31**	**2,629.31**

The carrying value of financial instruments by categories as on 31st March, 2022:

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Subsidiaries (Compulsory Convertible Debentures)	-	-	87.37	87.37	87.37
Investments in Subsidiaries (Optionally Convertible Debentures)	-	461.14	-	461.14	461.14
Investments in Subsidiaries (Optionally Convertible Redeemable Preference Shares)	-	8.17	-	8.17	8.17
Trade Receivables	-	-	0.01	0.01	0.01
Cash and Cash Equivalents	-	-	2.15	2.15	2.15
Other Balances with Bank	-	-	746.57	746.57	746.57
Loans	-	-	4,957.27	4,957.27	4,957.27

Notes to Financial Statements for the year ended 31st March, 2023

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Derivatives instruments	(144.15)	255.99	-	111.84	111.84
Other Financial Assets	-	-	119.07	119.07	119.07
Total	**(144.15)**	**725.30**	**5,912.44**	**6,493.59**	**6,493.59**
Financial Liabilities					
Borrowings (Including Interest Accrued & Current Maturities)	-	-	8,625.26	8,625.26	8,179.93
Trade Payables	-	-	3.01	3.01	3.01
Derivatives instruments	(16.37)	37.99	-	21.62	21.62
Other Financial Liabilities (including lease liability)	-	-	32.64	32.64	32.64
Total	**(16.37)**	**37.99**	**8,660.91**	**8,682.53**	**8,237.20**

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

Notes to Financial Statements for the year ended 31st March, 2023

46 Fair Value hierarchy

(₹ in Crores)

Derivative Financials Instruments	As at 31st March, 2023		As at 31st March, 2022	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in Subsidiaries	-	489.08	-	469.31
Assets measured at amortised cost				
Investments in Subsidiaries	-	92.39	-	87.37
Derivative Instruments				
Derivative Instruments	-	-	-	111.84
Total	**-**	**581.47**	**-**	**668.52**
Liabilities for which fair values are disclosed				
Borrowings (Including Interest Accrued & Current Maturities)	100.00	-	6,789.11	1,390.82
Derivative Instruments				
Derivative Instruments	-	-	-	21.62
Total	**100.00**	**-**	**6,789.11**	**1,412.44**

- The fair value of Investments in Subsidiaries has been determined using Discounted Cash Flow Method
- The fair value of Loans given is equivalent to amortised cost
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

  Refer Note - 37

Notes to Financial Statements for the year ended 31st March, 2023

47 Related party disclosures :

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

> **Ultimate Holding Entity**	S. B. Adani Family Trust (SBAFT)
> **Subsidiary Company**	Adani Transmission (India) Limited (upto 31st August, 2022)
	Maharashtra Eastern Grid Power Transmission Company Limited (upto 31st August, 2022)
	Sipat Transmission Limited
	Raipur - Rajnandgaon - Warora Transmission Limited
	Chhattisgarh - WR Transmission Limited
	Adani Transmission (Rajasthan) Limited
	North Karanpura Transco Limited
	Maru Transmission Service Company Limited
	Aravali Transmission Service Company Limited
	Hadoti Power Transmission Service Limited
	Barmer Power Transmission Service Limited
	Thar Power Transmission Service Limited
	Western Transco Power Limited.
	Western Transmission (Gujarat) Limited
	Fatehgarh-Bhadla Transmission Limited
	Ghatampur Transmission Limited
	Adani Electricity Mumbai Limited
	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited (w.e.f October 21, 2022)
	OBRA-C Badaun Transmission Limited
	Adani Transmission Bikaner Sikar Private Limited
	Bikaner Khetri Transco Limited
	WRSS XXI(A) Transco Limited

Notes to Financial Statements for the year ended 31st March, 2023

> **Subsidiary Company**	Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')
	Sunrays Infra Space Limited (Formerly known as 'Sunrays Infra Space Private Limited')
	Lakadia Banaskantha Transco Limited
	Jam Khambaliya Transco Limited
	Power Distribution Service Limited (Formerly known as 'Adani Electricity Mumbai Services Limited')
	Adani Electricity Mumbai Infra Limited
	Kharghar Vikhroli Transmission Limited (Formerly known as 'Kharghar Vikhroli Transmission Private Limited')
	Adani Transmission Step-One Limited
	Alipurduar Transmission Limited
	AEML Seepz Limited
	Warora - Kurnool Transmission Limited
	MP Power Transmission Package-II Limited
	ATL HVDC Limited
	MPSEZ Utilities Limited (Formerly known as MPSEZ Utilities Private Limited)
	Karur Transmission Limited
	Khavda-Bhuj Transmission Limited
	Adani Transmission Step Two Limited (w.e.f. 2nd August, 2022)
	Adani Electricity Jewar Limited (w.e.f. 12th September, 2022)
	Adani Cooling Solutions Limited (w.e.f. 13th December, 2022)
	Best Smart Metering Limited (w.e.f. 27th December, 2022)
	Adani Transmission Step-Three Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Four Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Five Limited (w.e.f. 11th January, 2023)
	Adani Transmission Step- Six Limited (w.e.f. 13th January, 2023)
	Adani Transmission Step-Seven Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Eight Limited (w.e.f. 12th January, 2023)
	Adani Transmission Step-Nine Limited (w.e.f. 16th January, 2023) (Now known as NE Smart Metering Limited)
	Adani Electricity Aurangabad Limited (w.e.f. 15th March, 2023)
	Adani Electricity Nashik Limited (w.e.f. 16th January, 2023)
	WRSR Power Transmission Ltd (w.e.f. 17th January, 2023)
	Khavda II-A Transmission Limited (w.e.f. 28th March, 2023)
> **Step-down Subsidiary Company**	Adani Transmission (India) Limited (from 1st September, 2022)
	Maharashtra Eastern Grid Power Transmission Company Limited (from 1st September, 2022)
	Adani Green Energy Thirty Limited
	Adani Transmission Mahan Limited (w.e.f. 9th September, 2022)
> **Investment in Partnership firm**	Adani LCC JV (w.e.f. 12th December, 2022)

Notes to Financial Statements for the year ended 31st March, 2023

> **Key Managerial Personnel (KMP)**	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Mr. K. Jairaj - Non-Executive - Independent Director
	Dr. Ravindra H. Dholakia - Non-Executive - Independent Director
	Ms. Meera Shankar - Non-Executive - Independent Director
	Ms. Lisa Caroline Maccallum - Non-Executive - Independent Director (from 30th November, 2021)
	Mr. Bimal Dayal, Chief Executive Officer - Transmission (from 2nd November, 2022)
	Mr. Kandarp Patel, Chief Executive Officer - Distribution (from 2nd November, 2022)
	Mr. Rohit Soni - Chief Financial Officer (from 6th September, 2021)
	Mr. Jaladhi Shukla, Company Secretary
> **Entities under Common Control with whom there are transactions during the year**	Adani Infra (India) Limited
	Adani Power (Mundra) Limited (amalgamated with Adani Power Limited w.e.f. 7th March, 2023)
	Adani Power Limited
	Mundra Solar PV Limited
	Adani Infrastructure Management Service Ltd.
	Adani Enterprises Limited
	Adani Foundation
	Belvedere Golf and Country Club Private Limited
	Adani Green Energy Limited

(A) Transactions with Related Parties

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Distribution on Unsecured Perpetual Equity Instruments (Refer Note: 1)	Adani Infra (India) Limited	19.83	226.30
Loan Given (Refer Note: 3)	Adani Electricity Mumbai Infra Limited	-	23.89
	Adani Infra (India) Limited	119.72	427.40
	Adani Transmission (India) Limited	51.47	162.76
	Adani Transmission Step One Limited	659.15	0.40
	Adani Transmission Step-Two Limited	0.11	-
	AEML Infrastructure Limited	0.05	0.27
	Arasan Infra Limited	0.05	0.65
	Aravali Transmission Service Company Limited	3.10	-
	ATL HVDC Limited	29.85	83.95
	Fatehgarh-Bhadla Transmission Limited	2.00	36.35
	Ghatampur Transmission Limited	63.36	-
	Jam Khambaliya Transco Limited	0.60	29.46

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Karur Transmission Limited	7.43	6.25
	Kharghar Vikhroli Transmission Limited	-	45.73
	Khavda-Bhuj Transmission Limited	103.39	14.83
	Lakadia Banaskantha Transco Limited	-	618.01
	Maharashtra Eastern Grid Power Transmission Company Limited	365.25	372.79
	MP Power Transmission Package-II Limited	120.72	17.62
	North Karanpura Transco Limited	612.40	119.69
	OBRA-C Badaun Transmission Limited	0.09	38.38
	Sunrays Infra Space Limited	618.74	378.33
	Warora - Kurnool Transmission Limited	588.30	629.42
	WRSS XXI (A) Transco Limited	4.80	285.54
	KHAVDA II A Transmission Limtied	18.39	-
	WRSR Power Transmission Limited	18.25	-
Loan Given received back (Refer Note: 3)	Adani Electricity Mumbai Infra Limited	-	35.01
	Adani Infra (India) Limited	179.32	367.80
	Adani Transmission (India) Limited	224.87	815.56
	Adani Transmission Step One Limited	344.22	-
	AEML Infrastructure Limited	-	9.57
	Arasan Infra Limited	-	1.40
	Aravali Transmission Service Company Limited	10.65	8.16
	Chhattisgarh-WR Transmission Limited	-	10.47
	Fatehgarh-Bhadla Transmission Limited	-	12.00
	Ghatampur Transmission Limited	16.50	-
	Kharghar Vikhroli Transmission Limited	-	0.85
	Lakadia Banaskantha Transco Limited	-	175.00
	Maharashtra Eastern Grid Power Transmission Company Limited.	506.56	991.75
	Maru Transmission Service Company Limited.	-	8.09
	MP Power Transmission Package-II Limited	19.80	-
	North Karanpura Transco Limited.	195.20	293.58
	OBRA-C Badaun Transmission Limited	1.30	51.00
	Raipur-Rajnandgaon-Warora Transmission Limited.	-	0.43
	Sunrays Infra Space Limited	618.74	382.43
	Warora - Kurnool Transmission Limited	-	240.08
	Western Transco Power Limited.	-	22.04
	Western Transmission (Gujarat) Limited.	-	9.10
Loan Taken	Adani Infra (India) Limited	104.58	721.17
	Adani Transmission (India) Limited.	320.50	-
	Adani Transmission Bikaner Sikar Private Limited	10.00	-
	Adani Transmission Step-One Limited	598.05	-

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Alipurduar Transmission Limited	42.25	60.00
	Barmer Power Transmission Service Limited.	16.53	3.00
	Chhattisgarh-WR Transmission Limited.	62.84	56.08
	Hadoti Power Transmission Service Limited.	20.75	3.00
	Maharashtra Eastern Grid Power Transmission Company Limited.	751.46	-
	Maru Transmission Service Company Limited.	5.00	-
	MPSEZ Utilities Limited	274.15	57.91
	Raipur-Rajnandgaon-Warora Transmission Limited.	68.51	66.50
	Sipat Transmission Limited.	28.45	39.90
	Sunrays Infra Space Limited	1,985.33	2,658.85
	Thar Power Transmission Service Limited.	16.53	2.00
	Western Transco Power Limited.	23.50	16.09
	Western Transmission (Gujarat) Limited.	21.40	14.17
Loans repaid	Adani Infra (India) Limited	-	1,071.94
	Adani Transmission (India) Limited.	37.42	-
	Adani Transmission Step One Limited	597.23	-
	Chhattisgarh-WR Transmission Limited.	8.14	0.02
	Maharashtra Eastern Grid Power Transmission Company Limited.	363.42	-
	Maru Transmission Service Company Limited.	1.23	-
	MPSEZ Utilities Limited	241.34	31.92
	Sipat Transmission Limited.	1.50	-
	Sunrays Infra Space Limited	2,063.21	2,521.63
Perpetual Securities Issued $	Barmer Power Transmission Service Limited.	-	13.00
	Hadoti Power Transmission Service Limited.	-	17.00
	Maru Transmission Service Company Limited.	-	16.62
	Raipur-Rajnandgaon-Warora Transmission Limited.	-	18.00
	Thar Power Transmission Service Limited.	-	11.00
	Maru Transmission Service Company Limited.	8.00	-
Perpetual Securities issued Converted into ICD	Raipur-Rajnandgaon-Warora Transmission Limited.	18.00	-
	Maru Transmission Service Company Limited.	24.62	-
	Hadoti Power Transmission Service Limited.	17.00	-
	Barmer Power Transmission Service Limited.	13.00	-
	Thar Power Transmission Service Limited.	11.00	-
Investment in Perpetual Securities	Bikaner-Khetri Transmission Limited	-	58.25
Perpetual Securities Received Back	Bikaner-Khetri Transmission Limited	-	20.59

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Investment in Joint venture	ADANI LCC JV	0.00	-
Repayment of perpetual securities	Adani Infra (India) Limited	3,055.65	-
Investment Increase in Equity	Adani Cooling Solution Limited	0.01	-
	Adani Electricity Jewar Limited	0.01	-
	Adani Transmission Step-Six Limited	0.01	-
	Adani Transmission Step-Eight Limited	0.01	-
	Adani Transmission Step-Five Limited	0.01	-
	Adani Transmission Step-Four Limited	0.01	-
	Adani Transmission Step-Nine Limited	0.01	-
	Adani Transmission Step-Seven Limited	0.01	-
	Adani Transmission Step-Three Limited	0.01	-
	Adani Transmission Step-Two Limited	0.01	-
	Best Smart Metering Limited	0.01	-
	ATL HVDC Limited	-	0.01
	Bikaner-Khetri Transmission Limited	-	3.93
	Ghatampur Transmission Limited	2.60	4.98
	Karur Transmission Limited	-	0.01
	Khavda-Bhuj Transmission Limited	-	0.01
	MP Power Transmission Package-II Limited	-	0.05
	Warora - Kurnool Transmission Limited	-	240.00
	MPSEZ Utilities Limited	-	116.27
	KHAVDA II A Transmission Limtied	0.05	-
	WRSR Power Transmission Limited	0.05	-
Investment in CCD #	Adani Transmission Step One Limited	1,246.60	-
	Bikaner-Khetri Transmission Limited	-	3.41
Investment in OCD	Ghatampur Transmission Limited	7.80	12.93
	Bikaner-Khetri Transmission Limited	-	8.06
Interest Income (Refer Note: 2)	Adani Electricity Mumbai Infra Limited	-	1.22
	Adani Infra (India) Limited	7.22	7.56
	Adani Transmission (India) Limited.	24.06	118.21
	Adani Transmission (Rajasthan) Limited.	1.55	1.55
	Adani Transmission Step One Limited	5.00	0.01
	AEML Infrastructure Limited	0.85	1.87
	Arasan Infra Limited	0.16	0.10
	Aravali Transmission Service Company Limited.	2.29	3.30
	ATL HVDC Limited	11.77	3.27
	Bikaner-Khetri Transmission Limited	5.44	-
	Chhattisgarh-WR Transmission Limited.	-	0.20

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Fatehgarh-Bhadla Transmission Limited	37.70	29.72
	Ghatampur Transmission Limited	11.48	-
	Jam Khambaliya Transco Limited	6.83	4.55
	Karur Transmission Limited	1.05	0.14
	Kharghar Vikhroli Transmission Limited	41.86	33.08
	Khavda-Bhuj Transmission Limited	4.09	0.33
	Lakadia Banaskantha Transco Limited	67.29	41.44
	Maharashtra Eastern Grid Power Transmission Company Limited.	90.07	232.07
	Maru Transmission Service Company Limited.	-	0.18
	MP Power Transmission Package-II Limited	6.79	0.29
	North Karanpura Transco Limited.	32.26	23.09
	OBRA-C Badaun Transmission Limited	23.61	22.10
	Raipur-Rajnandgaon-Warora Transmission Limited.	-	0.01
	Sunrays Infra Space Limited	4.02	3.15
	Warora - Kurnool Transmission Limited	63.62	17.78
	Western Transco Power Limited.	-	0.74
	Western Transmission (Gujarat) Limited.	-	0.78
	WRSS XXI (A)Transco Ltd	60.74	38.47
Interest Expense	Adani Infra (India) Limited	0.12	4.72
	Adani Transmission (India) Limited.	3.96	-
	Adani Transmission Bikaner Sikar Private Ltd.	0.05	-
	Adani Transmission Step One Limited	5.41	-
	Alipurduar Transmisison Limited	10.05	5.44
	Barmer Power Transmission Service Limited.	1.20	0.14
	Chhattisgarh-WR Transmission Limited.	4.74	1.39
	Hadoti Power Transmission Service Limited.	1.47	0.14
	Maharashtra Eastern Grid Power Transmission Company Limited.	6.78	-
	Maru Transmission Service Company Limited.	1.00	-
	MPSEZ Utilities Limited	1.35	0.16
	Raipur-Rajnandgaon-Warora Transmission Limited.	6.33	2.37
	Sipat Transmission Limited.	3.30	1.62
	Sunrays Infra Space Limited	8.68	16.66
	Thar Power Transmission Service Limited.	1.28	0.36
	Western Transco Power Limited.	1.58	0.21
	Western Transmission (Gujarat) Limited.	1.48	0.18
CSR Expense	Adani Foundation	-	0.26
Purchase of Inventory	Adani Transmission Step One Limited	90.76	-
Sale of Inventory	Adani Transmission (India) Limited.	-	0.49
	Adani Transmission Step One Limited	28.63	-
	Western Transmission (Gujarat) Limited.	-	0.03

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Receiving of Services	Adani Power (Mundra) Limited	-	0.00
	Adani Transmission (India) Limited.	0.16	0.36
	Mundra Solar PV Limited	0.18	-
	Belvedere Golf and Country Club Private Limited	0.00	-
Reimbursement of Expenses	Alipurduar Transmission Limited	4.38	-
Rendering of Services	Adani Power Limited	1.82	-
Transfer of Cash Equivalent to Restricted Reserve #	Adani Transmission Step-One Limited	80.00	-
O & M Charges	Adani Infrastructure Management Service Limited.	0.59	-
Employee Balance Transferred	Adani Green Energy Limited	0.11	-
	Sipat Transmission Limited.	0.05	-
Advance given	Adani Electricity Jewar Limited	0.05	-
Gratuity paid	Adani Transmission (India) Limited.	0.13	-
	Maharashtra Eastern Grid Power Transmission Company Limited.	0.26	-
Recovery of Expenses	Adani Transmission (India) Limited.	-	(0.11)
	Chhattisgarh-WR Transmission Limited.	-	0.02
	Jam Khambaliya Transco Limited	-	0.17
	Kharghar Vikhroli Transmission Limited	-	0.18
	Lakadia Banaskantha Transco Limited	-	0.17
	MP Power Transmission Package-II Limited	-	1.96
	North Karanpura Transco Limited.	-	0.03
	Warora - Kurnool Transmission Limited	-	0.01
	WRSS XXI (A) Transco Ltd	-	0.30
Bank Guarantee (Refer note 4)	On behalf of subsidiaries	427.14	281.04
Corporate Guarantee	Adani Transmission Step-One Limited	7,198.48	-
Director Sitting Fees	Director Sitting Fees	0.31	0.24

$ - Perpetual security amounting to ₹8.00 Cr (P.Y. ₹75.62 Cr.) converted into Inter-corporate deposit

i) Company has transferred certain assets and liabilities under restructuring scheme to subsidiary company. Transfer of assets & liabilities (Refer note 37) being non-cash transactions within the subsidairy, are not reported in the above related party transactions.

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

Notes :

1. Accrued on Perpetual Equity infused by Entity under common control.
2. Interest on Loan given to Subsidiary Companies and Entity under Common Control.
3. Financial support to Subsidiary Companies primarily for Green field Growth.
4. Bank guarantee given by company on behalf of Subsidiary Companies which were taken over to carry out the business awarded under tariff based competitive bidding towards performance of work awarded.

Notes to Financial Statements for the year ended 31st March, 2023

(B) Balance with Related Parties

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Loans receivable	Adani Infra (India) Limited	-	59.60
	Adani Transmission (India) Limited.	-	552.74
	Adani Transmission (Rajasthan) Limited.	14.08	14.08
	Adani Transmission Step One Limited	280.71	0.41
	AEML Infrastructure Limited	8.57	7.67
	Arasan Infra Limited	1.63	1.42
	Aravali Transmission Service Company Limited.	23.19	28.45
	ATL HVDC Limited	128.73	87.12
	Fatehgarh-Bhadla Transmission Limited	380.86	341.18
	Ghatampur Transmission Limited	48.45	-
	Jam Khambaliya Transco Limited	69.19	61.77
	Karur Transmission Limited	14.86	6.25
	Kharghar Vikhroli Transmission Limited	422.37	380.53
	Khavda-Bhuj Transmission Limited	122.61	14.83
	Lakadia Banaskantha Transco Limited	679.02	611.76
	Maharashtra Eastern Grid Power Transmission Company Limited.	-	1,513.63
	MP Power Transmission Package-II Limited	125.61	17.90
	North Karanpura Transco Limited.	546.98	97.56
	OBRA-C Badaun Transmission Limited	238.00	215.88
	Warora - Kurnool Transmission Limited	977.64	389.34
	WRSS XXI (A) Transco Ltd	613.00	547.49
	Adani Transmission Step Two Limited	0.11	-
	KHAVDA II A Transmission Limtied	18.39	-
	WRSR Power Transmission Limited	18.25	-
Loans payable	Adani Infra (India) Limited	104.70	-
	Adani Transmission (India) Limited.	286.64	-
	Adani Transmission Bikaner Sikar Private Ltd.	10.05	-
	Alipurduar Transmisison Limited	139.61	87.78
	Barmer Power Transmission Service Limited.	34.03	3.42
	Chhattisgarh-WR Transmission Limited.	116.87	57.44
	Hadoti Power Transmission Service Limited.	42.55	3.47
	Maharashtra Eastern Grid Power Transmission Company Limited.	394.15	-
	Maru Transmission Service Company Limited.	29.28	-
	MPSEZ Utilities Limited	60.16	26.13
	Raipur-Rajnandgaon-Warora Transmission Limited.	161.70	68.87
	Sipat Transmission Limited.	78.65	48.40
	Sunrays Infra Space Limited	68.34	145.24
	Thar Power Transmission Service Limited.	35.55	6.87
	Western Transco Power Limited.	41.20	16.27

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Western Transmission (Gujarat) Limited.	37.06	14.33
Interest receivable	Adani Infra (India) Limited	-	3.03
	Adani Transmission (India) Limited.	-	20.46
	Adani Transmission (Rajasthan) Limited.	1.09	4.04
	AEML Infrastructure Limited	-	0.00
	Aravali Transmission Service Company Limited.	-	2.35
	Bikaner-Khetri Transmission Limited	4.61	4.61
	Fatehgarh-Bhadla Transmission Limited	-	0.00
	Ghatampur Transmission Limited	5.41	5.41
	Karur Transmission Limited	-	0.12
	Khavda-Bhuj Transmission Limited	-	0.29
	Maharashtra Eastern Grid Power Transmission Company Limited.	0.00	41.59
	North Karanpura Transco Limited.	-	0.00
	Warora - Kurnool Transmission Limited	81.36	17.77
	Western Transco Power Limited.	-	0.00
	Western Transmission (Gujarat) Limited.	0.00	0.00
Accounts Payable	Adani Enterprises Limited	0.02	-
	Adani Green Energy Limited	0.11	0.02
	Adani Infrastructure Management Service Limited.	0.69	-
	Adani Transmission (India) Limited.	-	0.39
	North Karanpura Transco Limited.	0.00	-
Other receivable	Adani Electricity Jewar Limited	0.05	-
	Adani Electricity Mumbai Limited	-	0.00
	Adani Power Limited	2.20	0.06
	Adani Transmission (India) Limited.	0.44	0.57
	Adani Transmission Bikaner Sikar Private Limited	0.26	0.26
	Adani Transmission Step One Limited	3.61	0.09
	Alipurduar Transmisison Limited	5.62	0.37
	Arasan Infra Limited	0.00	-
	ATL HVDC Limited	0.06	-
	Barmer Power Transmission Service Limited.	0.10	-
	Bikaner-Khetri Transmission Limited	0.17	0.16
	Chhattisgarh-WR Transmission Limited.	0.14	0.07
	Fatehgarh-Bhadla Transmission Limited	0.13	0.13
	Ghatampur Transmission Limited	2.68	2.66
	Hadoti Power Transmission Service Limited.	0.10	-
	Jam Khambaliya Transco Limited	0.31	0.31
	Kharghar Vikhroli Transmission Limited	-	0.22
	Lakadia Banaskantha Transco Limited	0.20	0.20

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
	Maharashtra Eastern Grid Power Transmission Company Limited.	0.56	0.40
	Maru Transmission Service Company Limited.	0.00	-
	MP Power Transmission Package-II Limited	2.35	2.32
	MPSEZ Utilities Limited	0.30	-
	North Karanpura Transco Limited.	-	0.07
	OBRA-C Badaun Transmission Limited	0.13	0.03
	Raipur-Rajnandgaon-Warora Transmission Limited.	0.00	-
	Sipat Transmission Limited.	0.05	-
	Sunrays Infra Space Limited	0.22	-
	Thar Power Transmission Service Limited.	0.07	0.02
	Warora - Kurnool Transmission Limited	0.02	0.02
	Western Transmission (Gujarat) Limited.	0.04	0.03
	WRSS XXI (A)Transco Limited	0.36	0.36
Investment in OCD	Ghatampur Transmission Limited	396.29	378.63
	Bikaner-Khetri Transmission Limited	121.87	121.45
Bank Guarantee	On behalf of subsidiaries	427.14	281.04
Corporate Guarantee	Adani Transmission Step-One Limited	7,198.48	-
Unsecured Perpetual Equity Instrument	Barmer Power Transmission Service Limited.	-	13.00
	Hadoti Power Transmission Service Limited.	-	17.00
	Maru Transmission Service Company Limited.	-	16.62
	Raipur-Rajnandgaon-Warora Transmission Limited.	-	18.00
	Thar Power Transmission Service Limited.	-	11.00
	Adani Infra (India) Limited	-	3,055.66

(Transactions below ₹50,000.00 denoted as ₹0.00 Crs.)

Note :

1. Interest accrued on ICD given to related party amounting to ₹ 303.82 Crores have been converted to the Loan given as per the terms of Contract.
2. Interest accrued on ICD taken from related party amounting to ₹ 43.19 Crores have been converted to the Loan taken as per the terms of Contract.

48 Ratios:

(₹ in Crores)

Name of ratio	Particulars	Numerator / Denominator taken	As at 31st March, 2023	As at 31st March, 2022	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(a) Current Ratio (in times)	**Ratio**		**1.54**	**0.97**	**58.76%**	During the current year, company has transferred its USD Bond liability to its subsidiary company under restructuring scheme and hence decrease in current maturity of the long borrowing leads to increase in current ratio.
	Numerator	Current Assets	1,382.71	1,238.43		
	Denominator	Current Liabilities	897.81	1,282.48		

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Name of ratio	Particulars	Numerator / Denominator taken	As at 31st March, 2023	As at 31st March, 2022	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(b) Debt-Equity Ratio (in times)	Ratio		**0.25**	**2.15**	**-88.37%**	During the current year, company has issued equity shares with premium and has accounted gain on restructuring into other equity which leads to decrease in ratio.
	Numerator	Total Debt	2,600.41	8,547.37		
	Denominator	Total Equity (Shareholder's Fund)	10,326.65	3,976.81		
(c) Debt Service Coverage Ratio (in times) (excluding ICD)	Ratio		**1.11**	**0.70**	**58.57%**	During the current year, company has transferred its USD Bond liability to its subsidiary company under restructuring scheme and hence decrease in repayment of long term borrowing.
	Numerator	Net Profit before tax + Depreciation and amortisation expense + Finance costs#	527.73	665.50		
	Denominator	"Finance costs# + Principal Repayments of Long Term Borrowings# #(excluding repayment of ICD and interest on ICD)"	473.73	950.82		
(c) Debt Service Coverage Ratio (in times) (including interest on Group ICD)	Ratio		**0.20**	**0.16**	**25.00%**	During the current year, company has transferred its USD Bond liability to its subsidiary company under restructuring scheme and hence decrease in repayment of long term borrowing.
	Numerator	Net Profit before tax + Depreciation and amortisation expense + Finance costs#	586.52	698.61		
	Denominator	Finance costs# + Principal Repayments of Long Term Borrowings# #(including repayment of ICD and interest on ICD)	2,921.32	4,258.66		
(d) Return on Equity Ratio (in %)	Ratio		**2.10%**	**-7.22%**	**-129.09%**	Due to security premium and restructuring reserve in FY 22-23
	Numerator	Earnings avaliable to shareholders	150.5	(290.91)		
	Denominator	Average Total Equity	7,151.73	4,031.71		
(e) Inventory turnover ratio *	Ratio		**NA**	**NA**		
	Numerator	Net Sales	-	-		
	Denominator	Average Inventory	-	-		
(f) Trade Receivables turnover ratio (in times)	Ratio		**608.85**	**16,440.12**	**-96.30%**	Variation is on account, increase in trade receivable compared to previous year
	Numerator	Revenue from Contract with Customers	688.00	739.81		
	Denominator	Average Trade Receivables	1.13	0.04		

Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Crores)

Name of ratio	Particulars	Numerator / Denominator taken	As at 31st March, 2023	As at 31st March, 2022	% change in Ratio	Remark - Any change in the ratio by more than 25% as compared to the preceding year.
(g) Trade payables turnover ratio (in times)	**Ratio**		**252.06**	**123.16**	**104.66%**	Variation is on account, liquidation of payable in FY 2022-23.
	Numerator	Operating expenses, Employee benefits and other expenses	716.28	742.06		
	Denominator	Average Trade Payables	2.84	6.03		
(h) Net capital turnover ratio (in times)	**Ratio**		**0.56**	**1.08**	**-48.15%**	Variation is on account of reduction on current maturity liability of bond which were transferred under restructuring scheme
	Numerator	Revenue from Contract with Customers	688.00	739.81		
	Denominator	Average Working Capital (Current asssets - Current liablities) (excluding current borrowing)	1,221.35	687.15		
(i) Net profit ratio (in %)	**Ratio**		**13.07%**	**-4.48%**	**-391.74%**	Due to profit in FY 2022-23
	Numerator	Profit after tax	170.28	(64.61)		
	Denominator	Total Income	1,302.79	1,440.67		
(j) Return on Capital employed (in %)	**Ratio**		**4.54%**	**5.58%**	**-18.65%**	
	Numerator	Profit before tax and finance cost	586.37	698.35		
	Denominator	Total equity and total Debts	12,927.06	12,524.18		
(k) Return on investment *	**Ratio**		**NA**	**NA**		
	Numerator	Income From Investment	-	-		
	Denominator	Cost of Investment	-	-		

* Considering the nature of business, Inventory turnover ratio and Return on Investment ratio are not applicable.

During the year, company has transferred certain assets and liability under restructuring scheme to subsidiary hence ratio are not comparable with the previous year. (Refer note -37)

49 Annual disclosure as Large Corporate pursuant to SEBI circular dated November 26, 2018

Annexure - A

Sr. No.	Particulars	Details
1	Name of the Company	Adani Transmission Limited
2	CIN	L40300GJ2013PLC077803
3	Outstanding borrowing of Company as on 31st March, 2023	100 Crore
4	Highest Credit Rating during the previous FY alongwith name of the Credit rating agency	AA+ Stable by India Ratings
5	Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	BSE Limited

Further, Company was not categorized as large corporate for the year ended 31st March, 2022 in terms of the said SEBI circular. Hence, requirement of submission of annual disclosure in Annexure B1 is not applicable.

Notes to Financial Statements for the year ended 31st March, 2023

50 During the quarter ended 31st March 2023, a short seller report was published in which certain allegations were made involving Adani Group Companies, including Adani Transmission Limited ("ATL") and its subsidiaries. A writ petition was filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC had constituted an expert committee for assessment of the extant of regulatory framework and volatility assessment on Adani stocks, as also to investigate whether there have been contraventions and regulatory failures on minimum shareholding and related party transactions pertaining to Adani group. The expert committee, post the reporting date, issued its report on the given remit, wherein no regulatory failures are observed, while SEBI continues its investigations.

Separately, to uphold the principles of good governance, Adani Group has undertaken review of transactions (including those for the Company and its subsidiaries) with parties referred in the short seller's report including relationships amongst other matters and obtained opinions from independent law firms. These opinions confirm that the Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations. Considering the matter is subjudice at Supreme Court, no additional action is considered prolific and pending outcome of the investigations as mentioned above, the Standalone financial results do not carry any adjustments.

51 Other Disclosures

(i) There is no transaction with struck off companies during the year.

(ii) The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 29th May, 2023, there are no subsequent events to be recognized or reported that are not already disclosed.

(iii) Consequent to year end, the Company at its board meeting held on 13th May, 2023 has approved raising of funds by way of issuance of equity shares and / or other eligible securities for aggregate amount not exceeding ₹8,500.00 Crores by way of qualified institutional placement ("QIP"). The company is in process of obtaining shareholder approval.

(iv) The Financial Statements for the year ended 31st March, 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 29th May, 2023.

For and on behalf of the Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Independent Auditor's Report

To The Members of Adani Transmission Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **Adani Transmission Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the ATL Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the ATL Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

The ATL Group had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The ATL Group has represented to us that there is no effect of the allegations made in the Short Seller Report on the consolidated financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani group. The ATL Group did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the ATL Group, as stated in Note 59 to the consolidated financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the ATL Group and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 59 to the consolidated financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the consolidated financial statements in respect of related parties, and whether the ATL Group should have complied with the applicable laws and regulations.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the consolidated financial statements section of our report. We are independent of the ATL 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. Except for the matter described in the Basis for Qualified Opinion section above, we believe that the audit evidence obtained by us, and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, 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. In addition to the matter described in the Basis for Qualified Opinion section of our report, we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter Description	Auditor's Response
1.	**Short Seller Report ("the Report") (Refer to Basis for Qualified Opinion section above)** In January 2023, there was a Short Seller Report containing allegations relating to the Adani group of companies. The Report alleged that transactions with certain parties named in the Report were not appropriately identified and reported as related parties, which were not in compliance with applicable laws and regulations. The ATL Group had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The allegations in the Report are under investigation by the Securities and Exchange Board of India in accordance with the direction and monitoring of Hon'ble Supreme Court of India.	**Principal audit procedures performed** • We inquired with the ATL Group on their approach to assess these allegations to ascertain whether there is any effect on the consolidated financial statements • We requested the ATL Group to initiate an independent external examination of these allegations to determine whether these allegations may have any possible effect on the consolidated financial statements of the ATL Group. The ATL Group represented to us that these allegations have no effect on the consolidated financial statements of the ATL Group, based on the evaluation it performed and because of the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India, did not consider it necessary to initiate an independent external examination • We evaluated the assessment performed by the ATL Group, as described in Note 59 to the consolidated financial statements and have read the memorandum prepared by an external law firm which the Parent considered in its assessment, to determine whether these allegations have any possible effect on the consolidated financial statements of the ATL Group. The assessment by the ATL Group did not constitute sufficient appropriate audit evidence for the purposes of our audit • In the absence of an independent external examination by the ATL Group and because of insufficient appropriate audit evidence described immediately above, we have performed alternative audit procedures in respect of these allegations including consideration of information relating to the ownership and association of the parties identified in the Report to the extent publicly available. • We also evaluated the design of the internal controls in respect of allegations made on the ATL Group.

Sr. No.	Key Audit Matter Description	Auditor's Response
2.	**Hedge accounting and the related disclosures for currency derivatives:** (Refer to Note 49 to the Consolidated Financial Statements) As explained in Note 2.4(i) of the consolidated financial statements, the ATL Group has foreign currency exposures from foreign currency denominated borrowings. The ATL Group has hedged its foreign currency exposure through various currency derivative contracts which are recorded at fair value and has applied hedge accounting. Due to the changes in risks and estimates during the lifecycle of these derivative contracts, we identified the hedge accounting for currency derivatives and the adequacy of the related disclosures as a key audit matter because of the degree of subjectivity/ management judgment required to determine hedge effectiveness and requires management to maintain hedge documentation. These transactions may have a significant financial effect.	**Principal audit procedures performed:** • We obtained an understanding of and tested the design and implementation and operating effectiveness of the management's controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, fair valuation of currency derivatives and hedge accounting. • For a sample of the derivative contracts: i. Inspected the hedge documentations for such derivative contracts and evaluated the management's assessment of hedge effectiveness. ii. Tested the existence of the derivative contracts outstanding as at March 31, 2023 by obtaining confirmations directly from contract counterparties for the currency derivatives. iii. Reperformed the fair valuations with the involvement of our internal fair valuation specialists, to evaluate the reasonability of fair values of the currency derivatives and the hedge effectiveness thereof has been appropriately determined by the management; • Assessed the adequacy of the disclosures in respect of the currency derivatives and hedge accounting in accordance with the disclosure requirements of Ind AS 107-Financial Instruments: Disclosures, Ind AS 113-Fair Value Measurement.

Sr. No.	Key Audit Matter Description	Auditor's Response
3	**Impairment of Transmission License having indefinite life:** (Refer to Note 56(i) to the Consolidated Financial Statements) As per the requirements of Ind AS 36, the ATL Group is required to test Intangible assets with indefinite life, being Transmission License, for impairment on an annual basis. Accordingly, the ATL Group has carried out a detailed evaluation of the recoverable value of transmission license and has concluded that the carrying value of the transmission license is good and recoverable. Since, the evaluation of recoverable values involves multitude of factors and assumptions involved in determining the forecasted revenues/cash flows and discount rate in the projection period, we have identified the impairment evaluation of transmission license as a key audit matter.	**Principal audit procedures performed:** • We evaluated the design, implementation and tested the operating effectiveness of controls over impairment assessment process which inter alia included the management's evaluation of the reasonableness of estimates including those over the forecasts of future revenues, future capital expenditure and selection of discount rates. • We obtained management's impairment assessment and performed the following substantive procedures: i. Evaluated the reasonableness of key assumption including revenue, future capital expenditure terminal values and selection of discount rates. ii. Evaluated the appropriateness of other key assumptions considered, in developing the projections by considering the historical accuracy of the ATL Group's estimates in the prior periods. iii. With the assistance of our internal fair value specialists we evaluated the appropriateness of the valuation methodology and the reasonability of the discount rate, by developing a range of independent estimates and comparing those to the discount rate selected by management. iv. Performed a sensitivity analysis to determine the effect of variation in the cash flow estimates.

Sr. No.	Key Audit Matter Description	Auditor's Response
4	**Accrual of Regulatory Deferrals:** (Refer to Note 55 to the Consolidated Financial Statements) In respect of Distribution business, of the ATL Group, the tariff is determined by Respective Electricity Regulatory Commissions on cost plus return on equity basis wherein the cost is subject to certain laid down benchmarks/ norms. The ATL Group invoices its customers on the basis of pre-approved tariff which is based on provisional tariff orders and is subject to final true up exercise to be adjusted in the future tariff. The ATL Group recognizes revenue on the basis of tariff invoiced to consumers. As the ATL Group is entitled to a fixed return on equity, the ATL Group recognizes regulatory deferral for the shortage / excess compared to the entitled return on equity. Based on its assessment, the ATL Group has recognised net regulatory deferral asset of ₹1,963.83 crores as at March 31, 2023 (including income of ₹1,035.58 crores for the year recognised in statement of profit and loss and expense of ₹47.94 crores recognised in Other Comprehensive Income.) The regulatory deferrals are determined based on tariff regulations, tariff orders, judicial pronouncements etc. and are subject to verification and approval by the regulators. Further, the costs incurred are subject to laid down norms/benchmarks. Significant judgements and estimates are made in determining the regulatory deferrals including interpretation of tariff regulations, and accordingly we have classified the determination of such regulatory deferrals as a key audit matter.	**Principal audit procedures performed:** • We evaluated the design and implementation and tested operating effectiveness of the management's controls over accrual of regulatory deferrals. • For the regulatory deferral determined by the ATL Group, we have: i. Examined the workings of the regulatory deferral with the balance as per the books of account to confirm the appropriate determination of return on equity. ii. Evaluated the reasonability of key estimates used by the ATL Group in determining regulatory deferrals by comparing it with tariff regulations, prior years orders and past precedents.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is 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, standalone financial statements and our auditor's reports 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, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.
- 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, in the absence of an independent external examination by the ATL Group and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 59 to the consolidated financial statements, by the Securities and Exchange Board of India, we are unable to comment whether the transactions stated in Basis for Qualified Opinion section above or any other transactions may result in possible adjustments and/or disclosures in the consolidated financial statements in respect of related parties, and whether the ATL Group should have complied with the applicable laws and regulations. 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

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation 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 cash flows and consolidated changes in equity of the ATL Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the ATL Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the ATL Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the ATL Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the ATL Group are also responsible for overseeing the financial reporting process of the ATL Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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 SAs 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.

As part of an audit in accordance with SAs, 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 financial 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 Parent 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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the ATL 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 ATL 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the ATL Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities 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.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We are not statutory auditors of majority of the other Adani group companies and therefore the scope of our audit does not extend to any transactions or balances which may have occurred or been undertaken between these Adani group companies and any supplier, customer or any other party which has had a business relationship with the ATL Group during the year.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter.

(b) We did not audit the financial statements of 46 subsidiaries, whose financial statements reflect total assets of ₹20,168.95 crores as at March 31, 2023, total revenues of ₹2,120.91 crores and net cash outflows amounting to ₹20.33 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

(c) We did not audit the financial statements of 3 subsidiaries, whose financial statements reflect total assets of ₹18.32 crores as at March 31, 2023, total revenues of ₹ NIL net cash inflows amounting to ₹0.02 Crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the ATL Group.

Our opinion on the consolidated financial statements and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. 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 the separate financial statements of subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and except for the matter described in the Basis for Qualified Opinion section above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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.

   d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) The matter described in the Basis for Qualified Opinion section above, in our opinion, may have an adverse effect on the functioning of the ATL Group.

   f) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the ATL Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

   g) The qualification relating to the maintenance of accounts and other matters connected therewith, are as stated in the Basis for Qualified Opinion section and in the paragraph (b) above.

   h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent Company and subsidiary companies incorporated in India. Our report expresses a qualified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies, for the reasons stated therein.

i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent Company and such subsidiary companies to their directors during the year is in accordance with the provisions of section 197 of the Act.

j) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the ATL Group, Refer Note 43 to the consolidated financial statements;

ii) Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary companies incorporated in India.

iv) (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 64(i) to the consolidated financial statements, 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 Parent Company or any of such 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 Parent or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 64(ii) to the consolidated financial statements, no funds have been received by the Parent Company or any of such 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 Company or any of such 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.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, except for the possible effects of the matter described in the Basis for Qualified Opinion section above, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) As stated in note 21(viii) to the consolidated financial statements, the interim dividend declared by the Board of Directors of one of the subsidiary companies subsequent to the year end is in accordance with section 123 of the Companies Act 2013 to the extent it applies to declaration of dividend. However, the said dividend was not due for payment on the date of this audit report.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiaries which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:-

Name of the company	**CIN**	**Nature of relationship**	**Clause Number of CARO report with qualification or adverse remark**
Adani Transmission Limited	L40300GJ2013PLC077803	Parent	iii (b), iii (c), iii(d), iii (e), iv, ix (e), xi (a), xi (c), xiii
Adani Transmission Step-One Limited	U40108GJ2020PLC116749	Wholly Owned Subsidiary	iii (c), iii (e), xi (a), xi (c), xiii
Adani Electricity Mumbai Limited	U74999GJ2008PLC107256	Subsidiary	xi (a), xi (c), xiii
Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	U40106GJ2019PLC110679	Wholly Owned Subsidiary	xiii

In respect of the following companies included in the consolidated financial statements, whose audits under section 143 of the Act has not yet been completed, the CARO Report as applicable in respect of those entities are not available and consequently have not been provided to us on the date of this audit report:

Name of the Component	**CIN**	**Nature of Relationship**
Adani Electricity Aurangabad Limited	U35107GJ2023PLC139233	Wholly Owned Subsidiary
Adani Electricity Nashik Limited	U35107GJ2023PLC139258	Wholly Owned Subsidiary
Khavda-II A Transmission Limited	U40200DL2022GOI396828	Wholly Owned Subsidiary

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 23116642BGWGBE9629)

Place: Ahmedabad
Date: May 29, 2023

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1(h) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Parent as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of **Adani Transmission Limited** (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective companies 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 (ICAI). 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 its business, including adherence to the respective 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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.

Except for the matter described in the Basis for Qualified Opinion section below, we believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated 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 control with reference to consolidated financial statements includes 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 consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Basis for Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:

The ATL Group did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the ATL Group, including on related party relationships, which could potentially result in possible adjustments/disclosures of related party relationships, balances and transactions in the consolidated financial statements and compliance with applicable laws and regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated 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.

Qualified Opinion

In our opinion, 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 referred to in the Other Matter paragraph below, except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Parent and its subsidiary companies, which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies 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, were operating effectively as of March 31, 2023.

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 Ind AS financial statements of the Parent for the year ended March 31, 2023, and we have issued a qualified opinion on the said consolidated financial statements.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to 46 subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Hardik Sutaria
(Partner)
(Membership No. 116642)
(UDIN: 23116642BGWGBE9629)

Place: Ahmedabad
Date: May 29, 2023

Consolidated Balance Sheet as at 31st March, 2023

(₹ in Crores)

Particulars	Notes	As at 31st March, 2023	As at 31st March, 2022
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5.1	30,295.28	27,905.02
Capital Work-In-Progress	5.2	6,200.44	5,060.16
Right of Use Assets	5.3	652.22	673.00
Goodwill		598.29	598.29
Other Intangible Assets	5.1	1,099.35	1,095.46
Financial Assets			
(i) Investments	6	312.89	264.17
(ii) Loans	7	26.10	1,128.54
(iii) Other Financial Asset	8	3,974.70	3,631.64
Income Tax Assets (Net)	9	60.78	88.87
Other Non-current Assets	10	1,804.84	1,541.22
Total Non-current Assets		**45,024.89**	**41,986.37**
Current Assets			
Inventories	11	151.91	250.11
Financial Assets			
(i) Investments	12	1,056.79	296.35
(ii) Trade Receivables	13	1,437.59	1,070.84
(iii) Cash and Cash Equivalents	14	190.64	189.05
(iv) Bank Balances other than (iii) above	15	1,513.50	1,203.82
(v) Loans	16	477.20	7.81
(vi) Other Financial Assets	17	1,906.39	1,065.83
Other Current Assets	18	209.01	269.91
Total Current Assets		**6,943.03**	**4,353.72**
Total Assets before Regulatory Deferral Account		**51,967.92**	**46,340.09**
Regulatory Deferral Account - Assets	55	1,963.83	1,124.02
Total Assets		**53,931.75**	**47,464.11**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,115.49	1,099.81
Unsecured Perpetual Equity Instrument	20	-	3,055.65
Other Equity	21	10,546.95	5,757.36
Total Equity attributable to Equity Owners of the Company		**11,662.44**	**9,912.82**
Non-Controlling Interests		1,097.55	1,093.68
Total Equity		**12,759.99**	**11,006.50**
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	22	31,330.39	27,774.04
(ia) Lease Liabilities	23	51.69	66.12
(ii) Trade Payables	24		
(A) total outstanding dues of micro enterprises and small enterprises;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		32.76	32.22
(iii) Other Financial Liabilities	25	338.84	334.81
Other Non-Current Liabilities	26	332.96	290.25
Provisions	27	527.73	617.47
Deferred Tax Liabilities (Net)	28	1,540.10	1,414.46
Total Non-current Liabilities		**34,154.47**	**30,529.37**
Current Liabilities			
Financial Liabilities			
(i) Borrowings	29	2,868.45	2,040.54
(ia) Lease Liabilities	23	19.50	21.09
(ii) Trade Payables	30		
i. Total outstanding dues of micro enterprises and small enterprises		46.43	26.37
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		1,754.00	1,581.54
(iii) Other Financial Liabilities	31	1,837.82	1,556.29
Other Current Liabilities	32	363.79	347.60
Provisions	27	119.29	70.91
Current Tax Liabilities (Net)	33	8.01	12.34
Total Current Liabilities		**7,017.29**	**5,656.68**
Total Liabilities before Regulatory Deferral Account		**41,171.76**	**36,186.05**
Regulatory Deferral Account-Liabilities	55	**-**	**271.56**
Total Equity and Liabilities		**53,931.75**	**47,464.11**
Summary of significant accounting policies	2		
See accompanying notes forming part of the financial Statements			

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Notes	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Income			
Revenue from Operations			
(i) From Generation, Transmission and Distribution Business	34	12,537.07	10,435.61
(ii) From Trading Business	35	755.65	821.91
Other Income	36	547.74	603.95
Total Income		**13,840.46**	**11,861.47**
Expenses			
Cost of Power Purchased		3,839.98	2,778.88
Cost of Fuel		1,384.18	1,065.99
Purchases of Stock-in-Trade	37	755.13	821.23
Employee Benefits Expense	38	986.65	885.07
Finance Costs	39	2,781.47	2,364.95
Depreciation and Amortisation Expense	5.4	1,607.74	1,427.15
Other Expenses	40	1,809.17	1,500.18
Total Expenses		**13,164.32**	**10,843.45**
Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the year		**676.14**	**1,018.02**
Net movement in Regulatory Deferral Account Balances - Income/ (Expenses)	55	1,035.58	682.47
Profit Before Tax and Deferred Assets recoverable/adjustable for the year		**1,711.72**	**1,700.49**
Tax Expense:	41		
Current Tax		260.94	244.23
Deferred Tax		174.39	191.83
Total Tax expenses		**435.33**	**436.06**
Profit After Tax for the year but before Deferred Assets recoverable/ adjustable		**1,276.39**	**1,264.43**
Deferred assets recoverable/adjustable		4.21	(28.68)
Profit After Tax for the year		**1,280.60**	**1,235.75**
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		47.53	16.37
- Movement in Regulatory Deferral Balance		(47.94)	-
- Tax relating to items that will not be reclassified to Profit or Loss		(8.36)	(2.89)
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(341.59)	(262.79)
- Tax relating to items that will be reclassified to Profit or Loss		48.73	(2.44)
Total Other Comprehensive Income/ (Loss) for the year (Net of Tax)		**(301.63)**	**(251.75)**
Total Comprehensive Income for the year		**978.97**	**984.00**
Profit/ (Loss) for the year attributable to:			
Owners of the Company		1,256.33	1,204.61
Non-controlling interests		24.27	31.14
		1,280.60	**1,235.75**
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company		(283.07)	(217.19)
Non-controlling interests		(18.56)	(34.56)
		(301.63)	**(251.75)**
Total Comprehensive Income/ (Loss) for the year attributable to:			
Owners of the Company		973.26	987.42
Non-controlling interests		5.71	(3.42)
		978.97	**984.00**
Earnings Per Share (EPS) (in ₹)	42		
(Face Value ₹ 10 Per Share)			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		11.10	8.90
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		5.35	5.06
See accompanying notes forming part of the consolidated financial statements			

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Place : Ahmedabad
Date : 29th May, 2023

Statement of Consolidated Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
A. Cash flows from operating activities		
Profit before tax	1,711.72	1,700.49
Adjustments for:		
Depreciation and Amortisation Expense	1,607.74	1,427.15
Amortisation of Service Line Contribution	(15.03)	(11.05)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(21.24)	(10.12)
Finance Costs	2,781.47	2,364.95
Interest Income	(494.77)	(508.99)
Unclaimed liabilities / Excess provision written back	(0.51)	(0.80)
Bad Debt Written Off	15.21	18.31
Provision for Doubtful Debts, Advances, Deposits	18.58	-
Sundry creditors written back	(2.44)	(57.41)
Loss on sale/scrapping of Property, Plant and Equipment	0.20	4.12
Foreign Exchange Fluctuation Loss	0.46	1.00
Operating profit before working capital changes	**5,601.39**	**4,927.65**
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Inventories	98.20	(15.85)
Trade Receivables	(394.95)	(105.44)
Other Financial Assets and Other Assets	(495.57)	(331.67)
Regulatory Deferral Account - Assets	(839.81)	(682.47)
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	219.55	433.45
Regulatory Deferral Account - Liabilities	(271.56)	-
Other Financial Liabilities, Other Liabilities and Provisions	105.30	137.80
Cash generated from operations	**4,022.55**	**4,363.47**
Taxes paid (Net)	(245.56)	(266.86)
Net cash generated from operating activities (A)	**3,776.99**	**4,096.61**
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment (including capital advance)	(4,702.21)	(4,190.86)
Acquisition of Subsidiaries	(36.75)	(143.48)
Advance for Acquisition	(6.35)	-
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)	(48.67)	(32.70)
Proceeds/(Purchase) of current investment (net)	(726.02)	(89.45)
(Deposits in) Bank deposits (net) (Including Margin money deposit)	(279.11)	48.64
Advances Given	-	(607.22)
Advances Received back	-	607.22
Non-current Loans Given	(2,003.76)	(767.40)
Non-current Loans received back	3,106.20	707.80
Current Loan (Given to) / Received back (net)	(469.39)	21.53
Interest Received	467.35	497.89
Net cash used in investing activities (B)	**(4,698.71)**	**(3,948.03)**

Statement of Consolidated Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
C. Cash flows from financing activities		
Payment of lease liabilities	(25.87)	(31.26)
Increase in Service Line Contribution	59.52	25.80
Proceeds from issuance of Share Capital including share premium	3,850.00	-
Proceeds from Long-term borrowings	5,169.59	8,211.61
Repayment of Long-term borrowings	(3,573.23)	(5,564.49)
Proceeds/repayment from Short-term borrowings (net)	731.20	(511.05)
Repayment of Unsecured Perpetual Equity Instrument (including distribution)	(3,075.49)	(0.34)
Finance Cost paid	(2,212.50)	(2,365.13)
Net cash generated from / (used in) financing activities (C)	**923.22**	**(234.86)**
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**1.50**	**(86.28)**
Cash and cash equivalents at the beginning of the year	189.05	263.68
Cash and cash equivalents acquired on acquisition of subsidiaries	0.09	11.65
Cash and cash equivalents at the end of the year	**190.64**	**189.05**
Cash and Cash Equivalents includes (Refer note 14)		
Balances with banks		
In current accounts	152.55	165.85
Fixed Deposits (with original maturity for three months or less)	23.53	13.28
Cheque / Draft on Hand	14.13	9.12
Cash on Hand	0.43	0.80
Total Cash and Cash Equivalents	**190.64**	**189.05**

Notes to Statement of Consolidated Cash Flows:

1 The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"

2 Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2015 (as amended) is given below:

(₹ in Crores)

Particulars	1st April, 2022	Cash Flows (net)	Unrealised Foreign Exchange Gain/(Loss)	Other	31st March, 2023
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	28,359.16	1,596.36	1,954.84	101.86	32,012.22
Short term Borrowings	1,455.42	731.20	-	-	2,186.62
Unsecured perpetual Equity Instrument including Distribution*	3,055.65	(3,075.49)	-	19.84	-
TOTAL	**32,870.23**	**(747.93)**	**1,954.84**	**121.70**	**34,198.84**

Statement of Consolidated Cash Flows for the year ended 31st March, 2023

(₹ in Crores)

Particulars	1st April, 2021	Cash Flows (net)	Unrealised Foreign Exchange Gain/(Loss)	Other	31st March, 2022
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	24,994.51	2,647.12	764.49	(46.96)	28,359.16
Short term Borrowings	1,966.47	(511.05)	-	-	1,455.42
Unsecured perpetual Equity Instrument including Distribution*	2,829.71	(0.34)	-	226.28	3,055.65
TOTAL	**29,790.69**	**2,135.73**	**764.49**	**179.32**	**32,870.23**

*Other Includes Distribution on perpetual Equity Instrument.

#Other Includes Balances taken over on acquisition of Subsidiaries, Interest accrued converted to loan and Amortised cost of borrowings.

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Consolidated Statement of Changes in equity

for the year ended 31st March, 2023

A. Equity Share Capital

Particulars	No. Shares	(₹ in Crores)
Balance as at 1st April, 2021	**1,099,810,083**	**1,099.81**
i) Issue of shares during the year	-	-
Balance as at 31st March, 2022	**1,099,810,083**	**1,099.81**
i) Issue of shares during the year	15,682,600	15.68
Balance as at 31st March, 2023	**1,115,492,683**	**1,115.49**

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in Crores)
Balance as at 1st April, 2021	**2,829.70**
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	225.95
iii) Less: Repaid during the year	-
Balance as at 31st March, 2022	**3,055.65**
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	19.81
iii) Less: Repaid during the year	(3,075.46)
Balance as at 31st March, 2023	**-**

Consolidated Statement of Changes in equity for the year ended 31st March, 2023

C. Other Equity

(₹ in Crores)

Particulars	Attributable to owners of the Company										Non - controlling interest	Total Equity
	Reserves and Surplus								Item of Other Comprehensive Income	Total Attributable to owners of the Company		
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium	Effective portion of Cash flow Hedge			
Balance as at 1st April, 2021	**208.87**	**1,207.95**	**1,009.33**	**2,436.53**	**12.28**	**12.65**	**284.91**	**-**	**(182.75)**	**4,989.77**	**1,103.58**	**6,093.35**
Profit for the year	-	-	1,204.61	-	-	-	-	-	-	1,204.61	31.14	1,235.75
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	9.92	-	-	-	-	-	(227.11)	(217.19)	(34.56)	(251.75)
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(226.30)	-	-	-	-	-	-	(226.30)	-	(226.30)
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(43.51)	-	-	-	49.98	-	-	6.47	(6.47)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(6.00)	-	-	-	6.00	-	-	-	-	-	-
Add / (Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	1.13	-	(1.13)	-	-	-	-	-	-	-
Balance as at 31st March, 2022	**208.87**	**1,201.95**	**1,955.18**	**2,436.53**	**11.15**	**18.65**	**334.89**	**-**	**(409.86)**	**5,757.36**	**1,093.68**	**6,851.04**
Profit for the year	-	-	1,256.33	-	-	-	-	-	-	1,256.33	24.27	1,280.60
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(6.67)	-	-	-	-	-	(276.41)	(283.08)	(18.56)	(301.64)
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(19.83)	-	-	-	-	-	-	(19.83)	-	(19.83)
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.74)	-	-	-	23.59	-	-	1.85	(1.85)	-

Consolidated Statement of Changes in equity for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Attributable to owners of the Company											
	Reserves and Surplus								Item of Other Comprehensive Income	Total Attributable to owners of the Company	Non - controlling interest	Total Equity
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium	Effective portion of Cash flow Hedge			
Add /(Less): Appropriation to Self Insurance Reserve	-	(25.01)	-	-	-	25.01	-	-	-	-	-	-
Add /(Less): Addition on account of issue of shares during the year	-	-	-	-	-	-	-	3,834.32	-	3,834.32	-	3,834.32
Add/(Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	(13.89)	-	13.89	-	-	-	-	-	-	-
Balance As at 31st March, 2023	**208.87**	**1,176.94**	**3,149.38**	**2,436.53**	**25.04**	**43.66**	**358.48**	**3,834.32**	**(686.27)**	**10,546.95**	**1,097.55**	**11,644.50**

See accompanying notes forming part of the consolidated financial statements

As per our attached report of even date
For Deloitte Haskins & Sells LLP
Chartered Accountants

HARDIK SUTARIA
Partner

Place : Ahmedabad
Date : 29th May, 2023

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
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BIMAL DAYAL
CEO - Transmission

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CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

1 Corporate information

Adani Transmission Limited ("The Company") is a public limited company incorporated and domiciled in India having CIN no L40300GJ2013PLC077803. It's ultimate holding entity is S. B. Adani Family Trust (SBAFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The Company and its subsidiaries (together referred to as "the group") is incorporated to carry on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Andhra Pradesh, Telangana, Karnataka and Tamil Nadu . The Group has entered in Generation and Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business i.e. Business of Generation, Transmission and Distribution (GTD) and provide facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutch, Gujarat. The Group has entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players. The Group also deals in various Bullions and agro-commodities. The Group gets synergetic benefit of the integrated value chain of Adani Group.

2 Significant accounting policies

2.1 Statement of Compliance

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 (the Act) (as amended from time to time).

2.2 Basis of Preparation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded off to the nearest Crores (Transactions below ₹50,000.00 denoted as ₹0.00), unless otherwise indicated.

2.3 Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders:
- potential voting rights held by the Group, other vote holders or other parties;

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Transmission Limited and it's shareholding therein is as under:

The reporting date for all the entities is 31st March, 2023

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2023	Shareholding as on 31st March 2022
1	Adani Transmission (India) Limited	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	India	Subsidiary	100%	100%
3	Sipat Transmission Limited#	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited#	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited#	India	Subsidiary	100%	100%

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for the year ended 31st March, 2023

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2023	Shareholding as on 31st March 2022
6	Adani Transmission (Rajasthan) Limited#	India	Subsidiary	100%[1]	100%[1]
7	North Karanpura Transco Limited	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited#	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited#	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited#	India	Subsidiary	100%	100%
13	Western Transco Power Limited	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited	India	Subsidiary	100%	100%
17	Adani Electricity Mumbai Limited	India	Subsidiary	74.90%	74.90%
18	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Private Limited	India	Subsidiary	100%[2]	100%[2]
21	WRSS XXI (A) Transco Limited	India	Subsidiary	100%	100%
22	Bikaner Khetri Transco Limited	India	Subsidiary	100%	100%
23	Lakadia banaskantha Transco Limited	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited	India	Subsidiary	100%	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	India	Subsidiary	100%	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
29	Khar Ghar Vikhroli Transmission Limited (Formerly known as Khar Ghar Vikhroli Transmission Private Limited)	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited	India	Subsidiary	100%[3]	100%[3]
31	AEML Seepz Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	100%

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for the year ended 31st March, 2023

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31st March 2023	Shareholding as on 31st March 2022
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	100%
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	India	Subsidiary	100%	100%
37	Karur Transmission Limited	India	Subsidiary	100%	100%
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	100%
39	Adani Electricity Jewar Limited	India	Subsidiary	100%	-
40	Adani Transmission Step-Two Limited	India	Subsidiary	100%	-
41	Adani Transmission Mahan Limited	India	Subsidiary	100%	-
42	BEST Smart Metering Limited	India	Subsidiary	100%	-
43	Adani Cooling Solutions Limited	India	Subsidiary	100%	-
44	WRSR Power Transmission Limited	India	Subsidiary	100%	-
45	Adani Transmission Step-Three Limited	India	Subsidiary	100%	-
46	Adani Transmission Step-Four Limited	India	Subsidiary	100%	-
47	Adani Transmission Step-Five Limited	India	Subsidiary	100%	-
48	Adani Transmission Step-Six Limited	India	Subsidiary	100%	-
49	Adani Transmission Step-Seven Limited	India	Subsidiary	100%	-
50	Adani Transmission Step-Eight Limited	India	Subsidiary	100%	-
51	Adani Transmission Step-Nine Limited (Now Known as "NE Smart Metering Limited")	India	Subsidiary	100%	-
52	Adani Electricity Aurangabad Limited	India	Subsidiary	100%	-
53	Adani Electricity Nashik Limited	India	Subsidiary	100%	-
54	Khavda II-A Transmission Limited	India	Subsidiary	100%	-
55	Adani Green Energy Thirty Limited	India	Subsidiary	100%	-
56	Adani-LCC JV	India	Partnership Firm	20%	-

#USPP Group

1. Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL ("the Golden Share") in favour of the RRVPNL.

2. Adani Transmission Bikaner Sikar Private Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATBSPL ("the Golden Share") in favour of the RRVPNL.

3. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on 5th July 2020 for acquisition of Alipurduar Transmission Limited ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.

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2.4 Summary of significant accounting policies

(a) Property, plant and equipment

Land and building held for use in the production or for administrative purposes are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Free hold land is not depreciated.

Property, plant and equipment are stated at original cost grossed up with the amount of tax / duty benefits availed, less accumulated depreciation and accumulated impairment losses, if any. Properties in the course of construction are carried at cost, less any recognised impairment losses. All costs, including borrowing costs incurred up to the date the asset is ready for its intended use, is capitalised along with respective asset. Capital work-in-progress is stated at cost, net of accumulated impairment loss, if any.

Fixtures equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation on property, plant and equipment in respect of Mumbai Generation, Transmission and Distribution business except (ii) and (iii) 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.

ii) 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.

iii) In respect of assets other than (i) & (ii) above, 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).

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.

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

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	25-35 Years
Plant and Equipment - Meters	10 Years
Plant and Equipment - Batteries	10 Years
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment	3-15 Years
Computer Equipment	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years
Plant and Equipment, Building at DTPS	15 Years

Consequent to amendment in tariff regulations, w.e.f. 12 July 2022 Adani Electricity Mumbai Limited (AEML) 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).

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes to Consolidated Financial Statements

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Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

(b) Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from 29th August, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after 29th August, 2018 are accounted for at cost.

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business acquired from Reliance Infrastructure Limited under a Court sanctioned scheme of arrangement with an appointed date of 1 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 April 01, 2018 based on valuation done by professional valuation firm.

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 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.

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Transmission and distribution License	Indefinite
Computer Software	3-5 years

(c) Intangible Assets Under Development - Software

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled are recognised as intangible assets where the following criteria are met:

- it is technically feasible to complete the software so that it will be available for use;
- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available, and
- the expenditure attributable to the software during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software include employee costs and an appropriate portion of relevant overheads.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is available for use.

(d) Impairment of PPE and intangible assets other than Goodwill

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.

(e) Current versus Non-Current Classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle; or
- Held primarily for the purpose of trading; or
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle; or
- It is held primarily for the purpose of trading; or
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

(f) Cash & Cash Equivalents

Cash & cash equivalents comprises cash on hand, cash at bank and short term deposit with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash & cash equivalents include balance with banks which are unrestricted for withdrawal and usage.

For the purpose of the statement of cash flows, cash & cash equivalents consists of cash at banks and short term deposits as defined above, as they are considered an integral part of the Group's cash management.

(g) Statement of Cash Flows

Cash flows are reported using the indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

(h) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group's entity are recognised at the proceeds received, net of direct issue costs.

(A) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

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 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 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.

On initial recognition, the Group makes an irrevocable election on an instrument-by-instrument basis to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments, other than equity investment which are held for trading. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

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

All financial assets that do not meet the criteria for amortised cost are measured at FVTPL.

ii) Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial assets and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and transaction costs and other premiums or discounts) through the expected life of the financial assets, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest is recognised on an effective interest basis for debt instruments other than those financial assets classified as at Fair Value through Profit and Loss (FVTPL). Interest income is recognised in profit or loss and is included in the "Other income" line item.

iii) Derecognition of financial assets

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

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

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for the year ended 31st March, 2023

- 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.

iv) Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset. Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument. The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on financial instruments has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that will results if default occurs within the 12 months after the reporting date and this, are not cash shortfalls that are predicted over the next 12 months. If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses. When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable recognition and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are expedient as permitted under Ind AS 109, this expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information.

v) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in Statement of Profit and Loss.

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vi) Impairment of investments

The Group reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted in the statement of profit and loss.

(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) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

iii) Financial liabilities

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

iv) Financial liabilities at Fair Value through Profit or Loss (FVTPL)

A financial liability may be designated as at FVTPL upon initial recognition if:

such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;

the financial liability whose performance is evaluated on a fair value basis, in accordance with the Group's documented risk management;

Financial liabilities at FVTPL are stated at fair value, 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 interest paid on the financial liability.

v) Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

vi) Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income'.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL or amortisation cost, the foreign exchange component forms part of the fair value gains or losses and is recognised in the Statement of Profit and Loss.

vii) Derecognition of Financial Liability

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An

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for the year ended 31st March, 2023

exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

(C) Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Group's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Group does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

(D) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(i) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

In order to hedge its exposure to foreign exchange and interest rate risks, the Group enters into forward contracts, principal only Swaps (POS) and other derivative financial instruments. The Group does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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

For the purpose of hedge accounting, hedges are classified as:

To qualify for hedge accounting, the hedging relationship must meet all of the following requirements:

- there is an economic relationship between the hedged item and the hedging instrument
- the effect of credit risk does not dominate the value changes that result from that economic relationship
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

• Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment.

• Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk

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associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting.

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

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

(i) Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in statement of profit and loss.

Hedge accounting is discontinued when the Group revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

(ii) Cash flow hedges

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

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

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

(j) Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. 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.

(k) (i) Business combinations and Goodwill

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

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

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

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

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

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

(ii) Acquisition of Transmission SPVs classified as asset acquisitions

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

(l) Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

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

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

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(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

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

(i) In the principal market for the asset or liability; or

(ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. 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. Fair value measurement and / or disclosure purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36. 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.

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

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

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

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

(n) 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.

i) Power Transmission Services

Revenue from contracts with customers comprises of revenue from power transmission services rendered India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods upto 35 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs. Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective regulatory tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the LTTCs.

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body

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is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

ii) Service Concession Arrangements

The group through Six of its subsidiaries also has been operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Finance Income for Service Concession Arrangements under finance assets model is recognised using effective interest rate method.

iii) Sale of Power-Distribution business

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined rate as determined by the respective State Electricity Regulatory Commission. Sales of power under Deviation settlement mechanism is recognised at variable cost.

iv) 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.

v) Sale of Goods

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- there is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

vi) Other Income

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

  Interest on Overdue Receivables / Delayed Payment Charges:

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

  Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities.

(o) 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. Interest income earned on the temporary

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investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Substantial time is defined as time required for commissioning of the assets considering industry benchmarks/MERC tariff regulations.

(p) Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees through Group Gratuity Scheme of Life Insurance Corporation of India. The Group accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods. Past service costs are recognised in the statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring costs
- Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:
- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non routine settlements; and
- Net interest expense or income.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

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. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment.

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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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.

(q) Leases

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

Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

i) 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.

ii) Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

(r) 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. 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

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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. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction other than a business combination that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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.

Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised. The Group reviews the MAT credit entitlement asset at each reporting date and writes down the asset to the extent that it is no longer probable that it will pay normal tax during the specified period.

Deferred tax assets are recognised for unused tax losses (excluding unabsorbed depreciation) to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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.

(s) Earnings per share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

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(t) Provisions, Contingent Liabilities and Contingent Assets.

i) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

Present obligations arising under onerous contracts are recognised and measured as provisions with charge to statement of profit and loss. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

ii) Contingent liability

A possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise are disclosed as contingent liability and not provided for. Such liability is not disclosed if the possibility of outflow of resources is remote.

iii) Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

(u) Regulatory Deferral Account

The Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Group presents separate line items in the balance sheet for:

i. the total of all regulatory deferral account debit balances; and

ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/liabilities on deferred tax expense/income is presented separately in the tax expense line item.

(v) Dividend distribution to equity shareholders

The Group recognises a liability to make dividend distributions to its equity holders when the distribution is authorised and the distribution is no longer at its discretion. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

In case of Interim Dividend, the liability is recognised on its declaration by the Board of Directors.

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3 Significant accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The application of the group accounting policies as described in Note 2, in the preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Property, plant and equipment:(PPE)

i) Service concession arrangements[1]

The Group has assessed applicability of Appendix C of Ind AS - 115 "Service Concession Arrangements" with respect to its transmission assets portfolio. In assessing the applicability, the Group have exercised judgement in relation to the provisions of the Electricity Act, 2003, transmission license and / or agreements etc.

ii) Depreciation rates, depreciation method and residual value of property, plant and equipment[1]

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

i) Depreciation in respect of assets related to electricity transmission business 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 respective regulators.

ii) In respect of other, depreciation on fixed assets is calculated on straight-line method (SLM) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013.The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

iii) Impairment of property plant and equipment[2]

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

3.2 Taxation:

Deferred tax assets[2]

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Regulators tariff norms 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. 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.

3.3 Fair value of Assets and liabilities acquired on business combination and Assets Acquisition are considered at fair value[2].

3.4 Impairment of Goodwill and other intangible assets with indefinite life[2]

Goodwill and other intangible assets with indefinite life are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher

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of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments. (Refer Note 2.4 (k))

3.5 Judgement to estimate the amount of provision required or to determine required disclosure related to litigation and claim against the Group[2]

3.6 Fair value measurement of financial instruments[2]

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities.

3.7 Employee benefit plans:

Defined benefit plans and other long-term employee benefits[2]

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

3.8 Acquisition of Transmission SPV's classified as Assets acquisitions[1]

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs) for 35 years. The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes are performed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under IND AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standard applicable in other justifications, the management has classified the acquisition of Transmission SPV's as assets acquisition.

[1] Critical accounting judgements

[2] Key sources of estimation uncertainties

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. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements:-

The amendments require Group to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

purpose financial statements. The Group does not expect this amendment to have any significant impact in its financial statements.

Ind AS 12 – Income Taxes

The amendments clarify how Group account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Group is evaluating the impact, if any, in its financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The amendments will help Group to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Group develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty". The Group does not expect this amendment to have any significant impact in its financial statements.

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

5. Property, Plant and Equipment, Intangible Assets and Capital Work in Progress

5.1 Property, Plant and Equipment

(₹ in Crores)

Description of Assets	Tangible Assets												Intangible Assets		
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission and distribution License	Total
I. Gross Carrying Amount															
Balance as at 1st April, 2021	**2,763.75**	**1,028.21**	**20,474.49**	**23.22**	**23.80**	**103.99**	**39.63**	**6.70**	**5,679.55**	**1.28**	**27.22**	**30,171.84**	**44.06**	**981.62**	**1,025.68**
Additions	96.83	85.75	3,104.72	1.16	8.37	80.03	6.86	-	634.41	0.08	17.75	4,035.96	52.14	-	52.14
Disposals	(0.01)	(0.09)	(27.11)	(0.14)	(0.43)	(0.73)	(0.72)	-	-	-	(0.38)	(29.61)	-	-	-
Acquisitions of subsidiaries (Refer Note 63B)	-	4.03	90.72	0.01	0.02	0.09	0.01	-	-	-	-	94.88	0.01	51.34	51.35
Balance As at 31st March, 2022	**2,860.57**	**1,117.90**	**23,642.82**	**24.25**	**31.76**	**183.38**	**45.78**	**6.70**	**6,313.96**	**1.36**	**44.59**	**34,273.07**	**96.21**	**1,032.96**	**1,129.17**
Additions	38.67	76.16	3,187.42	1.06	7.16	43.04	32.30	-	562.33	-	8.11	3,956.25	32.57	-	32.57
Disposals	(0.04)	(0.01)	(22.10)	(0.01)	(0.41)	(3.34)	(2.23)	-	(2.68)	-	(0.41)	(31.23)	-	-	-
Balance As at 31st March, 2023	**2,899.20**	**1,194.05**	**26,808.14**	**25.30**	**38.51**	**223.08**	**75.85**	**6.70**	**6,873.61**	**1.36**	**52.29**	**38,198.09**	**128.78**	**1,032.96**	**1,161.74**
II. Accumulated depreciation and Amortisation															
Balance as at 1st April, 2021	**-**	**103.34**	**4,325.46**	**8.83**	**8.58**	**31.91**	**7.01**	**1.08**	**510.60**	**0.20**	**8.57**	**5,005.58**	**16.37**	**-**	**16.37**
Depreciation and Amortisation Expense	-	39.79	1,049.27	2.44	3.68	17.51	5.20	0.41	258.29	0.08	3.18	1,379.85	17.34	-	17.34
Eliminated on disposal of assets	-	(0.02)	(15.46)	(0.14)	(0.39)	(0.72)	(0.35)	-	-	-	(0.30)	(17.38)	-	-	-
Balance As at 31st March, 2022	**-**	**143.11**	**5,359.27**	**11.13**	**11.87**	**48.70**	**11.86**	**1.49**	**768.89**	**0.28**	**11.45**	**6,368.05**	**33.71**	**-**	**33.71**
Depreciation and Amortisation Expense	-	42.47	1,163.05	1.45	4.84	45.04	3.41	0.41	290.10	0.09	4.38	1,555.24	28.68	-	28.68
Eliminated on disposal of assets	-	(0.01)	(14.21)	(0.01)	(0.23)	(3.33)	(1.31)	-	(1.00)	-	(0.38)	(20.48)	-	-	-
Balance As at 31st March, 2023	**-**	**185.57**	**6,508.11**	**12.57**	**16.48**	**90.41**	**13.96**	**1.90**	**1,057.99**	**0.37**	**15.45**	**7,902.81**	**62.39**	**-**	**62.39**

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(₹ in Crores)

Description of Assets	Tangible Assets												Intangible Assets		
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission and distribution License	Total
Net Carrying Value :															
As at 31st March, 2022	2,860.57	974.79	18,283.55	13.12	19.89	134.68	33.92	5.21	5,545.07	1.08	33.14	27,905.02	62.50	1,032.96	1,095.46
As at 31st March, 2023	2,899.20	1,008.48	20,300.03	12.73	22.03	132.67	61.89	4.80	5,815.62	0.99	36.84	30,295.28	66.39	1,032.96	1,099.35

Notes:

(i) The above Intangible Assets are other than internally generated Intangible Assets .

(ii) The Transmission & Distribution Licenses was acquired as a part of the business acquisition. The licenses are valid for a period of 25 years & considering similar extensions have happened in the past , it can be further extended at minimal cost. Based on an analysis of all of the relevant factors, the licenses are considered by the Group as having an indefinite useful life.

For charge created on aforesaid assets, refer note 22.

5.2 Capital Work-In-Progress

(₹ in Crores)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at 31st March, 2023					
- Projects in progress	4,128.91	1,792.89	222.72	54.22	6,198.74
- Projects temporarily suspended	0.97	0.67	0.00	0.06	1.70
Total	**4,129.88**	**1,793.56**	**222.72**	**54.28**	**6,200.44**
As at 31st March, 2022					
- Projects in progress	4,165.15	777.83	63.11	51.89	5,057.98
- Projects temporarily suspended	0.22	0.87	0.95	0.14	2.18
Total	**4,165.37**	**778.70**	**64.06**	**52.03**	**5,060.16**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

5.3 Right of Use Assets

(₹ in Crores)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
I. Gross Carrying Amount					
Balance as at 1st April, 2021	**100.94**	**139.41**	**40.16**	**1.55**	**282.06**
Additions	510.43	0.05	-	-	510.48
Disposals	(0.42)	(36.57)	-	-	(36.99)
Acquisitions of subsidiaries (Refer Note 63B)	9.88	-	-	-	9.88
Balance As at 31st March, 2022	**620.83**	**102.89**	**40.16**	**1.55**	**765.43**
Additions	2.42	0.06	7.18	-	9.66
Disposals	-	-	-	-	-
Balance As at 31st March, 2023	**623.25**	**102.95**	**47.34**	**1.55**	**775.09**
II. Accumulated Amortization					
Balance as at 1st April, 2021	**12.80**	**47.13**	**3.61**	**0.37**	**63.91**
Amortisation Expense	9.14	20.05	3.02	0.30	32.51
Eliminated on disposal of assets	(0.05)	(3.94)	-	-	(3.99)
Balance As at 31st March, 2022	**21.89**	**63.24**	**6.63**	**0.67**	**92.43**
Amortisation Expense	12.36	14.00	3.78	0.30	30.44
Eliminated on disposal of assets	-	-	-	-	-
Balance As at 31st March, 2023	**34.25**	**77.24**	**10.41**	**0.97**	**122.87**
Net Carrying Value :					
As at 31st March, 2022	**598.94**	**39.65**	**33.53**	**0.88**	**673.00**
As at 31st March, 2023	**589.00**	**25.71**	**36.93**	**0.58**	**652.22**

Note :

(i) During the previous year, Adani Electricity Mumbai Limited (AEML) had entered into memorandum of understanding in name of the Company with M/s. Superheights 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. AEML has obtained possession of the said land after giving capital advance of ₹431.00 Crores and commenced substantial pre-construction activities.

The leasehold land amounting to ₹510.00 Crores is included in the right of use assets. AEML will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

5.4 Depreciation and Amortisation Expense

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Depreciation on Tangible Assets	1,555.24	1,379.85
Amortisation of Intangible Assets	28.68	17.34
Amortisation of Right of Use	30.44	32.51
Less : Transferred to Capital work in progress	(6.62)	(2.55)
Total	**1,607.74**	**1,427.15**

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for the year ended 31st March, 2023

6 Investments

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Government Securities at amortised cost		
Contingency Reserve Investment (Quoted)		
7.16% Central Government of India 2050	201.22	201.78
9.23% Central Government of India 2043	20.49	17.09
8.17% Central Government of India 2044	34.43	33.93
8.13% Central Government of India 2045	11.44	11.31
8.97% Central Government of India 2030	0.06	0.06
5.63% Central Government of India 2026	45.25	-
Total	**312.89**	**264.17**
Aggregate book value of Quoted Investments	**312.89**	**264.17**
Aggregate market value of Quoted Investments	**290.60**	**246.65**

7 Non Current Loans- At Amortised Cost

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	17.14	20.17
(Unsecured, Considered good)		
Loan to employees	8.96	8.77
Inter Corporate Deposit given to related party (Refer note 45)	-	1,099.60
Total	**26.10**	**1,128.54**

Particulars	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	31st March, 2023	31st March, 2022	31st March, 2023	31st March, 2022
Promoter	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Party	-	1,099.60	0%	97%

8 Non Current Financial Assets - Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances held as Margin Money or security against borrowings*	1,100.85	1,131.42
Financial Asset Under Service Concession Arrangement (SCA)	1,028.45	1,065.80
Unbilled Revenue	867.00	1,068.28
Derivative instruments	899.65	303.94
Security deposit - Considered Good	53.98	52.39

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for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Security deposit - Considered doubtful	6.63	1.05
Interest receivable	3.35	0.90
Other Receivable	21.42	8.91
	3,981.33	**3,632.69**
Less : Provision For Doubtful Deposits	(6.63)	(1.05)
Total	**3,974.70**	**3,631.64**

* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

9 Income Tax Assets (Net)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Income Tax Assets (Net)	60.78	88.87
Total	**60.78**	**88.87**

10 Other Non-current Assets

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance to Employees	3.96	2.03
Capital advances (Considered Good)	770.26	531.54
Prepaid Expenses	84.36	65.60
Deferred Assets (recoverable) / adjustable (Refer Note 28)	946.26	942.05
Total	**1,804.84**	**1,541.22**

11 Inventories

(At lower of Cost and Net Realisable Value)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fuel	39.78	127.40
Fuel -in Transit	17.00	35.83
Stores & spares	95.13	86.88
Total	**151.91**	**250.11**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

12 Current Financial Assets - Investment

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Investment in Mutual Funds units at FVTPL (Unquoted)		
Kotak Overnight Fund Direct Growth	11.45	52.04
Nippon India Liquid Fund Direct Growth Plan	3.17	3.61
Nippon India Overnight Fund -Direct Growth	2.98	10.39
ICICI Prudential Overnight Fund Direct Plan	13.22	33.96
Kotak Liquid Fund - Direct Growth Plan	7.34	8.44
HDFC Overnight Fund- Direct plan-Growth Option	-	2.83
Aditya Birla Overnight Fund Growth -Direct Plan	193.01	69.79
Aditya Birla Liquid Fund Growth -Direct Plan	364.66	-
Birla Sun Life Cash Plus - Growth-Direct Plan	123.88	11.28
SBI Overnight Fund Direct Growth Plan	298.52	35.47
Edelweiss Overnight Fund Direct Plan Growth	-	1.31
UTI Overnight Fund-Direct Growth Plan	2.20	3.31
Axis Overnight Fund Direct Growth	-	28.10
Total (a)	**1,020.43**	**260.53**
Aggregate Carrying value of unquoted investments	**1,020.43**	**260.53**
Aggregate market value of unquoted investments	**1,020.43**	**260.53**
Investment for Contingency Reserve (B)		
Contingency Reserve Investment (Quoted) at amortised Cost		
4.56 % Central Government of India 2023	0.39	-
7.68% Central Government of India 2023	10.09	-
8.13% Central Government of India 2023	0.10	-
8.13% Central Government of India 2022	-	1.14
Treasury Bills at FVTPL	25.78	34.68
Total (b)	**36.36**	**35.82**
Aggregate book value of Quoted Investments	36.36	35.82
Aggregate market value of Quoted Investments	36.29	36.12
Total (a) + (b)	**1,056.79**	**296.35**

13 Trade Receivables

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Unsecured otherwise stated)		
Unsecured, Considered good	1,437.59	1,070.84
Credit Impaired	24.45	11.89
	1,462.04	**1,082.73**
Less : Provision for doubtful Trade receivables	(24.45)	(11.89)
Total	**1,437.59**	**1,070.84**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

13.1 Trade Receivable Ageing Schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2023							
(i) Undisputed Trade receivables – considered good	570.85	796.21	13.04	13.93	0.28	0.02	1,394.33
(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	13.00	-	-	1.39	-	0.45	14.84
(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	-	-	-	-	-	9.61	9.61
Total	**602.03**	**812.47**	**16.23**	**20.95**	**0.28**	**10.08**	**1,462.04**

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31st March, 2022							
(i) Undisputed Trade receivables – considered good	464.70	480.19	46.99	40.81	-	0.02	1,032.71
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	6.25	18.08	3.87	7.12	-	-	35.32
(iii) Undisputed Trade Receivables – credit impaired	-	-	0.00	1.39	0.00	-	1.39
(iv) Disputed Trade Receivables considered good	0.60	1.66	0.36	0.15	-	-	2.77
(v) Disputed Trade Receivables - which have significant increase in credit risk	0.01	0.03	-	-	-	-	0.04

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	10.50	10.50
Total	**471.56**	**499.96**	**51.22**	**49.47**	**0.00**	**10.52**	**1,082.73**

Movement in the allowance for doubtful trade receivables

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at the beginning of the year	11.89	11.44
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	12.56	0.45
Balance at the end of the year	**24.45**	**11.89**

Notes :

(i) The Group holds security deposit amounting to ₹514.79 Crores (PY : ₹478.96 Crores) in respect of trade receivable of Distribution business.

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

(iii) The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.

(iv) The Group considers for impairment its receivables from customers in its of 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.

(v) Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 22)

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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

14 Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances with banks		
In current accounts	152.55	165.85
Fixed Deposits (with original maturity for three months or less)	23.53	13.28
Cheque / Draft on Hand	14.13	9.12
Cash on Hand	0.43	0.80
Total	**190.64**	**189.05**

For charge created on aforesaid assets, refer note 22.

15 Bank balance other than Cash and Cash equivalents

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balances held as Margin Money or security against borrowings	833.70	383.44
Fixed Deposits (with original maturity of more than 3 months)	679.80	820.38
Total	**1,513.50**	**1,203.82**

For charge created on aforesaid assets, refer note 22.

16 Current Financial Assets - Loans

(At Amortised Cost)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(Unsecured, Considered good)		
Loans to employees	5.03	4.32
Loans to Others (interest bearing loan towards acquisition) (Refer Note 60)	69.17	-
(Secured, Considered Good)		
Housing loans to employee against Hypothecation of the property	3.00	3.49
Loans to Others (interest bearing loan towards acquisition) (Refer Note 60)	400.00	-
Total	**477.20**	**7.81**

17 Current Financial Assets- Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest receivable	45.26	20.29
Unbilled Revenue	1,719.26	819.61
Financial Asset Under Service Concession Arrangement (SCA)	62.38	87.91
Security deposit	13.33	11.24
Derivative instruments	27.21	1.50
Other Receivables	38.95	125.28
Total	**1,906.39**	**1,065.83**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

18 Other Current Assets

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Advance to Suppliers (Unsecured, Considered Good)	127.36	196.29
Advance for Acquisition (Unsecured, Considered Good)	6.35	-
Balances with Government authorities	24.75	8.72
Prepaid Expenses	46.34	60.41
Advance to Employees	4.21	4.49
Total	**209.01**	**269.91**

19 Equity Share Capital

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Authorised Share Capital		
150,00,00,000 (As at 31.03.2022 - 150,00,00,000) Equity shares of ₹10 each	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Issued, Subscribed and Paid-up Equity Shares Capital		
111,54,92,683 (As at 31.03.2022 - 109,98,10,083) fully paid up Equity shares of ₹10 each	1,115.49	1,099.81
Total	**1,115.49**	**1,099.81**

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

Equity Shares	As at 31st March, 2023		As at 31st March, 2022	
	No. Shares	(₹ in Crores)	No. Shares	(₹ in Crores)
At the beginning of the year	1,099,810,083	1,099.81	1,099,810,083	1,099.81
Issued during the year	15,682,600	15.68	-	-
Outstanding at the end of the year	**1,115,492,683**	**1,115.49**	**1,099,810,083**	**1,099.81**

The Board of Directors of the Company, in their meeting held on 8th April 2022 have approved the transaction for issue of 15,682,600 equity share of face value of ₹10 each of the Company, for total consideration of ₹3,850 Crores to Green Transmission investment Holding RSC Limited ("investor"), on a preferential basis. The current principal shareholder of the Investor is IHC Capital Holding LLC , Abu Dhabi, UAE. The transaction is approved by the shareholder in their meeting held on 3rd May, 2022.

b. Terms/rights attached to equity shares

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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

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

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹10 each fully paid				
- Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S.B. Adani Family Trust)	601,634,660	53.94%	621,197,910	56.48%
- Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP)	99,491,719	8.92%	99,491,719	9.05%
Total	**701,126,379**	**62.86%**	**720,689,629**	**65.53%**

d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at 31st March, 2023			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	601,634,660	53.94%	-3.15%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	-	0.00%	-100.00%
Adani Tradeline Private Limited (Formerly known as Adani Tradeline LLP)	99,491,719	8.92%	0.00%
Afro Asia Trade and Investments Limited	30,249,700	2.71%	0.00%
Fortitude Trade and Investment Limited	33,917,200	3.04%	12.12%
Worldwide Emerging Market Holding Limited	30,249,700	2.71%	0.00%
Flourishing Trade And Investment Limited	3,688,000	0.33%	0.00%
Gelt Bery Trade and Investment Limited	100	0.00%	100.00%
	799,231,081	**71.65%**	**8.97%**

Particulars	No. of shares	% of total shares	% Change during the year
As at 31st March, 2022			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	621,197,910	56.48%	0.00%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	8,836,750	0.80%	0.00%
Adani Tradeline LLP	99,491,719	9.05%	0.00%
Afro Asia Trade and Investments Limited	30,249,700	2.75%	0.00%
Fortitude Trade and Investment Limited	30,249,700	2.75%	0.00%
Worldwide Emerging Market Holding Limited	30,249,700	2.75%	0.00%
Flourishing Trade And Investment Limited	3,688,000	0.34%	0.00%
	823,963,481	**74.92%**	**0.00%**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

20 Unsecured Perpetual Equity Instrument

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	3,055.65	2,829.70
Add: Availed during the year	-	-
(Less): Repaid during the year	(3,075.46)	-
Add: Distribution on Unsecured Perpetual Equity Instrument	19.81	225.95
Closing Balance	**-**	**3,055.65**

Adani Transmission Limited (Parent Company) had issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. These Instrument are perpetual in nature with no maturity or redemption and are callable only at the option of the Parent company. During the year parent company has repaid the ₹3,075.46 Crores to Adani Infra (India) Limited including distribution on perpetual equity instrument.

21 Other Equity

(₹ in Crores)

Particulars			As at 31st March, 2023	As at 31st March, 2022
a.	**Capital Reserve (refer note (i) below)**			
	Opening Balance		208.87	208.87
	Add : Addition During the Year		-	-
	Closing Balance	**Total (a)**	**208.87**	**208.87**
b.	**Effective portion of cash flow Hedge (refer note (ii) below)**			
	Opening Balance		(409.86)	(182.75)
	Effective portion of cash flow hedge for the year		(276.41)	(227.11)
	Closing Balance	**Total (b)**	**(686.27)**	**(409.86)**
c.	**General Reserve (refer note (iii) below)**			
	Opening Balance		1,201.95	1,207.95
	Less: Appropriation to Self Insurance Reserve		(25.01)	(6.00)
	Closing Balance	**Total (c)**	**1,176.94**	**1,201.95**
d.	**Capital Redemption Reserve (Refer note (iv) below)**			
	Opening Balance		2,436.53	2,436.53
	Add: Transfer from Retained Earning on redemption of Optionally Convertible Redeemable Preference Shares		-	-
	Closing Balance	**Total (d)**	**2,436.53**	**2,436.53**
e.	**Debenture Redemption Reserve (Refer note (v) below)**			
	Opening Balance		11.15	12.28
	Transfer from/(to) Retained Earning		13.89	(1.13)
	Closing Balance	**Total (e)**	**25.04**	**11.15**
f.	**Contingency Reserve (Refer note (vi) below)**			
	Opening Balance		334.89	284.91
	Addition during the year		23.59	49.98

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Particulars		As at 31st March, 2023	As at 31st March, 2022
	Closing Balance **Total (f)**	**358.48**	**334.89**
g.	**Self Insurance Reserve (Refer note (vii) below)**		
	Opening Balance	18.65	12.65
	Addition during the year	25.01	6.00
	Closing Balance **Total (g)**	**43.66**	**18.65**
h.	**Surplus in the Statement of Profit and Loss (Refer note (viii) below)**		
	Opening Balance	1,955.18	1,009.33
	Add : Profit for the year	1,256.33	1,204.61
	Add / (Less) : Other comprehensive income arising from remeasurement of Defined Benefit Plans	(6.67)	9.92
	(Less) : Distribution on Unsecured Perpetual Equity Instrument	(19.83)	(226.30)
	(Less) : Transfer to Contingency reserve	(21.74)	(43.51)
	Add / (Less) : Transfer to Debenture Redemption Reserve	(13.89)	1.13
	Closing Balance **Total (h)**	**3,149.38**	**1,955.18**
i.	**Securities Premium Account (Refer note (ix) below)**		
	Opening Balance	-	-
	Add: Addition on account of issue of shares during the year	3,834.32	-
	Closing Balance **Total (i)**	**3,834.32**	**-**
	Total (a+b+c+d+e+f+g+h+i)	**10,546.95**	**5,757.36**

Notes :

i) It has been created on acquisition of subsidiary companies.

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

iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.

iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'

v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.

vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies.

vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

The Board of Directors of Adani Electricity Mumbai Limited (Subsidiary of the Company) in their meeting held on 26th 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.

ix) The Group has received an aggregate consideration of ₹3,850.00 Crores from Green Transmission Investment Holding RSC Limited towards subscription of 1,56,82,600 equity shares of the company of the face value of ₹10 each at price of ₹2,454.95 per equity share which includes a premium of ₹2,444.95 per equity share aggregating to ₹3,834.32 Crores.

22 Non Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Secured				
Bonds				
5.20% US private Placement	2,873.16	2,736.12	95.43	87.90
4.25% USD Bonds	3,199.24	3,178.65	244.02	229.49
3.949% USD Bonds	8,158.69	7,512.41	-	-
4.00% USD Bonds	4,067.04	3,748.66	-	-
3.867% Sustainability Linked Notes	2,440.41	2,246.10	-	-
Term Loans				
From Banks				
Rupee loan	2,495.12	2,326.15	130.36	113.24
Foreign currency loan	1,845.07	825.41	59.99	89.25
From Financial Institutions	1,962.15	2,382.31	107.84	54.36
Trade Credits & Buyers Credit				
From Banks	717.11	394.70	-	-
Non Convertible Debentures	89.43	99.99	10.56	10.88
Unsecured				
Non Convertible Debentures	963.74	-	33.62	-
Loans and advances from related parties	229.71	217.40	-	-
Shareholders Affiliated Debts	2,289.52	2,106.14	-	-
Total	**31,330.39**	**27,774.04**	**681.82**	**585.12**
Amount disclosed under the head 'Current Financial Liabilities - Borrowings' (Refer Note 29)	-	-	(681.82)	(585.12)
Net amount	**31,330.39**	**27,774.04**	**-**	**-**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Notes

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds and Non-Convertible Debentures are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond/Debenture holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Company. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. (d) accounts receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL. (e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans")	422.50 Million USD Bonds aggregating to ₹3,471.68 Crores (31st March, 2022- 452.50 Million USD Bonds aggregating to ₹3,429.61 Crores) are redeemable by Half yearly payment starting from May 2020 to May 2036.
4.00% USD Bonds		500 Million USD Bonds aggregating to ₹4,108.50 Crores (31st March, 2022- 500 Million USD Bonds aggregating to ₹3,789.63 Crores) are redeemable by bullet payment in FY 2026.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

<table>
<tr><th>Borrowings</th><th>Security</th><th>Terms of Repayment</th></tr>
<tr><td>3.949% USD Bonds</td><td rowspan="2">a) a first pari passu mortgage over certain Identified Immovable Properties;

b) a first pari passu charge on the movable assets of the AEML (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;

f) a pledge over 100% of the entire paid up equity and preference share capital of the AEML;

g) a non-disposal undertaking over immovable properties other than certain identified immoveable properties;

h) a non-disposal undertaking over the immoveable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of AEML (both present and future); and

i) a non-disposal undertaking over 100% of the equity and preference share capital of AEML.

In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of AEML, and such future obligors.

Ranking of Security

The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of the Company in accordance with the Senior Secured Note Documents and the intercreditor agreement.”</td><td>3.949% Bond amounting to ₹8,217.01 Crores (31st March, 2022 ₹7,364.53 Crores) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Group can voluntarily prepay the Bond on payment of premium.</td></tr>
<tr><td>Sustainability Linked Notes - 3.87%</td><td>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.</td></tr>
</table>

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Borrowings	Security	Terms of Repayment
6.365% Shareholders Affiliated Debts	(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.
Rupee Term Loans, Foreign Currency Loans, Rupee Term Loan from Financial Institution and Letter of credits/ Buyers Credit	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licenses, insurance contracts and approval. Respective companies shares are pledged.	**(A) Letter of credits** (Foreign and Inland) from bank of ₹717.11 Crores (31st March, 2022 - ₹395.64 Crores) carry interest rates ranging from 4.45 % to 7.60% p.a. The same will be converted in to RTL on the day of maturity or will be repaid. **(B) Rupee term loans** from Banks of ₹2,651.60 Crores (31st March, 2022 ₹2,494.89 Crores) and Rupee Term Loan from Financial Institution of ₹2,082.38 Crores (31st March, 2022 ₹2,449.67 Crores) carry interest rates ranging from 7.25% to 10.90%. The loan is repayable at different maturities ending on FY 2050-51. **(C) Foreign Currency loan (ECB Loan) from bank** (i) aggregating ₹87.64 Crores (as at 31st March 2022 :- ₹89.30 Crores carries an Interest @ 3 Months Euribor plus 1.52% per annum. The loan is repayable in quarterly Installments commencing from 18th December 2017 which initial tenure was ending in August 2022 but extended with effect of supplemental agreement as on 08th August 2022 to August 2027 for additional five years. (ii) aggregating to ₹1,846.36 Crores (As on 31st March 2022 - ₹968.50 Crores), having an interest rate of 6 Month Libor (2.50 - 3% p.a. Initial Margin + Spread). The repayment schedule will start from FY 2023-24 with Semi Annually Installments with First Installments due on May-23 and will end on FY 2025-26

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Borrowings	Security	Terms of Repayment
5.20% US private Placement	5.20% US private Placement Notes are issued by six (6) transmission companies of USPP Group.The Notes are secured/to be secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the Seven (7) companies of USPP Group held by Holding Company, i.e. Adani Transmission Limited.	5.20%, 364.60 Million USD Denominated Notes aggregating ₹2,995.93 Crores, (31st March, 2022 - 376.40 Million USD Denominated Notes aggregating ₹2,852.83 Crores) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.
Non Convertible Debentures	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹100.65 Crores (as at 31st March, 2022 - ₹111.18 Crores) having an interest rate of 7.51% to 8.91% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Non Convertible Debentures	Non Convertible Debentures upfront issued as "Unsecured" and will be converted into "Secured", upon creation of Security, after approval of the CERC/applicable authority for creation of the Proposed Security as per the Placement Memorandum.	NCD aggregating to ₹908.00 Crores (as at 31st March, 2022 - Nil) having an interest rate of 7.95% to 8.27% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2022-23 to FY 2040-41.
Non Convertible Debentures	Unsecured	NCD aggregating to ₹100.00 Crores (as at 31st March, 2022 - Nil) having an interest rate of 8.50% p.a. which is governed by NCD agreement and redeemable by way of bullet repayment in December - 2024.
Unsecured Loan from Related Party	Unsecured Long term Loan	Inter-corporate loan ₹229.71 Crores (as at 31st March 2022 :- ₹217.40 Crores)from Related party is unsecured and carries interest at the rate of 8.5 % to 11.05 % p.a. and repayable in range of FY 2025-26 to 2027-28.

23 Lease Liabilities

(₹ in Crores)

	Non-current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Lease Liabilities	51.69	66.12	19.50	21.09
Total	**51.69**	**66.12**	**19.50**	**21.09**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

24 Non Current Trade Payable

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	32.76	32.22
Total	**32.76**	**32.22**

25 Non Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Payable on purchase of Property, Plant and Equipment	219.96	268.61
Derivative instruments	4.40	66.02
Other Payable towards Bilateral Charges & Liquidated Damages	114.14	-
Deposits from customer and Other	0.34	0.18
Total	**338.84**	**334.81**

26 Other Non Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deferred Revenue- Service Line Contributions from Consumers	332.96	290.25
Total	**332.96**	**290.25**

27 Provisions

(₹ in Crores)

Particulars	Non-current		Current	
	As at 31st March, 2023	As at 31st March, 2022	As at 31st March, 2023	As at 31st March, 2022
Provision for Gratuity (Refer note 53)	165.37	177.92	29.64	34.66
Provision for Compensated Absences	345.22	404.82	72.18	32.86
Provision for Other Employment Benefits	17.14	19.08	1.82	3.39
Provision for Stamp Duty	-	15.65	15.65	-
Total	**527.73**	**617.47**	**119.29**	**70.91**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

28 Deferred Tax Liabilities (net)

(₹ in Crores)

Particulars		As at 31st March, 2023	As at 31st March, 2022
Deferred Tax Liabilities			
Mark to Market Gain on Mutual Funds		(0.64)	(0.31)
Difference between book base and tax base of property, plant and equipment and SCA		(3,529.68)	(3,076.32)
Deferred Tax Liabilities	**(a)**	**(3,530.32)**	**(3,076.63)**
Deferred Tax Assets			
Provision for Employee Benefits		209.60	220.69
Lease Liabilities		0.22	0.13
Unabsorbed Depreciation		1,639.31	1,387.65
Unabsorbed Business Losses & MAT Credit Entitlement		62.39	27.97
Allowance for Doubtful Debts, Deposits, Advances and property tax payable		11.93	7.70
Hedge Reserve		66.77	18.03
Deferred Tax Assets	**(b)**	1,990.22	1,662.17
Deferred Tax Assets/(Liabilities)	**Total**	(1,540.10)	(1,414.46)

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability get converted into current tax.

a. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2022-23

(₹ in Crores)

Particulars	Opening Balance as at 1st April, 2022	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at 31st March, 2023
Tax effect of items constituting deferred tax liabilities:					
Mark to Market gain on Mutual Funds	(0.31)	(0.33)	-	-	(0.64)
Difference between book base and tax base of property, plant and equipment and SCA	(3,076.32)	(453.36)	-	-	(3,529.68)
Total	**(3,076.63)**	**(453.69)**	**-**	**-**	**(3,530.32)**
Tax effect of items constituting deferred tax assets:					
Provision for Employee Benefits	220.69	(11.11)	-	0.02	209.60
Lease Liabilities	0.13	0.09	-	-	0.22
Unabsorbed Depreciation	1,387.65	251.66	-	-	1,639.31
Unabsorbed Business Losses & MAT Credit Entitlement	27.97	34.42	-	-	62.39
Allowance for Doubtful Debts, Deposits and Advances	7.70	4.23	-	-	11.93
Hedge Reserve	18.03	0.01	-	48.73	66.77
Total	**1,662.17**	**279.30**	**-**	**48.75**	**1,990.22**
Net Deferred Tax Asset / (Liabilities)	**(1,414.46)**	**(174.39)**	**-**	**48.75**	**(1,540.10)**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

b. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2021-22

(₹ in Crores)

Particulars	Opening Balance as at 1st April, 2021	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at 31st March, 2022
Tax effect of items constituting deferred tax Liabilities:					
Mark to Market gain on Mutual Funds	(0.10)	(0.21)	-	-	(0.31)
Difference between book base and tax base of property, plant and equipments and SCA	(2,528.14)	(514.34)	(33.84)	-	(3,076.32)
Total	**(2,528.24)**	**(514.55)**	**(33.84)**	**-**	**(3,076.63)**
Tax effect of items constituting deferred tax assets:					
Provision for Employee Benefits	205.82	14.87	-	-	220.69
Lease Liabilities	-	0.13	-	-	0.13
Unabsorbed Depreciation	1,093.80	293.85	-	-	1,387.65
Unabsorbed Business Losses & MAT Credit Entitlement	16.13	11.84	-	-	27.97
Allowance for Doubtful Debts, Deposits and Advances	5.67	2.03	-	-	7.70
Hedge Reserve	20.47	-	-	(2.44)	18.03
Total	**1,341.89**	**322.72**	**-**	**(2.44)**	**1,662.17**
Net Deferred Tax Liabilities	**(1,186.35)**	**(191.83)**	**(33.84)**	**(2.44)**	**(1,414.46)**

29 Current Financial Liabilities - Borrowings

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured		
From Banks		
Working Capital Loan / Cash Credit / Bank Overdraft	1,541.03	788.01
Rupee Loan	220.00	209.00
Buyers credit	-	0.94
Total (a)	**1,761.03**	**997.95**
Unsecured		
From Banks		
Rupee loan	425.60	457.47
Total (b)	**425.60**	**457.47**
Current maturities of long-term borrowings (Secured) (Refer note 22) **Total (c)**	681.82	585.12
Total (a+b+c)	**2,868.45**	**2,040.54**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Notes :

Borrowings	Security	Terms of Repayment
Working Capital Loan / Cash Credit / Bank Overdraft	i) First charge on receivables and on immovable and movable assets created out of project on paripassu basis. ii) First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the company.	Loan aggregating ₹1,541.03 Crores (31st March, 2022- ₹788.01 Crores) from banks at the rate of interest ranges from 4.50% to 8.95% p.a.
Secured Loan from banks	First pari passu charge by way of hypothecation over all current assets of Adani Transmission Step-One Limited (ATSOL) and its subsidiaries viz, Adani Transmission (India) Ltd (ATIL) & Maharashtra Eastern Grid Power Trasmission Company Limited (MEGTPCL) and negative lien on fixed assets of ATIL and MEGPTCL.	The Secured Term Loan from bank amounting to ₹220 Crores. (31st March, 2022 - ₹209 Crores) having rate of interest of 8.35% to 9.20% p.a.
Buyers credit	Secured Letter of Credit	Letter of Credits from Banks aggregating to ₹ NIL (as on 31st March 2022 ₹0.94 Crores).
Unsecured Loan from bank	Unsecured Loan	Loan aggregating ₹425.60 Crores (31st March, 2022- ₹457.47 Crores) from banks at the rate of interest ranges from 8.47% to 9.70% p.a. The loan is ending on 2023-24.

30 Trade Payables

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Payables		
Micro and Small Enterprises	46.43	26.37
Other than Micro and Small Enterprises	1,754.00	1,581.54
Total	**1,800.43**	**1,607.91**

30.1 : Trade Payables ageing schedule

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
As at 31st March, 2023						
(a) MSME	27.33	13.09	1.67	1.27	3.07	46.43
(b) Others	975.93	364.69	192.61	99.71	61.75	1,694.69
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	92.07	-	-	92.07
Total	**1,003.26**	**377.78**	**286.35**	**100.98**	**64.82**	**1,833.19**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
As at 31st March, 2022						
(a) MSME	11.06	9.50	2.10	2.46	1.25	26.37
(b) Others	212.30	1,119.78	130.48	49.58	9.55	1.521.69
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	92.07	-	-	-	92.07
Total	**223.36**	**1,221.35**	**132.58**	**52.04**	**10.80**	**1,640.13**

Note : Ageing includes Long term and Short term Trade payable.

31 Current Financial Liabilities - Others

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Interest accrued but not due on borrowings	272.66	212.03
Payable on purchase of Property, Plant and Equipment	920.85	644.82
Derivative Instruments	0.40	86.44
Security Deposits from Consumers, Customers & Vendors	531.08	494.24
Refundable to customers on truing up	112.83	118.76
	1,837.82	**1,556.29**

32 Other Current Liabilities

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Statutory liabilities	246.28	242.30
Advance from Customers	97.66	90.51
Other Payables	6.50	3.22
Deferred Revenue - Service Line Contributions from Consumers	12.90	11.12
Other Advances	0.45	0.45
Total	**363.79**	**347.60**

33 Current Tax Liabilities (Net)

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Current Tax Liabilities (Net)	8.01	12.34
Total	**8.01**	**12.34**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

34 Revenue from Operations - From Generation, Transmission and Distribution Business

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
a) Income from sale of Power and Transmission Charges		
Income from sale of Power and Transmission Charges (net)	12,100.42	9,996.36
Income under Service Concession Arrangements (SCA)	139.05	141.94
Total (a)	**12,239.47**	**10,138.30**
b) Other Operating Revenue		
Street Light Maintenance Charges	119.73	141.77
Cross subsidy Surcharge	69.95	65.97
Sale of Coal Rejects / Fly Ash	13.90	16.59
Amortisation of Service Line Contribution	15.03	11.05
Others	78.99	61.93
Total (b)	**297.60**	**297.31**
Total (a+b)	**12,537.07**	**10,435.61**

35 Revenue from Operations - From Trading Business

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Traded Goods	755.65	821.91
Total	**755.65**	**821.91**

36 Other Income

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest Income		
- Bank	179.39	181.39
- Others	315.38	327.60
Gain on Sale/Fair Value of Current Investments measured at FVTPL	21.24	10.12
Sale of Scrap	8.48	12.80
Bad debt recovery	17.89	4.95
Unclaimed liabilities / Excess provision written back	0.51	0.80
Sundry creditors written back	2.44	57.41
Miscellaneous Income	2.41	8.88
Total	**547.74**	**603.95**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

37 Purchases of Stock - in - trade

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Purchases of Stock - in - trade	755.13	821.23
Total	**755.13**	**821.23**

38 Employee Benefits Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Salaries, Wages and Bonus (Refer note below)	797.10	664.04
Contribution to provident fund and other funds	67.48	68.86
Gratuity Expenses (refer note 53)	34.79	49.72
Staff Welfare Expenses	87.28	102.45
Total	**986.65**	**885.07**

Note :

During the year, a Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of AEML as a part of its efforts to become more efficient, agile, and future-ready. Amount charged during the year towards expected pay out in this regard is ₹211.72 Crores (PY: ₹ Nil).

39 Finance costs

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Interest on Loans & Debentures	1,415.33	1,212.18
Interest on Trade Credits	107.67	108.62
Interest on Lease Obligation	9.41	11.20
Bank Charges & Other Borrowing Costs	41.72	21.03
Interest - Hedging Cost	1,207.34	1,011.92
Total	**2,781.47**	**2,364.95**

40 Other Expenses

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Stores and Spares	59.29	60.99
Transmission Charges	482.31	477.87
Repairs and Maintenance - Plant and Equipment	480.98	448.95
Repairs and Maintenance -Building	15.91	20.31
Repairs and Maintenance - Others	34.99	26.47
Short Term Lease Rental (Refer note 44)	24.97	17.15
Rates and Taxes	12.03	20.07
Legal & Professional Expenses	232.37	200.36
Payment to Auditors (including component auditors)	3.46	2.88

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Travelling & Conveyance Expenses	47.42	34.01
Insurance Expenses	24.52	15.61
Bad Debt Written Off	15.21	18.31
Foreign Exchange Fluctuation Loss	0.46	1.00
Corporate Social Responsibility expenses	33.09	23.14
Security Charges	36.73	34.86
Provision for Doubtful Debts, Advances, Deposits	18.58	-
Loss on sale/scrapping of Property, Plant and Equipment	0.20	0.05
Bilateral Charges & Liquidated Damages*	114.14	-
Miscellaneous Expenses	172.51	98.15
Total	**1,809.17**	**1,500.18**

*Note : In respect of certain subsidiaries of Adani Transmission Limited, on account of delay in commissioning of transmission assets for reasons beyond the control of the respective subsidiaries, a sum of ₹114.14 Crores has been provided toward bilateral charges and liquidated damages during the year ended 31st March, 2023. The subsidiaries have filed appeals against the same.

41 Income Tax

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Current Tax :		
In respect of current year	260.55	243.71
In respect of Previous years	0.39	0.52
Deferred Tax	174.39	191.83
	435.33	**436.06**

Tax recognised in other comprehensive income

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Remeasurement of Defined Benefit Plans		
Total income tax recognised in other comprehensive income	(8.36)	(2.89)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Tax relating to items that will be reclassified to Profit or Loss	48.73	(2.44)
	40.37	**(5.33)**

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Accounting profit before tax	1,711.72	1,700.49
Tax Rate	25.168%	25.168%
Income tax expense at tax rate applicable	430.80	427.98

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Differences in respect of Distribution on Perpetual Equity Instrument	(4.99)	(56.95)
ii) Current year Losses for which no Deferred Tax Asset is created	78.81	75.78
iii) Adjustments in respect of current income tax of previous year	1.72	5.11
iv) Non deductible Expenses	14.89	15.39
v) Subsidiary charged at different rate	139.39	126.64
vi) MAT Credit not recognised	239.28	225.38
vii) 80IA claims	(435.62)	(418.45)
viii) Unrecognized Deferred Tax upto Previous year	(1.11)	-
ix) Credit Taken for Previous year losses for which no deferred tax was recognized	(37.87)	-
x) Others (Includes Tax at different rate)	10.03	35.18
Gross Tax	**435.33**	**436.06**
Tax provisions :		
Current Tax: In respect of current year	260.55	243.71
Current Tax: In respect of Earlier Period	0.39	0.52
Net DTL / (DTA) recognised during the year	176.54	193.76
MAT Credit entitlement	(2.15)	(1.93)
Income tax recognised in statement of profit and loss at effective rate	**435.33**	**436.06**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following expiry as per details below :

(₹ in Crores)

As at 31st March, 2023	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	8.43	-	-	8.43
Greater than one year, less than five years	739.57	-	-	739.57
Greater than five years	718.27	-	1,577.94	2,296.21
No expiry date	-	276.78	-	276.78
Total	**1,466.27**	**276.78**	**1,577.94**	**3,320.99**

As at 31st March, 2022	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	392.42	-	-	392.42
Greater than five years	932.40	-	1,343.02	2,275.42
No expiry date	-	62.65	-	62.65
Total	**1,324.82**	**62.65**	**1,343.02**	**2,730.49**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

42 Earnings Per Share (EPS)

(₹ in Crores)

Particulars			For the year ended 31st March, 2023	For the year ended 31st March, 2022
A	**After net Movement in Regulatory Deferral Balance**			
	Profit after tax attributable to the owners of the Company	(₹ in Crores)	1,256.33	1,204.61
	Less: Distribution on Unsecured perpetual Equity Instrument	(₹ in Crores)	(19.83)	(226.30)
	Net Profit attributable to Equity Shareholders including Regulatory income/(expense)	(₹ in Crores)	**1,236.50**	**978.31**
	Weighted average number of equity shares outstanding during the year	No	1,113,731,076	1,099,810,083
	Nominal Value of equity share	₹	10	10
	Basic / Diluted Earnings per Equity Share (Face Value of ₹10 each) after net Movement in Regulatory Deferral Balance	₹	**11.10**	**8.90**
B	**Before net Movement in Regulatory Deferral Balance**			
	Profit after tax attributable to the owners of the Company	(₹ in Crores)	1,256.33	1,204.61
	Less: Distribution on Unsecured perpetual Equity Instrument	(₹ in Crores)	(19.83)	(226.30)
	Add/(Less): Regulatory Income / (expense) (net)	(₹ in Crores)	(640.13)	(421.86)
	Net Profit attributable to Equity Shareholders including Regulatory income/(expense)	(₹ in Crores)	**596.37**	**556.45**
	Weighted average number of equity shares outstanding during the year	No	1,113,731,076	1,099,810,083
	Nominal Value of equity share	₹	10	10
	Basic / Diluted Earnings per Equity Share (Face Value of ₹10 each) before net Movement in Regulatory Deferral Balance	₹	**5.35**	**5.06**

43 Contingent liabilities and commitments :

(₹ in Crores)

Particulars		As at 31st March, 2023	As at 31st March, 2022
(i)	**Contingent liabilities :**		
(a)	Direct & Indirect tax	44.18	12.85
(b)	Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges - (Refer note 1)	353.55	353.55
(c)	Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels.(Refer Note 1)	127.65	127.65

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(d) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended 31 March, 2019 (Refer Note 1)	1,381.28	1,381.28
(e) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)	28.43	28.43
(f) Other claims against the Group not acknowledged as debts	33.43	33.43
(g) Property related disputes (Refer Note 1)	2.59	2.59
(h) Demand disputed by the Company relating to Standby Charges payable (Refer Note 2)	213.79	-
(i) Claims pertaining to interest in respect of certain regulatory Liabilities (Refer Note 1)	@@	@@
(j) Liability in respect of disposal of bottom Ash	@@	@@
(k) Liability in respect of termination of power purchase lease agreement	@@	@@
Total	**2,184.90**	**1,939.78**

@@ Amount not determinable

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

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

3 The above Contingent Liabilities to the extent pertaining to Regulated Business having cost plus model, which on unfavourable outcome are recoverable from consumers subject to MERC/CERC approval.

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

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

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.

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
(ii) Commitments :		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advance)	5,705.37	1,777.55
	5,705.37	**1,777.55**

(iii) 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, with a group entity (Adani Enterprises Limited) at ₹5.98 Per Unit.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(iv) The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. 29th August, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML.

On 21st August, 2022, R-Infra 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 following the due process laid out under the Share Purchase Agreement for dispute resolution has responded against R-Infra in the arbitration proceedings.

The Hon'ble Supreme Court, while hearing in respect of the issues between Vidarbha Industries Power Limited ("VIPL"), R-Infra and AEML has being appraised that both R-Infra and VIPL have raised similar issues before two forums i.e., before the Hon'ble Supreme Court and Arbitrator. Therefore, the Hon'ble Supreme Court, considering the above submission, passed a direction vide order dated 22nd November, 2022, to stay the Arbitration Proceedings in view of pendency of the present case.

44 Leases

Disclosure under Ind AS 116 Leases:

(i) The following is the movement in Lease liabilities during the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	87.21	133.98
Lease Liabilities on account of Leases entered / terminated during the year	0.44	(26.71)
Finance Costs incurred during the year	9.41	11.20
Net Payments of Lease Liabilities	(25.87)	(31.26)
Closing Balance (Refer note 23)	**71.19**	**87.21**

(ii) The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, warehouses and cash collection centers, taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.

(iii) Leasing arrangements with respect to land range between 20 years to 99 years generally.The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.

(iv) 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 - ₹24.97 Crores (31 March, 2022 ₹17.15 Crores)

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

45 Related party disclosures :

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

Name of related parties & description of relationship

(A) Ultimate Controlling Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Ms. Meera Shankar - Non Executive - Independent Director
	Ms. Lisa Caroline Maccallum - Non Executive - Independent Director
	Dr. Ravindra H. Dholakia - Non Executive - Independent Director
	Mr. K. Jairaj - Non Executive - Independent Director
	Mr. Bimal Dayal, Chief Executive Officer - Transmission (from 2nd November, 2022)
	Mr. Kandarp Patel, Chief Executive Officer - Distribution (from 2nd November, 2022)
	Mr. Rohit Soni - Chief Financial Officer
	Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have control or significant influence :	Adani Airport Holdings Limited
	Adani Bulk Terminal (Mundra) Limited
	Adani Digital Labs Private Limited
	Adani Enterprises Limited
	Adani Gas Limited
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Hybrid Energy Jaisalmer Four Limited
	Adani Infra (India) Limited
	Adani Infrastructure Management Service Limited
	Adani International Container Terminal Private Limited
	Adani Krishnapatnam Port Limited
	Lucknow International Airport Limited
	Adani New Industries Limited
	Adani Petronet Dahej Port Private Limited
	Adani Ports And Special Economic Zone Limited
	Adani Power (Jharkhand) Limited
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)
	Adani Power Limited
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)
	Adani Sportsline Private Limited
	Adani Total Gas Limited
	Ahmedabad International Airport Limited

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(C) Enterprises over which (A) or (B) above have control or significant influence :	Alpha Design Technologies Private Limited
	Ambuja Cements Limited
	Belvedere Golf And Country Club Private Limited
	Dighi Port Limited
	Guwahati International Airport Limited
	Karnavati Aviation Private Limited
	Mangaluru International Airport Limited
	Mumbai International Airport Limited
	Mundra Petrochem Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Mundra Solar Energy Limited
	Mundra Solar PV Limited
	PLR Systems Private Limited
	Raipur Energen Limited (Amalgamated With Adani Power Limited)
	SBRSR Power Cleantech Eleven Private Limited
	Superheights Infraspace Private Limited
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)
	Valuable Properties Private Limited
	Adani Green Energy Six Limited
	Adani Renewable Energy Park Rajasthan Limited
	Adani Vizhinjam Port Private Limited
	Mundra Solar Techno Park Private Limited
	Raigarh Energy Generation Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Kamuthi Solar Power Limited
	Adani Properties Private Limited
	Sunbourne Developers Private Limited
	Adani Foundation
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)
	Adani Estate Management Private Limited
	Adani Institute For Education & Research
	AEML Superannuation Fund

Enterprises having significant influence of Ultimate Controlling Entity, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Advance	Adani Bulk Terminal (Mundra) Limited	6.12	-
Advance paid towards Purchase of property-Received back	Sunbourne Developers Private Limited	-	271.00
Contribution to Employee Benefits	AEML Superannuation Fund	7.71	7.76
CSR Expenditure	Adani Foundation	25.76	21.73

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Distribution on Perpetual Equity Instruments	Adani Infra (India) Limited	19.83	226.30
EMD Deposit	Adani Total Gas Limited	0.10	-
Employee balance transfer	Adani Airport Holdings Limited	0.62	0.05
	Adani Enterprises Limited	0.23	0.07
	Adani Green Energy Limited	0.57	0.14
	Adani Infrastructure Management Service Limited	0.08	0.23
	Adani Krishnapatnam Port Limited	0.44	0.00
	Lucknow International Airport Limited	0.02	-
	Adani New Industries Limited	0.08	-
	Adani Petronet Dahej Port Private Limited	0.01	-
	Adani Ports And Special Economic Zone Limited	0.24	0.01
	Adani Power (Jharkhand) Limited	0.08	-
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	0.09	0.03
	Adani Power Limited	0.19	0.06
	Adani Power Maharashtra Limited (Amalgamated with Adani Power Limited)	0.01	0.20
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)	-	0.02
	Adani Sportsline Private Limited	0.09	-
	Adani Vizhinjam Port Private Limited	0.04	-
	Ahmedabad International Airport Limited	0.02	0.13
	Ambuja Cements Limited	0.90	-
	Dighi Port Limited	0.01	-
	Guwahati International Airport Limited	0.05	-
	Mangaluru International Airport Limited	-	0.06
	Mumbai International Airport Limited	0.50	0.09
	Mundra Petrochem Limited	0.11	-
	Mundra Solar PV Limited	0.85	-
	PLR Systems Private Limited	0.03	-
	Raigarh Energy Generation Limited	-	0.05
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	0.24	-
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)	-	0.05
	Valuable Properties Private Limited	-	0.06
Interest Expenses	Adani Infra (India) Limited	0.12	4.72
	Adani Properties Private Limited	3.66	16.85
Interest Income	Adani Enterprises Limited	22.69	50.12
	Adani Infra (India) Limited	15.21	16.56
	Adani Properties Private Limited	108.61	117.12

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Loan Given	Adani Infra (India) Limited	119.72	427.40
	Adani Properties Private Limited	1,591.13	340.00
Loan Received back	Adani Infra (India) Limited	179.32	367.80
	Adani Properties Private Limited	2,631.13	340.00
Loan Repaid	Adani Infra (India) Limited	-	1,071.94
	Adani Properties Private Limited	907.40	2,543.34
Loan Taken	Adani Infra (India) Limited	104.58	721.17
	Adani Properties Private Limited	765.38	2,751.55
Purchase of Goods / Receiving of Services	Adani Digital Labs Private Limited	0.03	-
	Adani Enterprises Limited	2,175.78	1,384.79
	Adani Estate Management Private Limited	0.02	-
	Adani Gas Limited	-	0.00
	Adani Green Energy (UP) Limited	-	2.45
	Adani Hospitals Mundra Private Limited	0.07	0.81
	Adani Hybrid Energy Jaisalmer Four Limited	708.82	93.55
	Adani Infra (India) Limited	11.37	13.37
	Adani Infrastructure Management Service Limited	78.23	68.54
	Adani Institute For Education & Research	0.02	0.02
	Adani Petronet Dahej Port Private Limited	4.04	-
	Adani Ports And Special Economic Zone Limited	9.21	3.13
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	142.94	0.99
	Adani Renewable Energy (KA) Limited	10.56	-
	Alpha Design Technologies Private Limited	3.54	-
	Belvedere Golf and Country Club Private Limited	0.27	0.01
	Karnavati Aviation Private Limited	9.00	7.63
	Mumbai International Airport Limited	1.14	1.09
	Mundra Sez Textile And Apparel Park Private Limited	0.05	0.01
	Mundra Solar Energy Limited	1.25	-
	Mundra Solar PV Limited	0.18	0.00
	SBRSR Power Cleantech Eleven Private Limited	0.62	-
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)	25.86	-
Purchase of Investment	Adani Ports And Special Economic Zone Limited	-	116.27
Purchase of Land	Adani Enterprises Limited	0.08	-
Reimbursement of Expenses	Adani Enterprises Limited	6.01	-
Repayment of Perpetual Securities	Adani Infra (India) Limited	3,055.65	-

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Nature of transactions	Name of related party	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Sale of Goods / Rendering of Services	Adani Enterprises Limited	17.37	-
	Adani Green Energy Six Limited	-	0.02
	Adani Institute For Education & Research	-	0.07
	Adani Power Limited	1.82	-
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)	3.86	-
	Adani Renewable Energy Park Rajasthan Limited	-	0.00
	Mundra Sez Textile And Apparel Park Private Limited	0.07	0.01
	Mundra Solar Techno Park Private Limited	12.95	-
Security Deposit for Bidding	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	0.04	-
Towards acquisition of leasehold land	Superheights Infraspace Private Limited	-	510.00
Director Sitting Fees	Director Sitting Fees	0.35	0.25
Compensation of Key Management Personnel	Short-term benefits	22.50	9.89
Compensation of Key Management Personnel	Post-employment benefits	0.86	0.32

Note :

(i) All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.

(ii) MPSEZ Utilities Limited, a wholly owned subsidiary of Adani Transmission Limited is dealing in the distribution of Power to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of Sale of Power to the Related Parties in ordinary course of business, as all such transactions are done at Arm's Length Price Only. As per Para 11(C) (iii) of IND AS -24 "Related Party Disclosures", normal dealings of Company with Related Parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.

(₹ in Crores)

Closing Balance	Name of related party	As at 31st March, 2023	As at 31st March, 2022
Balance Payable	Adani Airport Holdings Limited	0.49	0.05
	Adani Bulk Terminal (Mundra) Limited	6.12	-
	Adani Digital Labs Private Limited	0.01	-
	Adani Enterprises Limited	200.68	327.66
	Adani Gas Limited	-	0.18
	Adani Green Energy (UP) Limited	-	2.58
	Adani Green Energy Limited	0.62	0.13
	Adani Hazira Port Private Limited	0.03	-
	Adani Hospitals Mundra Private Limited	0.04	-
	Adani Hybrid Energy Jaisalmer Four Limited	140.89	42.66
	Adani Infra (India) Limited	3.84	2.54

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for the year ended 31st March, 2023

(₹ in Crores)

Closing Balance	Name of related party	As at 31st March, 2023	As at 31st March, 2022
Balance Payable	Adani Infrastructure Management Service Limited	93.44	52.27
	Adani International Container Terminal Private Limited	0.02	-
	Adani Krishnapatnam Port Limited	0.44	-
	Lucknow International Airport Limited	0.02	-
	Adani New Industries Limited	0.05	-
	Adani Petronet Dahej Port Private Limited	0.01	-
	Adani Ports And Special Economic Zone Limited	11.68	3.00
	Adani Power (Jharkhand) Limited	0.02	-
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	14.56	0.78
	Adani Power Limited	0.01	-
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	0.01	-
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)	-	0.02
	Adani Renewable Energy (KA) Limited	0.14	-
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	0.04	-
	Adani Sportsline Private Limited	0.09	-
	Adani Total Gas Limited	0.28	-
	Ahmedabad International Airport Limited	0.02	0.13
	Alpha Design Technologies Private Limited	0.40	-
	Ambuja Cements Limited	0.90	-
	Belvedre Golf And Country Club Private Limited	-	0.00
	Dighi Port Limited	0.01	-
	Guwahati International Airport Limited	0.05	-
	Karnavati Aviation Private Limited	6.05	3.00
	Mangaluru International Airport Limited	0.10	0.06
	Mumbai International Airport Limited	0.59	0.06
	Mundra Petrochem Limited	0.11	-
	Mundra Sez Textile And Apparel Park Private Limited	0.01	0.01
	Mundra Solar Energy Limited	1.40	-
	Mundra Solar PV Limited	0.95	0.10
	PLR Systems Private Limited	0.03	-
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	0.01	-
	SBRSR Power Cleantech Eleven Private Limited	0.62	-
	Superheights Infraspace Private Limited	79.00	79.00
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	3.46	-
	Valuable Properties Private Limited	0.06	0.06

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Closing Balance	Name of related party	As at 31st March, 2023	As at 31st March, 2022
Balance receivable	Ahmedabad International Airport Limited	0.05	0.05
	Adani Enterprises Limited	0.54	-
	Adani Green Energy Limited	0.04	0.15
	Adani Green Energy Six Limited	-	0.03
	Adani Infrastructure Management Service Limited	0.04	0.00
	Adani Krishnapatnam Port Limited	-	0.01
	Adani New Industries Limited	0.03	-
	Adani Ports And Special Economic Zone Limited	0.23	-
	Adani Power (Jharkhand) Limited	0.06	-
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	0.06	0.06
	Adani Power Limited	2.20	0.24
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	0.20	0.20
	Adani Renewable Energy Park Rajasthan Limited	-	0.00
	Adani Vizhinjam Port Private Limited	0.03	-
	Mumbai International Airport Limited	13.05	-
	Mundra Sez Textile And Apparel Park Private Limited	-	0.00
	Mundra Solar Techno Park Private Limited	6.69	-
	Raigarh Energy Generation Limited	-	0.05
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	0.22	-
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	0.04	0.04
Capital Advance	Adani Infra (India) Limited	106.48	100.03
	Adani Mundra SEZ Infrastructure Private Limited	13.80	13.80
Deposits Given Balance	Adani Ports And Special Economic Zone Limited	-	0.00
Interest Accrued due Receivable	Adani Infra (India) Limited	-	12.03
Land Advance	Kamuthi Solar Power Limited	-	0.00
Loan Payable	Adani Infra (India) Limited	104.70	-
	Adani Properties Private Limited	125.01	217.40
Loans Receivable	Adani Infra (India) Limited	-	59.60
	Adani Properties Private Limited	-	1,040.00
Unsecured Perpetual Equity Instrument	Adani Infra (India) Limited	-	3,055.65

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

46 Fair Value Measurement

a) The carrying value of financial instruments by categories as of 31st March, 2023 is as follows :

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Mutual Funds	-	1,020.43	-	1,020.43	1,020.43
Investments in Government securities	-	25.78	323.47	349.25	326.89
Trade Receivables	-	-	1,437.59	1,437.59	1,437.59
Cash and Cash Equivalents	-	-	190.64	190.64	190.64
Bank Balances other than Cash and Cash Equivalents above	-	-	1,513.50	1,513.50	1,513.50
Loans	-	-	503.30	503.30	503.30
Derivative instruments	-	926.86	-	926.86	926.86
Other Financial Assets	-	-	4,954.23	4,954.23	4,954.23
Total	**-**	**1,973.07**	**8,922.73**	**10,895.80**	**10,873.44**
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	34,471.50	34,471.50	29,924.20
Derivative instruments	(341.59)	346.39	-	4.80	4.80
Other Financial Liabilities	-	-	1,970.39	1,970.39	1,970.39
Trade Payables	-	-	1,833.19	1,833.19	1,833.19
Total	**(341.59)**	**346.39**	**38,275.08**	**38,279.88**	**33,732.58**

b) The carrying value of financial instruments by categories as of 31st March, 2022 is as follows :

(₹ in Crores)

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Assets					
Investments in Mutual Funds	-	260.53	-	260.53	260.53
Investments in Government securities	-	34.68	265.31	299.99	282.77
Trade Receivables	-	-	1,070.84	1,070.84	1,070.84
Cash and Cash Equivalents	-	-	189.05	189.05	189.05
Bank Balances other than Cash and Cash Equivalents above	-	-	1,303.52	1,303.52	1,303.52
Loans	-	-	1,136.35	1,136.35	1,136.35
Derivative instruments	-	305.44	-	305.44	305.44
Other Financial Assets	-	-	4,292.33	4,292.33	4,292.33
Total	**-**	**600.65**	**8,257.40**	**8,858.05**	**8,840.83**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Particulars	Fair Value through Other Comprehensive Income	Fair Value through Profit or Loss	Amortised Cost	Total Carrying Value in Books	Fair Value
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	30,026.61	30,026.61	28,662.19
Derivative instruments	(262.79)	415.25	-	152.46	152.46
Other Financial Liabilities	-	-	1,613.82	1,613.82	1,613.82
Trade Payables	-	-	1,640.13	1,640.13	1,640.13
Total	**(262.79)**	**415.25**	**33,280.56**	**33,433.02**	**32,068.60**

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

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

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

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.

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

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

47 Fair Value hierarchy

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	1,020.43	-	260.53
Financial Investments - in treasury bills at FVTPL	25.78	-	34.68	-
Asset for which Fair Value are disclosed				
- Government Securities	301.11	-	248.09	-
Derivative Instruments				
Derivative Instruments	-	926.86	-	305.44

Notes to Consolidated Financial Statements
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(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Level 1	Level 2	Level 1	Level 2
Total	**326.89**	**1,947.29**	**282.77**	**565.97**
Derivative Instruments				
Derivative Instruments	-	4.80	-	152.46
Liabilities for which fair values are disclosed				
Borrowings (Including current maturities and Interest Accrued)	14,802.51	15,121.69	15,686.62	12,975.57
Total	**14,802.51**	**15,126.49**	**15,686.62**	**13,128.03**

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.

The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.

The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

48 Capital Management

The Group's objectives to manage capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

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

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

No changes were made in the objectives, policies or processes for managing capital during the years ended as at 31st March, 2023 and as at 31st March, 2022.

(₹ in Crores)

Particulars	Refer Note	As at 31st March, 2023	As at 31st March, 2022
Total Borrowings (Including Current Maturities of Long Term Debt)	22 & 29	34,198.84	29,814.58
Less: Cash and bank balances	14 & 15	1,704.14	1,392.87
Less: Current Investments	12	1,056.79	296.35
Net Debt (A)		**31,437.91**	**28,125.36**
Equity Share Capital & Other Equity	19 & 21	11,662.44	6,857.17
Unsecured Perpetual Equity Instrument	20	-	3,055.65
Total Equity (B)		**11,662.44**	**9,912.82**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Refer Note	As at 31st March, 2023	As at 31st March, 2022
Total Equity and Net Debt (C=A+B)		43,100.35	38,038.18
Gearing Ratio : (A)/(C)		**0.73**	**0.74**

49 Financial Risk Management Objectives

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

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

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

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

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

Market risk

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

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to The Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or cross currency swap contracts to manage its exposure to changes in the underlying benchmark interest rates.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability

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outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2023 would decrease / increase by ₹47.22 Crores (previous year ₹36.51 crores). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:

Nature	Purpose	As at 31st March, 2023		As at 31st March, 2022	
		(₹ in Crores)	Foreign Currency (in Million)	(₹ in Crores)	Foreign Currency (in Million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	10,555.56	USD 1,284.60	9,266.77	USD 1,222.65
(ii) Forward covers	a. Hedging of foreign currency borrowing principal b. Hedging of foreign currency interest liability	278.36	USD 33.88	5,794.96	USD 764.58
(iii) Cross Currency Swaps*	Hedging of foreign currency borrowing principal & interest liability	14,951.62	USD 1808.93 EUR 9.80	4,000.20	USD 516 EUR 10.60
(iv) Options	Hedging of foreign currency borrowing principal & interest liability	-	-	4,411.12	USD 582
(v) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	4,930.20	USD 600	4,547.55	USD 600

*Note : During the previous year, the Group had executed 4 year cross currency swaps derivative contract of USD 300 million to hedge outstanding Sustainability linked bond of USD 300 million which became effective from 22 July 2022 and accordingly, was not included in above figures as at 31st March, 2022.

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

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for the year ended 31st March, 2023

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	(₹ in Crores)	Foreign Currency (in Million)	(₹ in Crores)	Foreign Currency (in Million)
(i) Interest accrued but not due	-	-	53.28	USD 7.03
(ii) Current financial liabilities	-	-	20.69	USD 2.73
(iii) Creditors	7.79	USD 0.95	110.03	USD 14.52
	0.32	EUR 0.04	0.03	EUR 0.00*

* EUR 3115

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

(₹ in Crores)

Particulars	For the Year 2022-23		For the Year 2021-22	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency Sensitivity				
RUPEES / USD - (Increase) / Decrease	(0.08)	0.08	(1.63)	1.63
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	(0.00)	0.00

Credit Risk

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

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

Liquidity risk

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

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

(₹ in Crores)

As at 31st March, 2023	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	5,509.42	20,698.31	27,320.20	53,527.93
Trade Payables	1,800.43	-	32.76	1,833.19
Derivative Liabilities	0.40	4.40	-	4.80
Other financial Liabilities (Including Lease Liability Obligation)	1,856.92	369.22	16.91	2,243.05

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for the year ended 31st March, 2023

As at 31st March, 2022	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	4,729.68	11,980.31	26,648.78	43,358.77
Trade Payables	1,607.91	-	32.22	1,640.13
Derivative Liabilities	86.44	66.02	-	152.46
Other financial Liabilities (Including Lease Liability Obligation)	1,490.94	318.00	16.91	1,825.85

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

Derivative Financial Instrument

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

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

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

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2023.

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

(₹ in Crores)

Derivative Financials Instruments	As at 31st March, 2023		As at 31st March, 2022	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Call Option	-	-	58.10	0.00
Cross Currency Swaps	367.96	3.60	47.39	0.00
Interest Rate Swaps	-	-	-	6.55
Foreign Currency Swaps	38.15	0.80	-	-
-Coupon Only Swaps	14.45	-	(5.79)	0.00
-Forward	2.09	0.40	0.62	79.89

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

-Principal Only Swaps	504.21	-	205.12	66.02
Total	**926.86**	**4.80**	**305.44**	**152.46**

50 Segment information:-Operating Segment

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

i) Transmission

ii) Trading

iii) GTD Business

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

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

Information regarding the company's reportable segments is presented below:

(₹ in Crores)

Particulars	Transmission	Trading	GTD Business	Elimination	Total
1 Revenue					
External Sales	**3,945.16**	**755.65**	**8,591.91**	**-**	**13,292.72**
	3,469.33	*821.91*	*6,966.28*	-	*11,257.52*
Total Revenue	**3,945.16**	**755.65**	**8,591.91**	**-**	**13,292.72**
	3,469.33	*821.91*	*6,966.28*	-	*11,257.52*
Results					
Segment Results	**2,607.31**	**0.52**	**1,337.62**	**-**	**3,945.45**
	2,428.76	*0.68*	*1,032.05*	-	*3,461.49*
Unallocated Corporate Income (Net)					**547.74**
					603.95
Operating Profit					**4,493.19**
					4,065.44
Less: Finance Expense					**(2,781.47)**
					(2,364.95)
Profit before tax					**1,711.72**
					1,700.49
Current Taxes					**260.94**
					244.23

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	Transmission	Trading	GTD Business	Elimination	Total
Deferred Tax					**170.18**
					220.51
Total Tax					**431.12**
					464.74
Profit after tax					**1,280.60**
					1,235.75
Less: Non-Controlling Interests					**(24.27)**
					(31.14)
Net profit					**1,256.33**
					1,204.61
3 Other Information					
Segment Assets	**27,278.24**	**-**	**20,084.83**	**-**	**47,363.07**
	23,307.33	*-*	*18,536.67*	*-*	*41,844.00*
Unallocated Corporate Assets					**6,568.68**
					5,620.11
Total Assets					**53,931.75**
					47,464.11
Segment Liabilities	**1,120.70**	**-**	**4,026.65**	**-**	**5,147.35**
	955.63	*-*	*3,896.11*	*-*	*4,851.74*
Unallocated Corporate Liabilities					**36,024.41**
					31,605.87
Total liabilities					**41,171.76**
					36,457.61
Depreciation /Amortisation	**855.86**	**-**	**751.88**	**-**	**1,607.74**
	773.32	*-*	*653.83*	*-*	*1,427.15*
Non Cash Expenditure other then Depreciation/ Amortisation	**0.66**	**-**	**15.21**	**-**	**15.87**
	5.12	*-*	*18.31*	*-*	*23.43*
Capital Expenditure	**3,547.51**	**-**	**1,154.70**	**-**	**4,702.21**
	2,955.43	*-*	*1,235.43*	*-*	*4,190.86*

Previous figures are given in italics

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

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

51 Transaction with Struck Off Companies

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ In Crores)	Relation with the struck off company, if any, to be disclosed
As at 31st March, 2023			
Payables			
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
Receivables			
Shree Sai Seva Kripa Sra Society Ltd	Sale of Power	0.01	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.01	Consumer
N R Enterprises Ltd	Sale of Power	0.01	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.01	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.01	Consumer
Others - 797 Parties < 50K	Sale of Power	0.15	Consumer

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ In Crores)	Relation with the struck off company, if any, to be disclosed
As at 31st March, 2022			
Payables			
Silent Sentinels Electrical Consultant Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
Ashiana Infrahomes Pvt. Ltd.	Recovery towards capital advances	0.33	Vendor
M S Gem Printers Pvt Ltd	Sale of Power	0.13	Consumer
B B Consulting N Eng Pvt Ltd	Sale of Power	0.01	Consumer
Uday Real Tdrs Pvt.Ltd	Sale of Power	0.01	Consumer
Unilink Tel Services (I) Pvt. Ltd.	Sale of Power	0.02	Consumer
Flex Foot Wear India Pvt. Ltd.	Sale of Power	0.01	Consumer
Kool Dring & Pack Private Limited	Sale of Power	0.02	Consumer
SSV Developeres & Indian Holiday Resort Private Limited	Sale of Power	0.10	Consumer
Others - 361 Parties < 50K	Sale of Power	0.09	Consumer

52 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

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March, 2023	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March, 2023	₹ in Crores
1	Adani Transmission Limited	51.92%	10,326.65	13.08%	170.28	13.42%	(40.49)	12.97%	129.79
	Subsidiaries (Indian)								
2	Maharashtra Eastern Grid Power Transmission Company Limited	18.83%	3,744.75	52.52%	683.90	-0.05%	0.15	68.38%	684.05
3	Adani Transmission (India) Limited	14.20%	2,824.06	24.39%	317.64	0.01%	(0.02)	31.75%	317.62
4	Sipat Transmission Limited	0.56%	110.92	2.06%	26.79	8.87%	(26.76)	0.00%	0.03
5	Raipur-Rajnandgaon-Warora Transmission Limited	1.25%	249.31	4.92%	64.12	20.08%	(60.58)	0.35%	3.54
6	Chhattisgarh-WR Transmission Limited	0.81%	160.87	2.11%	27.52	14.54%	(43.87)	-1.63%	(16.35)
7	Adani Transmission (Rajasthan) Limited	0.17%	33.32	0.61%	7.98	-	(0.01)	0.80%	7.97
8	North Karanpura Transco Limited	0.16%	30.92	-0.14%	(1.85)	0.02%	(0.05)	-0.19%	(1.90)
9	Maru Transmission Service Company Limited	0.15%	30.11	0.51%	6.63	0.00%	(0.01)	0.66%	6.62
10	Aravali Transmission Service Company Limited	0.02%	3.95	0.19%	2.45	-0.06%	0.17	0.26%	2.62
11	Western Transco Power Limited	1.08%	214.07	1.67%	21.76	0.00%	(0.01)	2.17%	21.75
12	Western Transmission (Gujarat) Limited	0.73%	145.84	0.99%	12.86	0.00%	(0.01)	1.28%	12.85
13	Hadoti Power Transmission Service Limited	0.46%	91.72	1.67%	21.71	2.47%	(7.44)	1.43%	14.27
14	Barmer Power Transmission Service Limited	0.38%	76.46	1.33%	17.29	1.73%	(5.21)	1.21%	12.08
15	Thar Power Transmission Service Limited	0.33%	64.86	1.15%	14.97	1.60%	(4.82)	1.01%	10.15
16	Fatehgarh-Bhadla Transmission Limited	-0.09%	(16.91)	-2.28%	(29.65)	0.00%	(0.01)	-2.96%	(29.66)
17	Ghatampur Transmission Limited	1.29%	257.06	5.27%	68.56	0.00%	(0.01)	6.85%	68.55
18	Adani Transmission Bikaner Sikar Private Limited	0.35%	70.57	0.80%	10.41	-	-	1.04%	10.41
19	OBRA-C Badaun Transmission Limited	0.42%	83.20	1.03%	13.42	0.01%	(0.03)	1.34%	13.39
20	Adani Electricity Mumbai Limited	23.71%	4,716.06	7.31%	95.18	24.51%	(73.93)	2.12%	21.25
21	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	0.00%	(0.06)	0.00%	(0.05)	-	-	-0.01%	(0.05)

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March, 2023	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March, 2023	₹ in Crores
22	Bikaner-Khetri Transmission Limited	0.93%	184.90	2.20%	28.65	0.00%	(0.01)	2.86%	28.64
23	WRSS XXI (A) Transco Limited	-0.01%	(1.54)	-0.26%	(3.39)	-0.67%	2.03	-0.14%	(1.36)
24	Lakadia Banaskantha Transco Limited	-0.03%	(6.76)	-0.61%	(7.92)	-0.52%	1.58	-0.63%	(6.34)
25	Jam Khambaliya Transco Limited	0.12%	23.60	0.27%	3.51	0.01%	(0.02)	0.35%	3.48
26	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	0.00%	(0.50)	-0.01%	(0.17)	0.00%	-	-0.02%	(0.17)
27	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	-0.01%	(1.53)	-0.03%	(0.38)	0.00%	-	-0.04%	(0.38)
28	Power Distribution Services Limited	0.03%	5.73	0.15%	1.91	0.00%	-	0.19%	1.91
29	Adani Electricity Mumbai Infra Limited	1.92%	382.05	0.00%	(0.00)	0.02%	(0.05)	-	(0.05)
30	Alipurduar Transmission Limited	1.45%	289.41	2.41%	31.49	0.00%	(0.00)	3.15%	31.49
31	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)	0.00%	(0.29)	0.00%	(0.06)	-0.20%	0.59	0.05%	0.53
32	Warora-Kurnool Transmission Limited	1.43%	284.12	-4.73%	(61.60)	0.03%	(0.09)	-6.17%	(61.69)
33	AEML Seepz Limited	0.00%	(0.37)	-0.03%	(0.37)	0.00%	-	-0.04%	(0.37)
34	Adani Transmission Step-one Limited	-23.01%	(4,576.41)	-20.19%	(262.89)	14.11%	(42.55)	-30.53%	(305.44)
35	MP Power Transmission Package-II Limited	-0.01%	(1.47)	0.00%	(0.00)	0.05%	(0.15)	-0.02%	(0.15)
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)	0.51%	101.01	2.33%	30.34	-0.01%	0.03	3.04%	30.37
37	Karur Transmission Limited	0.00%	(0.04)	0.00%	(0.00)	0.01%	(0.03)	0.00%	(0.03)
38	Khavda-Bhuj Transmission Limited	0.00%	(0.11)	-0.01%	(0.07)	0.01%	(0.04)	-0.01%	(0.11)
39	ATL HVDC Limited	-0.05%	(9.75)	-0.63%	(8.17)	0.00%	-	-0.82%	(8.17)
40	Adani Electricity Jewar Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
41	Adani Transmission Step-two Limited	0.00%	(0.05)	0.00%	(0.06)	0.00%	-	-0.01%	(0.06)
42	Adani Transmission Mahan Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
43	BEST Smart Metering Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on 31st March, 2023	₹ in Crores	As % of Consolidated Profit or Loss for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Other Comprehensive Income for the year ended 31st March, 2023	₹ in Crores	As % of Consolidated Total Comprehensive Income for the year ended 31st March, 2023	₹ in Crores
44	Adani Cooling Solutions Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
45	WRSR Power Transmission Limited	0.00%	(0.11)	-0.01%	(0.16)	0.00%	-	-0.02%	(0.16)
46	Adani Transmission Step-Three Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
47	Adani Transmission Step-Four Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
48	Adani Transmission Step-Five Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
49	Adani Transmission Step-Six Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
50	Adani Transmission Step-Seven Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
51	Adani Transmission Step-Eigth Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
52	Adani Transmission Step-Nine Limited (Now known as a NE Smart Metering Limited)	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
53	Adani Electricity Aurangabad Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
54	Adani Electricity Nashik Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
55	Khavda II-A Transmission Limited	0.00%	(0.07)	-0.01%	(0.12)	0.00%	-	-0.01%	(0.12)
56	Adani Green Energy Thirty Limited	0.00%	(0.33)	-0.03%	(0.33)	0.00%	-	-0.03%	(0.33)
	Total	**100%**	**19,889.34**	**100%**	**1,302.07**	**100%**	**(301.63)**	**100%**	**1,000.44**
	Less: Adjustment of Consolidation		**6,031.80**		**21.47**		**-**		**21.47**
	Less: Non Controlling Interest		**1,097.55**		**24.27**		**(18.56)**		**5.71**
	Consolidated Net Assets/ Profit after tax		**12,759.99**		**1,256.33**		**(283.07)**		**973.26**

53 As per Ind AS 19 “Employee Benefits”, the disclosures are given below.

(a) Defined Contribution Plan

(i) Provident fund

(ii) Superannuation fund

(iii) State defined contribution plans

- Employer’s contribution to Employees’ state insurance
- Employers’ Contribution to Employees’ Pension Scheme 1995

The Group has recognised the following amounts as expense in the financial statements for the year:

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Contribution to Provident Fund	42.36	47.54
Contribution to Employees Superannuation Fund	7.71	7.98
Contribution to Employees Pension Scheme	6.37	6.89
Total	**56.44**	**62.41**

(b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
i). Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	703.26	667.91
Current Service Cost	39.54	38.65
Interest Cost	48.95	45.83
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	0.28	11.65
- Change in financials assumptions	(23.25)	22.35
- Experience variance (i.e. Actual experience vs assumptions)	(27.16)	(51.53)
Liabilities Extinguished on Settlement	(18.16)	-
Acquisition Adjustment/Other adjustment	-	0.42
Benefits paid	(43.00)	(30.63)
Net Actuarial loss / (gain) Recognised	-	
Liabilities Transfer In/Out	(3.15)	(1.39)
Present Value of Defined Benefit Obligations at the end of the Year	**677.31**	**703.26**
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Fair Value of Plan assets at the beginning of the Year	490.67	487.19
Investment Income	34.24	33.45
Contributions	7.52	1.08
Assets Transferred Out/ Divestments	(6.55)	-
Benefits paid	(40.98)	(30.32)
Return on plan assets, excluding amount recognised in net interest expenses	(2.60)	(1.15)
Planned Asset Acquired on Business Acquisition	-	
Acquisition Adjustment/Other adjustment	-	0.42
Fair Value of Plan assets at the end of the Year	**482.30**	**490.67**
iii). Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	677.31	703.26
Fair Value of Plan assets at the end of the Year	(482.30)	(490.67)
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(195.01)	(212.59)
iv). Composition of Plan Assets		
100% of Plan Assets are administered by LIC	-	-
v). Gratuity Cost for the Year		
Current service cost	39.54	38.65
Interest cost	48.95	45.83
(Gains)/Losses on Curtailments And Settlements	(18.16)	
Expected return on plan assets	(34.25)	(33.45)
Amount Capitalised	(1.29)	(1.31)
Net Gratuity cost recognised in the statement of Profit and Loss	**34.79**	**49.72**
vi). Other Comprehensive Income		
Actuarial (gains) / losses		
- Change in demographic assumptions	0.28	11.65
- Change in financial assumptions	(23.25)	22.35
- Experience variance (i.e. Actual experiences assumptions)	(27.16)	(51.53)
Return on plan assets, excluding amount recognised in net interest expense	2.60	1.15
Components of defined benefit costs recognised in other comprehensive income	**(47.53)**	**(16.37)**

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
vii). Actuarial Assumptions		
Discount Rate (per annum)	6.98% to 7.50%	6.90% to 6.98%
Annual Increase in Salary Cost (per annum)	8.50% to 10.25%	8.00% to 10.25%

xi. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

c). Sensitivity Analysis

The sensitivity of the defined benefit obligations to changes in the weighted principal assumptions is:

(₹ in Crores)

Particulars	As at 31st March, 2023		As at 31st March, 2022	
	Decrease	Increase	Decrease	Increase
Discount rate	73.36	63.22	84.68	73.38
Salary Growth Rate	61.38	70.02	71.31	80.89
Attrition Rate	31.32	28.95	35.38	32.04
Mortality Rate	21.18	21.16	21.14	21.12

54 Contract balances:

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

(₹ in Crores)

	As at 31st March, 2023	As at 31st March, 2022
Trade receivables (Gross) (Refer note 13)	1,462.04	1,082.73
Unbilled Revenue for passage of time (Refer note 8 and 17)	2,586.26	1,887.89
Regulatory Assets other than Distribution	18.33	-
(Less): Allowance for Doubtful Debts (Refer note 13)	(24.45)	(11.89)
Trade receivables (Net)	**4,042.18**	**2,958.73**
Contract Assets	**18.33**	**-**
Contract liabilities (Refer note 31 and 32)	**210.49**	**209.27**

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

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.

(b) Significant changes in contract assets and liabilities during the period:

(₹ in Crores)

Particulars		For the year ended 31st March, 2023	For the year ended 31st March, 2022
Opening Balance			
Recoverable from consumers		-	-
Liabilities towards consumers		2.94	6.53
	(A)	**2.94**	**6.53**
Income to be adjusted in future tariff determination in respect of earlier year		-	-
Income to be adjusted in future tariff determination (Net)		(21.27)	(3.59)
	(B)	**(21.27)**	**(3.59)**
Closing Balance			
Recoverable from consumers		18.33	-
Liabilities towards consumers		-	2.94
Contract assets reclassified to receivables	(A+B)	**18.33**	**2.94**

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

(₹ in Crores)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Revenue as per contracted price	12,526.59	10,404.85
Adjustments		
Discounts	83.54	42.22
Revenue from contract with customers	**12,443.05**	**10,362.63**

55 Regulatory Deferral Account

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Regulatory Deferral Account - Liability		
Regulatory Liabilities	-	271.56
Regulatory Deferral Account - Assets		
Regulatory Assets	1,963.83	1,124.02
Net Regulatory Assets/(Liabilities)	**1,963.83**	**852.46**

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

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) & Gujarat Electricity Regulatory Commission (GERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.

2 MERC Multi Year Tariff Regulations, 2015 (MYT Regulations), is applicable for the period beginning from 1 April, 2016 to 31 March, 2020.

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 and GERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

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

(₹ in Crores)

S. No	Particulars	As at 31st March, 2023	As at 31st March, 2022
A	**Opening Regulatory Assets (Net)**	852.46	167.89
	Add:		
B	Acquired on Business Combination(Net)	-	2.10
C	Additional during the year	772.83	682.47
D	Accrued in respect of earlier year consequent to receipt of tariff order	338.54	-
	Closing Balance (A+B+C+D)	**1,963.83**	**852.46**

56 (i) Impairment testing of intangible Assets

In accordance with the requirements of Ind AS 36 "Impairment of Assets", AEML as at 31 March, 2023 tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹981.62 crores) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (31 March 2022: 9.10%) per annum has been used. In arriving at the recoverable amount of the TCGU , financial projections have been developed for 6 years (31 March 2022: 6 years) and thereafter in perpetuity considering a terminal growth rate of 1% (31 March 2022: 1.5%) 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 impairment provision recorded during the current year is ₹ Nil (31 March 2022 - ₹ Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows :

Discount Rate: 9.50 % (31 March 2022: 9.10 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.

Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (31 March 2022: 6 years) is estimated based on management projections subject to regulatory approval and thereafter ₹500 crores per annum (31 March 2022: ₹500 crores per annum).

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

(ii) Goodwill

(₹ in Crores)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Balance at beginning of the year	598.29	592.88
Arising on account of Business combination (Refer Note 63B)	-	5.41
Balance at end of the year	**598.29**	**598.29**

Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹576.02 March, 2023 (₹576.02 crores for March 2022) which has been allocated to the respective Cash Generating Unit ("CGU")(ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions).

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs . Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 9.55% to 10% p.a (Post Tax) (31 March, 2022 : 8.43% to 12.04% p.a (Post Tax))

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

57 Pursuant to an agreement between Adani Transmission Limited ("ATL") and its wholly owned subsidiaries, viz; Adani Transmission Step-One Limited ("ATSOL"), Adani Transmission (India) Limited ("ATIL"), and Maharashtra Eastern Grid Power Transmission company Limited ("MEGPTCL"), ATL has transferred/novated, as the case may be, its investments in equity shares of, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 Million outstanding as at date of restructuring) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals and consents. ATSOL has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of Compulsorily Convertible Debentures to ATL. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.

58 a) During the year 2022-23, Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 31st March, 2023, has approved for (i) truing-up of the tariff for the period from the financial year 2019-20, 2020-21 & 2021-22, (ii) for Provisional truing up of financial year 2022-23 and (iii) Aggregate Revenue Requirement (ARR) for FY 2023-24 and FY 2024-25 for Adani Transmission (India) Limited ("ATIL"), Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL") and Adani Electricity Mumbai Limited ("AEML"). Accordingly, based on the MERC order, during the quarter and year ended 31st March, 2023, Group has recognized revenue of ₹397.88 Crores and ₹656.22 Crores respectively for

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

the period from April, 2019 to March, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent

b) During the previous year Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"),had received MERC order vide dated 03rd June, 2021 and has given impact to the Hon'ble APTEL Judgment in the matter of Appeal No. 260 of 2016 dated 24th July, 2020, revised the Annual Revenue Requirement (ARR) of MEGPTCL retrospectively effective from 1st April, 2013 and directed MEGPTCL to claim the incremental ARR (including the related carrying cost) during the Mid Term Review (MTR) in FY 2023-24. Consequent to the above MERC order, during the year ended 31st March, 2023, MEGPTCL has recognized additional revenue from operations of ₹31.01 Crores (PY ₹303.72 Crores) for the period April, 2014 to March, 2022 and recognized ₹102.04 Crores (PY: ₹91.93 Crores) for the year ended on 31st March, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.

c) Central Electricity Regulatory Commission ("CERC") vide it's order dated 21st January, 2022, has partly disallowed certain expenses (interest and depreciation) in relation to truing up tariff petition for the control period 2015-19 and tariff determination petition for the control period 2020-24 filed by Adani Transmission (India) Limited ("ATIL"), a wholly owned subsidiary of the Company. The Management has, basis an external legal opinion, assessed that it has reasonably good case on merits in the light of the prevailing Tariff Regulations, settled principles of law as per earlier judicial precedence and, is in the process of preferring an appeal in Appellate Tribunal for Electricity against such CERC order. Having regard to the above, the disallowances aggregating to ₹108.11 Crores up to 31st March, 2023 (P.Y. ₹62.79 Crores) are not reckoned with in the aforementioned results.

59 During the quarter ended 31st March 2023, a short seller report was published in which certain allegations were made involving Adani Group Companies, including Adani Transmission Limited ("ATL") and its subsidiaries. A writ petition was filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC had constituted an expert committee for assessment of the extant of regulatory framework and volatility assessment on Adani stocks, as also to investigate whether there have been contraventions and regulatory failures on minimum shareholding and related party transactions pertaining to Adani group. The expert committee, post the reporting date, issued its report on the given remit, wherein no regulatory failures are observed, while SEBI continues its investigations.

Separately, to uphold the principles of good governance, Adani Group has undertaken review of transactions (including those for the Company and its subsidiaries) with parties referred in the short seller's report including relationships amongst other matters and obtained opinions from independent law firms. These opinions confirm that the Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations. Considering the matter is subjudice at Supreme Court, no additional action is considered prolific and pending outcome of the investigations as mentioned above, the Consolidated financial results do not carry any adjustments.

60 The Company has signed definitive agreements with Essar Power Limited ('EPL') for acquiring 673 Ckt. kms operational inter-state transmission project owned and operated by Essar Power Transmission Company Limited (EPTCL), a subsidiary of EPL. The Enterprise value for the transaction is ₹1,913.00 Crores. Pursuant to the agreement, the Company has given an interest bearing loan of ₹469.17 Crores to EPL of which loan of ₹400.00 Crores is secured by way of Hypothecation over sale Securities. (i.e. shares) of EPL. As EPTCL has one license combining stage I and II assets, EPTCL has filed the petition with CERC for bifurcation of the Transmission License between stage I and stage II assets. The transaction is expected to be completed by December 2023 post the approval of Central Electricity Regulatory Commission ("CERC") and National Company Law Tribunal ("NCLT") for bifurcation of the license.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

61 Maharashtra Electricity Regulatory Commission (MERC) in its order dated 26th December, 2022, subject to certain conditions and based on certain valuation principles laid down by it, has approved the transfer of certain assets to AEML SEEPZ Limited (ASL). Based on the principles laid down by MERC, ASL has filed the Petition for approval of tariff before MERC, wherein ASL had proposed to operationalize its business from 01 April, 2023. ASL has also filed the Petition for approval of switchover/ changeover protocol (for shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area- Case No. 21 of 2023) before MERC. Both the Petitions are pending before MERC and accordingly, assets amounting to ₹41.72 crores (WDV ₹33.23 crores) as on 31st March, 2023 are held for transfer and will be transferred upon operationalization of ASL.

62 Non Controlling Interests (NCI)

Summary of financial information for a subsidiary (AEML) that has non-controlling interests that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

(₹ in Crores)

Summarised Balance Sheet	31st March, 2023	31st March, 2022
Total Non-Current Assets	18,298.18	17,689.77
Total Current Assets	2,789.99	2,206.70
Regulatory Deferral Account - Assets	1,961.73	1,121.92
Total Assets	**23,049.90**	**21,018.39**
Non-Current Liabilities	14,207.31	13,094.76
Current Liabilities	3,744.86	2,852.62
Regulatory Deferral Account - Liabilities	-	271.56
Total Liabilities	**17,952.17**	**16,218.94**
Accumulated NCI	**1,279.53**	**1,204.66**

(₹ in Crores)

Summarised statement of Profit and Loss	31st March, 2023	31st March, 2022
Profit /(Loss) for the year	94.80	122.15
Other Comprehensive Income / (Loss) for the year	(73.98)	(137.77)
Total Comprehensive Income /(Loss) for the year	20.82	(15.62)
Profit/(Loss) Allocated to NCI	**23.79**	**30.66**
Total Comprehensive Income /(Loss) allocated to NCI	**5.23**	**(3.92)**

(₹ in Crores)

Summarised Cash Flow allocated	31st March, 2023	31st March, 2022
Net cash from operating activities for the year	1,184.07	1,472.01
Net cash (used in) investing activities for the year	(1,056.52)	(833.27)
Net cash (used in) financing activities for the year	(124.95)	(701.06)
Net increase / (decrease) in cash and cash equivalents	**2.60**	**(62.32)**

63 (A) During the year, Adani Transmission Limited (the Parent Company)

i) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, WRSR Power Transmission Limited ("WRSR"), incorporated by REC Power Development and Consultancy Limited. WRSR will establish Transmission System for "ISTS Network Expansion scheme in Western Region & Southern Region for export of surplus power during high RE scenario in Southern Region.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

ii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Khavda II-A Transmission Limited ("KTL"), incorporated by REC Power Development and Consultancy Limited. KTL will build, own, operate and transfer transmission line for evacuation of 4.5GW RE injection at Khavda PS under Phase II- Part A approximately 380 ckt kms of transmission line connecting Khavda pooling station 2 to Lakadia S/s with bay extension at both end.

iii) Khavda-Bhuj Transmission Limited, a Wholly Owned Subsidiary of Adani Transmission Limited Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Adani Green Energy Thirty Limited ("AGE30L").

The management concluded that the above acquisitions do not meet the definition of 'Business' under Ind AS 103, accordingly, the above acquisitions are accounted for as acquisition of assets.

Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below:

Net amount of Assets and Liabilities

(₹ in Crores)

Particulars	**WRSR Power Transmission Limited**	**Khavda II-A Transmission Limited**	**Adani Green Energy Thirty Limited**
Date of Acquisition	**17th January, 2023**	**28th March, 2023**	**31st March, 2023**
Assets			
Non-current assets			
Capital Work-In-Progress	18.26	18.42	48.48
	18.26	**18.42**	**48.48**
Current assets			
Cash and cash equivalents	0.05	0.02	0.02
	0.05	**0.02**	**0.02**
Total Assets (i)	**18.31**	**18.44**	**48.50**
Total Liabilities(ii)	**0.01**	**-**	**48.49**
Net Assets (i-ii)	**18.30**	**18.44**	**0.01**

Consideration Transferred :

(₹ in Crores)

Particulars	**WRSR Power Transmission Limited**	**Khavda II-A Transmission Limited**	**Adani Green Energy Thirty Limited**
Consideration Paid	18.30	18.44	0.01

(B) During the Financial year 2021-22, the Company completed the acquisition of 100% stake in MPSEZ Utilities Limited (MUL). The said transaction was then accounted based on provisional fair values of the assets, liabilities and contingent liabilities of MUL in accordance with the Ind AS 103 Business Combination. During the current financial year, the Company has determined the final fair values of such assets, liabilities and contingent liabilities based on registered valuers reports. There has been no change between the provisional fair values and the final fair values. Consequently, there is no change in the value of the resultant goodwill attributable to this acquisition.

64 Ultimate Beneficiary Note :

(i) Following are the details of Funds Loaned by the Adani Transmission Limited to Intermediaries for further Loan or Investment to the Ultimate Beneficiaries.

Notes to Consolidated Financial Statements

for the year ended 31st March, 2023

(₹ in Crores)

Name of Intermediary to which funds are advanced	Date on which funds are Loaned to Intermediary	Amount of funds Loaned	Date on which funds are further Loaned or invested by Intermediaries to other intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Sunrays Infra Space Limited (Formerly known as Sunrays Infra Space Private Limited)	12-05-2022	191.60	12-05-2022	186.13	Adani Properties Private Limited
	31-05-2022	80.00	31-05-2022	80.00	

(ii) Following are the details of Funds received by the Sunrays Infra Space Limited (subsidairy of the Company) for futher loan or Investment to the Ultimate Beneficiaries.

(₹ in Crores)

Name of Company from Which funds are received	Date on which funds are received from the Company	Amount of funds Received	Date on which funds are further Loaned or invested to Other Intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested to Other Intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
Adani Properties Private Limited	27-02-2023	30.38	27-02-2023	22.07	Adani Transmission Limited
	28-02-2023	65.00	28-02-2023	65.50	
	06-03-2023	20.00	06-03-2023	20.00	
	16-03-2023	480.00	16-03-2023	431.00	
			17-03-2023	49.00	
	31-03-2023	40.00	31-03-2023	40.00	

Complete details of the intermediary and Ultimate Beneficiary

Name of the Entity	Registered Address	Relationship With the Company
Sunrays Infra Space Limited (Formerly known as Sunrays Infra Space Private Limited)	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S.G. Highway, Khodiyar Ahmedabad, Gujarat - 382421	Wholly Owned Subsidiary
Adani Properties Private Limited	Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S.G. Highway, Khodiyar Ahmedabad, Gujarat - 382421	Entity Under Common Control

65 Other Disclosures

(i) Previous year figures are regrouped / reclassified wherever necessary to correspond with the current years classification / disclosure.

(ii) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its subsidiaries will give

Notes to Consolidated Financial Statements
for the year ended 31st March, 2023

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.

66 Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of 29th May, 2023, there are no subsequent events to be recognized or reported that are not already disclosed.

Consequent to year end, the Company at its board meeting held on 13th May, 2023 has approved raising of funds by way of issuance of equity shares and / or other eligible securities for aggregate amount not exceeding ₹8,500.00 Crores by way of Qualified Institutional Placement ("QIP"). The company is in process of obtaining shareholder approval.

67 The Consolidated Financial Statements for the year ended 31st March, 2023 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on 29th May, 2023.

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

(₹ in Crores)

Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
Adani Transmission (India) Limited	2022-23	INR	110.05	-	-	2,714.01	4,001.77	1,177.70	14.08	784.70	384.90	67.26	317.64	-	100%
Maharashtra Eastern Grid Power Transmission Company Limited	2022-23	INR	707.50	-	-	3,037.25	5,957.76	2,213.01	76.81	1,442.26	828.72	144.82	683.90	-	100%
Sipat Transmission Limited	2022-23	INR	44.00	-	-	66.92	673.24	562.32	9.75	97.70	36.91	10.12	26.79	-	100%
Raipur-Rajnandgaon-Warora Transmission Limited	2022-23	INR	91.10	-	-	158.21	1,536.58	1,287.27	35.45	226.43	86.23	22.11	64.12	-	100%
Chhattisgarh-WR Transmission Limited	2022-23	INR	68.00	-	-	92.87	1,164.98	1,004.11	14.87	170.76	37.17	9.65	27.52	-	100%
Adani Transmission (Rajasthan) Limited	2022-23	INR	8.50	-	-	24.82	149.98	116.66	8.99	22.79	10.71	2.73	7.98	-	100%[3]
North Karanpura Transco Limited	2022-23	INR	0.05	-	31.57	(0.70)	590.53	559.60	-	31.48	(2.47)	(0.63)	(1.85)	-	100%
Maru Transmission Service Company Limited	2022-23	INR	8.94	-	-	21.17	206.16	176.05	6.19	36.14	8.94	2.31	6.63	-	100%
Aravali Transmission Service Company Limited	2022-23	INR	5.23	-	-	(1.28)	119.85	115.89	7.43	22.23	3.16	0.70	2.45	-	100%
Western Transco Power Limited	2022-23	INR	10.00	-	-	204.07	595.66	381.59	10.17	59.22	29.45	7.69	21.76	-	100%
Western Transmission (Gujarat) Limited	2022-23	INR	10.00	-	-	135.84	364.77	218.93	10.94	33.53	17.41	4.55	12.86	-	100%
Hadoti Power Transmission Service Limited	2022-23	INR	10.00	-	-	81.72	259.11	167.39	7.89	48.55	29.35	7.64	21.71	-	100%
Barmer Power Transmission Service Limited	2022-23	INR	8.00	-	-	68.46	201.02	124.55	5.11	38.87	23.30	6.01	17.29	-	100%
Thar Power Transmission Service Limited	2022-23	INR	7.00	-	-	57.86	175.28	110.42	4.49	34.90	20.16	5.19	14.97	-	100%
Fatehgarh-Bhadla Transmission Limited	2022-23	INR	25.50	-	-	(42.41)	614.03	630.94	10.94	49.54	(29.65)	-	(29.65)	-	100%
Adani Electricity Mumbai Limited	2022-23	INR	4,020.82	-	-	695.24	22,402.15	17,686.09	1,001.29	8,360.96	203.64	108.46	95.18	-	74.90%
Ghatampur Transmission Limited	2022-23	INR	121.96	-	39.46	95.64	1,814.64	1,557.58	28.87	259.48	91.81	23.25	68.56	-	100%

(₹ in Crores)

Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
Adani Transmission Bikaner Sikar Private Limited	2022-23	INR	10.00	-	-	60.57	247.47	176.90	13.73	29.76	13.94	3.54	10.41	-	100%[4]
OBRA-C Badaun Transmission Limited	2022-23	INR	55.50	-	-	27.70	776.58	693.38	15.72	105.48	18.76	5.34	13.42	-	100%
Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	2022-23	INR	0.01	-	-	(0.07)	8.51	8.57	-	-	(0.05)	-	(0.05)	-	100%
Bikaner Khetri Transmission Limited	2022-23	INR	54.00	37.67	60.82	32.41	947.45	800.22	50.19	129.65	38.22	9.57	28.65	-	100%
WRSS XXI (A) Transco Limited	2022-23	INR	0.05	-	-	(1.59)	1,428.69	1,430.23	265.39	57.74	(3.38)	0.00	(3.38)	-	100%
Lakadia Banaskantha Transco Limited	2022-23	INR	0.05	-	-	(6.81)	1,318.94	1,325.70	338.95	58.95	(7.90)	0.02	(7.92)	-	100%
Jam Khambhaliya Transco Limited	2022-23	INR	21.25	-	-	2.35	335.60	311.99	0.89	41.77	4.61	1.10	3.51	-	100%
Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	2022-23	INR	0.01	-	-	(0.51)	1.78	2.27	-	-	(0.17)	-	(0.17)	-	100%
Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	2022-23	INR	0.01	-	-	(1.54)	75.16	76.69	-	97.69	(0.38)	-	(0.38)	-	100%
Power Distribution Services Limited	2022-23	INR	0.01	-	-	5.72	8.85	3.12	-	12.71	2.57	0.65	1.92	-	74.90%
Adani Electricity Mumbai Infra Limited	2022-23	INR	0.01	-	382.18	(0.14)	654.81	272.76	-	-	(0.00)	-	(0.00)	-	74.90%
Alipurduar Transmission Limited	2022-23	INR	55.63	-	-	233.77	1,228.21	938.81	11.75	157.71	42.26	10.77	31.49	-	100%[5]
Khar Ghar Vikhroli Transmission Limited (formerly known as Khar Ghar Vikhroli Transmission Private Limited)	2022-23	INR	0.05	-	-	(0.34)	908.73	909.02	-	-	(0.01)	0.04	(0.06)	-	100%
Warora-Kurnool Transmission Limited	2022-23	INR	537.00	-	186.07	(438.94)	3,691.61	3,407.49		6.40	(83.61)	(22.01)	(61.60)	-	100%
Adani Transmission Step One Limited	2022-23	INR	0.01	-	2,500.00	(7,076.42)	3,524.99	8,101.40	1,246.60	157.69	(262.89)	-	(262.89)	-	100%
AEML Seepz Limited	2022-23	INR	0.01	-	-	(0.38)	0.19	0.56	-	-	(0.37)	-	(0.37)	-	74.90%
MP Power Transmission Package-II Limited	2022-23	INR	0.05	-	-	(1.52)	581.75	583.21	-	-	(0.00)		(0.00)	-	100%
MPSEZ Utilities Limited	2022-23	INR	13.14	-	-	87.88	224.55	123.54	-	234.63	34.87	4.53	30.34	-	100%

(₹ in Crores)

Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus[1]	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
Karur Transmission Limited	2022-23	INR	0.01	-	-	(0.05)	5.97	6.01	-	-	(0.00)	-	(0.00)	-	100%
KHAVDA-BHUJ Transmission Limited	2022-23	INR	0.01	-	-	(0.12)	247.27	247.38	0.01	-	(0.01)	0.06	(0.07)	-	100%
ATL HVDC Limited	2022-23	INR	0.01	-	-	(9.76)	119.17	128.92		69.58	(8.17)		(8.17)	-	100%
Adani Electricity Jewar Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Two Limited	2022-23	INR	0.01	-	-	(0.06)	6.25	6.30	0.01		(0.06)	-	(0.06)	-	100%
Adani Transmission Mahan Limited	2022-23	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100%
BEST Smart Metering Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Cooling Solutions Limited	2022-23	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100%
WRSR Power Transmission Limited[2]	2022-23	INR	0.05	-	-	(0.16)	18.15	18.26	-	-	(0.16)	-	(0.16)	-	100%
Adani Transmission Step-Three Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Four Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Five Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Six Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Seven Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Eight Limited	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Transmission Step-Nine Limited (Now Known as "NE Smart Metering Limited")	2022-23	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
Adani Electricity Aurangabad Limited	2022-23	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
Adani Electricity Nashik Limited	2022-23	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
Khavda II-A Transmission Limited[2]	2022-23	INR	0.05	-	-	(0.12)	18.32	18.39	-	-	(0.12)	-	(0.12)	-	100%
Adani Green Energy Thirty Limited[2]	2022-23	INR	0.01			(0.34)	48.16	48.49	-	-	(0.33)	-	(0.33)	-	100%

1. Reserves & Surplus includes Other Comprehensive Income
2. Date of Acquisition by the company:

   WRSR Power Transmission Limited - 17th January, 2023

   Khavda II-A Transmission Limited - 28th March, 2023

   Adani Green Energy Thirty Limited - 31st March, 2023
3. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
4. Adani Transmission Bikaner Sikar Private Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
5. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on 5th July 2020 for acquisition of Alipurduar Transmission Ltd. ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
6. In respect of WRSR Power Transmission Limited, Khavda II-A Transmission Limited, Adani Green Energy Thirty Limited, the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year, whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.
7. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	North Karanpura Transco Limited*
2	Warora Kurnool Transmission Limited*
3	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)
4	Adani Electricity Mumbai Infra Limited
5	Karur Transmission Limited
6	KHAVDA-BHUJ Transmission Limited
7	Khar Ghar Vikhroli Transmission Limited (formerly known as Khar Ghar Vikhroli Transmission Private Limited)
8	WRSR Power Transmission Limited
9	Khavda II-A Transmission Limited
10	MP Power Transmission Package-II Limited

* Part Capacity Commissioned

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of Board of Directors
ADANI TRANSMISSION LIMITED

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

BIMAL DAYAL
CEO - Transmission

KANDARP PATEL
CEO - Distribution

ROHIT SONI
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : 29th May, 2023

NOTICE

NOTICE is hereby given that the 10th Annual General Meeting ("AGM") of Adani Transmission Limited ("the Company") will be held on Wednesday, 19th July, 2023 at 11.00 a.m. IST through Video Conferencing / Other Audio Visual Means to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat.

ORDINARY BUSINESS

1. To receive, consider and adopt the –

   a. Audited financial statements of the Company for the financial year ended on 31st March, 2023 together with the Reports of the Board of Directors ("the Board") and Auditors thereon; and

   b. Audited consolidated financial statements of the Company for the financial year ended on 31st March, 2023 together with the report of Auditors thereon;

2. To appoint a Director in place of Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation and being eligible offers himself for re-appointment.

   Explanation: Based on the terms of appointment, Executive Directors and the Non-Executive Directors (other than Independent Directors) are subject to retirement by rotation. Mr. Rajesh S. Adani, who has been a Director (Category – Executive) since 17th June, 2015 and whose office is liable to retire at this AGM, being eligible, seeks re-appointment. Based on the performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his re-appointment, as a director.

   Therefore, the Members are requested to consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

   "RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Rajesh S. Adani (DIN: 00006322), who retires by rotation, be and is hereby re-appointed as a Director, liable to retire by rotation.

3. To consider and, if thought fit, approve the appointment of M/s. Walker Chandiok & Co. LLP as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 15th AGM of the Company to be held in the year 2028 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Walker Chandiok & Co. LLP, Chartered Accountants (Firm Registration No. 001076N/N500013) be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of 15th AGM of the Company to be held in the year 2028 on such remuneration (including fees for certification) and reimbursement of out of pocket expenses for the purpose of audit as may be fixed by the Board of Directors of the Company, on the recommendation of the Audit Committee."

SPECIAL BUSINESS

4. To consider and, if thought fit, approve re-appointment of Mr. Anil Sardana (DIN: 00006867) as Managing Director of the Company and to pass, with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and also subject to the approval of the Central Government, if required, the Company hereby accords its approval to the re-appointment of Mr. Anil Sardana (DIN: 00006867), as a Managing Director of the Company for a period of 5 (five) years w.e.f. 10th May, 2023 on the terms and conditions as set out in the Explanatory Statement attached hereto and forming part of this Notice with a liberty to Board of Directors to alter and vary the terms and conditions of the said appointment and / or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board of Directors and Mr. Anil Sardana.

   RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit, Mr. Anil Sardana be paid minimum remuneration as stated in the Explanatory Statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies

Act, 2013 or any modification or re-enactment thereof at relevant time.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Anil Sardana within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Anil Sardana without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps as may be necessary to give effect to this resolution."

5. To consider, and, if thought fit, approve the change of name of the Company from "Adani Transmission Limited" to "Adani Energy Solutions Limited" or such other name as may be approved by the Authority and to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 4, 5, 13, 14 and other applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and any other applicable law(s), rule(s), regulation(s), guideline(s), the provisions of the Memorandum and Articles of Association of the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to approval of the Central Registration Centre, Registrar of Companies and/ or any other statutory authority ("the Authority") as may be necessary, approval of the members of the Company be and is hereby accorded for change of name of the Company from "Adani Transmission Limited" to "Adani Energy Solutions Limited" or such other name as may be approved by the Authority.

RESOLVED FURTHER THAT subject to the approval and upon issuance of fresh certificate of incorporation by the Central Registration Centre, Registrar of Companies and / or any other statutory authority, the name clause being clause I in the Memorandum of Association of the Company be altered accordingly and substituted by the following clause:

The name of the Company is Adani Energy Solutions Limited.

RESOLVED FURTHER THAT upon issuance of fresh certificate of incorporation by the Authority consequent upon change of name of the Company, the old name "Adani Transmission Limited" wherever appearing in the Memorandum of Association and Articles of Association of the Company and other documents and places be substituted with the new name as "Adani Energy Solutions Limited" or such other name as may be approved by the Authority.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally and/ or jointly authorised to sign, execute and file necessary applications, forms, deeds, documents and writings as may be necessary for and on behalf of the Company and to settle and finalise all issues that may arise in this regard and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to the foregoing resolutions and to further authorise and delegate all or any of the powers conferred herein in any manner as they may deem fit".

6. To consider, and, if thought fit, approve the payment of commission to the non-executive director(s) including Independent Director(s) of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company for payment of commission to the non-executive director(s) including Independent Director(s) of the Company who is/are neither in the whole time employment nor Managing Director, in addition to sitting fees being paid to them for attending the meeting of the Board and its Committees, a sum not exceeding 1% of the net profits of the Company per annum, calculated in accordance with the provisions of Section 198 of the Act, for a period of 3 years from the financial year commencing from 1st April, 2023, in such manner and up to such extent as the Board of Directors of the Company may, from time to time, determine.

RESOLVED FURTHER THAT notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or has inadequate profit, the non-executive directors(s) including independent directors be paid minimum remuneration or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at relevant time, without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to take all actions and do all such deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

7. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by a subsidiary of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Enterprises Limited**, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard."

8. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by a subsidiary of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Hybrid Energy Jaisalmer Four Limited**, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

   RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard"

9. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by a subsidiary of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Power Limited**, a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard."

10. To consider, and, if thought fit, approve the material related party transaction(s) proposed to be entered into by a subsidiary of the Company and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company ("Board"), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions or modification(s) of earlier/ arrangements/ transactions or as fresh and independent transaction(s) or otherwise (whether individually or series of transaction(s) taken together or otherwise), with **Adani Electricity Mumbai Infra Ltd**., a related party of the Company, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), whether undertaken directly by the Company or along with its subsidiary(ies), may exceed the prescribed thresholds as per provisions of the SEBI Listing Regulations as applicable from time to time, provided, however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board be and is hereby severally authorised to execute all such agreements, documents, instruments and writings as deemed necessary, with power to alter and vary the terms and conditions of such contracts/ arrangements/ transactions, settle all questions, difficulties or doubts that may arise in this regard."

11. To consider and, if thought fit, approve the remuneration payable to M/s. K V M & Co., Cost Accountants, Cost Auditors of the Company, for the financial year ending 31st March, 2024 and to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. K V M & Co., Cost Accountants, the Cost Auditors appointed by the Board of Directors of the Company, based on the recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2024, be paid remuneration of ₹50,000/- plus applicable taxes and reimbursement of out of pocket expenses.

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: 29th May, 2023.
Place : Ahmedabad

Registered Office:
Adani Corporate House, Shantigram,
Nr. Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
CIN : L40300GJ2013PLC077803

For and on behalf of the Board
Adani Transmission Limited

Jaladhi Shukla
Company Secretary
Membership No. FCS 5606

NOTES:

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispended the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated 8th April, 2020, Circular No. 17/2020 dated 13th April, 2020 and Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2021 dated 13th January, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated 5th May 2022 and latest being 10/2022 dated December 28, 2022 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated 13th May, 2022 and SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated 5th January, 2023 issued by the Securities Exchange Board of India ("SEBI Circular") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OVAM. In terms of the said circulars, the 10th Annual General Meeting ("AGM") of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participation in the meeting through VC/OAVM is as per note no. 18 and available at the Company's website www.adanitransmission.com.

2. The helpline number regarding any query / assistance for participation in the AGM through VC/OAVM is 022-23058542/43.

3. Information regarding appointment/re-appointment of Directors and Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 ("the Act") and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") is annexed hereto.

4. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. In line with the aforesaid Ministry of Corporate Affairs Circulars, the AGM Notice calling the AGM has been uploaded on the website of the Company at adanitransmission.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com

7. The Register of members and share transfer books of the Company will remain closed from Wednesday, 12th July, 2023 to Wednesday, 19th July, 2023 (both days inclusive) for the purpose of AGM.

8. Members seeking any information with regard to accounts are requested to write to the Company atleast 10 days before the meeting so as to enable the management to keep the information ready.

9. Members holding the shares in physical mode are requested to notify immediately the change of their address and bank particulars to the R&T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.

10. In terms of Section 72 of the Act, nomination facility is available to individual Members holding shares in the physical form. The shareholders who are desirous of availing this facility, may kindly write to Company's R&T Agent for nomination form by quoting their folio number.

11. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred to in this Notice will be available for inspection in electronic mode.

12. The Members can join the AGM through the VC/OAVM mode 15 (fifteen) minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the AGM Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

13. Process and manner for members opting for voting through Electronic means:

    i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020,13th January, 2021 14th December, 2021, 5th May 2022 and 28th December, 2022, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL), as the Authorised e-voting agency for facilitating voting through electronic means. The facility of casting votes by a member using remote e-voting as well as e-voting system on the date of the AGM will be provided by CDSL.

    ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. Wednesday, 12th July, 2023, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

    iii. A person who has acquired the shares and has become a Member after the despatch of the Notice of the AGM and prior to the Cut-off date i.e. Wednesday, 12th July, 2023, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or venue voting system on the date of the AGM by following the procedure mentioned in this part.

    iv. The remote e-voting will commence on Saturday, 15th July, 2023 at 9.00 a.m. and will end on Tuesday, 18th July, 2023 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. Wednesday, 12th July, 2023 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by CDSL thereafter.

    v. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again. The voting rights of the Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the Cut-off date i.e. Wednesday, 12th July, 2023.

    vi. The Company has appointed CS Chirag Shah, Practising Company Secretary (Membership No. FCS: 5545; CP No: 3498), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

14. Process for those shareholders whose email ids are not registered:

    a) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to jaladhi.shukla@adani.com.

    b) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to jaladhi.shukla@adani.com.

15. **THE INSTRUCTIONS FOR SHAREHOLDRES FOR REMOTE VOTING ARE AS UNDER**:

    (i) The voting period begins on Saturday, 15th July, 2023 at 9.00 a.m. and ends on Tuesday, 18th July, 2023 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 12th July, 2023 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

    (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.

    (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/ CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his/her holdings along with links of the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/ EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/ OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

1. The shareholders should log on to the e-voting website www.evotingindia.com.
2. Click on Shareholders.

3. Now Enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN of the Company – ADANI TRANSMISSION LIMITED on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

There is also an optional provision to upload Board Resolution/Power of Attorney if any uploaded, which will be made available to scrutinizer for verification.

(xvi) Note for Non – Individual Shareholders and Custodians – For remote voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company, if voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
- All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

16. The instructions for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:-

    1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
    2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.
    3. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available in the AGM.
    4. If any Votes are cast by the Members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility, then the votes cast by such members shall be considered invalid as the facility of e-voting during the meeting is available only to the members participating in the meeting.
    5. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

17. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.adanitransmission.com and on the website of CDSL i.e. www.cdslindia.com within two days of the passing of the Resolutions at the 10th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges where the shares of the Company are listed.

18. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

    1. Members will be provided with a facility to attend the AGM through VC/OAVM or view the live webcast of AGM through the CDSL e-Voting system. Members may access the same at https://www.evotingindia.com under shareholders'/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.
    2. Members are encouraged to join the Meeting through Laptops / iPads for better experience.
    3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
    4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
    5. For ease of conduct, members who would like to ask questions may send their questions in advance atleast (7) days before AGM mentioning their name, demat account number / folio number, email id, mobile number at jaladhi.shukla@adani.com and register themselves as a speaker. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
    6. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

Contact Details:

Company :	Mr. Jaladhi Shukla Company Secretary and Compliance Officer Adani Transmission Limited Regd. Office: " Adani Corporate House", Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India CIN: L40300GJ2013PLC077803 E-mail: jaladhi.shukla@adani.com
Registrar and Transfer Agent :	M/s. Link Intime India Private Limited 5th Floor, 506-508, Amarnath Business Centre – 1 (ABC-1), Beside Gala Business Centre, Off C. G. Road, Navrangpura, Ahmedabad – 380 009. Tel: +91-79-26465179 Fax : +91-79-26465179 E-mail: ahmedabad@linkintime.co.in
e-Voting Agency:	Central Depository Services (India) Limited E-mail: helpdesk.evoting@cdslindia.com Phone: 022- 22723333 / 8588
Scrutinizer :	CS Chirag Shah Practising Company Secretary E-mail: pcschirag@gmail.com

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND / OR REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

For Item No. 4:

At the AGM held on 7th August, 2018, the Members of the Company had approved the appointment and terms of remuneration of Mr Anil Sardana as the Managing Director and CEO of the Company for a period of 5 years from 10th May 2018 upto 10th May 2023.

During the year under review, Mr. Anil Sardana, Managing Director and CEO of the Company had relinquished the position of CEO and continued in the capacity as Managing Director (KMP) of the Company with effect from 2nd November, 2022.

Brief profile of Mr. Anil Sardana

Mr. Anil Sardana has been handling additional responsibility of Adani Power Limited w.e.f. July 2020. Till 30th April 2018, he was the CEO & Managing Director of Tata Power for over seven years. Till 31st January 2011 (beginning August 2007), he was the Managing Director & CEO of Tata Teleservices.

Prior to telecom stint, Mr. Anil Sardana was Executive Director on the Board of Tata Power. He was also the founding CEO & Managing Director of Tata Power Delhi Distribution Limited (TPDDL/NDPL) having taken over as founding chief when the company was set up in 2002 to takeover from state owned Discom. Anil is credited with having spearheaded the dramatic turnaround of Tata Power Delhi Distribution, having achieved benchmark performance standards-including world record Reduction of Aggregate Technical and Commercials Losses and making discoverable changes in deliverables to customers. Tata Power Delhi Distribution was also bestowed the prestigious 'Silver National Award for Meritorious Performance' for two consecutive years 2004-2005 and 2005-2006 in Power Distribution by the Prime Minister.

Mr. Sardana spearheaded two major M&A's namely with NTT DOCOMO of Japan and a reverse equity swap & merger to create most valuable Telecom-Tower Infrastructure company VIOM with the highest tenancy in the industry. Mr. Anil Sardana led the transition of Tata Tele by launch of very successful Tata DOCOMO & Tata Photon brands. These brands achieved stupendous off take. He also launched several innovative schemes including Pay per-use & per-second billing.

Mr. Sardana has more than 40 years of experience in the infrastructure space, particularly in the Energy and Telecom sectors having managed complex transitions, developments & operations as well as Engineering, Procurement and Construction assignments. He had also worked at NTPC (14 years) and BSES (7 years) prior to joining Tata Group where he spent 18 years. He held Chairman's position at CII National Committee on Power from 2012 onwards till April 2018, whereafter he is now National Co-Chair on CII's Infra Council.

Mr. Sardana holds a degree of Bachelors in Engineering from Delhi College of Engineering. He also holds a Post-Graduate degree in Cost Accountancy (ICWAI) and a Post-Graduate Diploma in Management and has attended Top Management Program at the Indian Institute of Management, Ahmedabad. He received several recognitions from Indian & International fora's and was also conferred with "Global Alumni Excellence Award" by his alma-mater Delhi College of Engineering in 2012. Anil did his schooling from Sardar Patel Vidyalaya, New Delhi.

On the recommendation of the Nomination & Remuneration Committee of the Company, the Board of Directors, at its meeting held on the 29th May, 2023, has recommended and approved the re-appointment Mr. Anil Sardana as Managing Director of the Company unanimously for a period of 5 (five) years w.e.f. 10th May, 2023 with a liberty to the Board of Directors or Nomination and Remuneration Committee to approve the remuneration without approval of Shareholders within the prescribed ceiling limit of Schedule V and other applicable provisions of the Companies Act, 2013.

In the event of absence or inadequacy of profits of the Company in any financial year, Mr. Anil Sardana will be entitled to receive the remuneration, perquisites and benefits as aforesaid, subject to the compliance with the applicable provisions of Schedule V of the Act and the provisions of Section 196, 197 and other applicable provisions, if any of the Act.

Mr. Anil Sardana shall not be paid any sitting fees for attending the meeting of the Board or Committees thereof.

Mr. Anil Sardana satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under Section 196 of the Act for being eligible for his appointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

Having regard to the qualifications, experience and knowledge, the Board is of the view that the re-appointment of Mr. Anil Sardana as Managing

Director will be beneficial to the functioning and future growth opportunities of the Company and the remuneration payable to him is commensurate with his abilities and experience.

This explanatory statement may be considered as the requisite abstract under Section 190 of the Companies Act, 2013, setting out the terms, conditions and limits of remuneration for re-appointment of Mr. Anil Sardana as Managing Director of the Company.

The Board of Directors felt that it is in interest of the Company to re-appoint Mr. Anil Sardana as Managing Director of the Company.

Brief resume and other details of Mr. Anil Sardana are provided in annexure to this Notice pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.

The Board recommends passing of the Special Resolution as set out in Item no. 4 of this Notice, for approval by the Members of the Company.

Mr. Anil Sardana is deemed to be interested in the said resolution as it relates to his re-appointment.

None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, if any, in the proposed Special Resolution, as set out in Item no. 4 of this Notice.

For Item No. 5

Members may note that the Adani Transmission Limited ("the Company or ATL") which emerged its business trajectory in the year 2015 has over the years evolved in the metamorphosis growth story reaping plethora of growth opportunities into Transmission, Distribution, Smart Metering and Cooling solution businesses. ATL is ushering into the new exciting business arena while maintaining pioneer position in the Transmission & Distribution sectors. With a view to embark this growth journey in the conventional and non-conventional business areas, it is proposed to rebrand ATL as Adani Energy Solutions Limited (AESL).

The Company's present name "Adani Transmission Limited" contains only "Transmission" in its name and hence, it no longer justifies with all the business activities being undertaken by the Company either directly or through its subsidiaries. Accordingly, it is proposed to change the existing name of the Company as to depict the Company's over-arching expertise in various facets of Energy domain.

The Board of the Company at its meeting held on 29th May, 2023, subject to the approval of the Shareholders of the Company by way of special resolution and approvals of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the change in name of the Company from "Adani Transmission Limited" to "Adani Energy Solutions Limited" along with the consequential amendments required to be made in the Memorandum of Association and Articles of Association of the Company.

Members of the Company are hereby further informed that the Company had made application for reservation of name to Central Registration Centre ("CRC"), Ministry of Corporate Affairs, which has been approved by CRC vide its letter dated 29th May, 2023 and it has been confirmed that the new name i.e. "Adani Energy Solutions Limited" is available for registration.

As per the provisions of Section 13 and 14 of the Companies Act, 2013, approval of the shareholders is required for changing the name of the Company and consequent alteration in the Memorandum of Association and Articles of Association by way of passing a Special Resolution.

Therefore, the Board recommends the resolution as set out at Item No. 5 of this notice for your approval as a special resolution.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/ stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

Certificate obtained from M/s Dharmesh Parikh & Co. LLP Chartered Accountants, Ahmedabad (Firm registration number 112054W/W100725 dated 29th May, 2023 in terms of Regulation 45(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") stating compliance of conditions as provided under Regulation 45(1) of SEBI Listing Regulations is annexed hereto and forms part of this notice and explanatory statement thereon.

The Board believes that the change in the name of the Company, which is being undertaken as part of corporate rebranding, would make the name of the Company, simple, sharp, focused and more relatable to the activities of the Company.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the aforesaid resolution, except to the extent of their shareholding, if any.

For Item No. 6

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. The Company's Non-Executive Directors have been shaping and steering the long-term strategy and make invaluable contributions towards the Company's business strategy, monitoring of risk management and compliances.

During the year, the Company explored benchmarking exercise of the remuneration payable to Non-Executives Directors. The benchmarking was undertaken on the basis of industry, size, effective governance and expected contribution by the Board. In line with the recommendations made by the benchmarking exercise commissioned, the members of Nomination and Remuneration Committee and Board of Directors at their meetings held on 29th May, 2023 respectively, recommended the proposal for payment of remuneration payable to Non-Executive Directors of the Company, by way of commission or otherwise, not exceeding 1% (one percent) of the net profits of the Company calculated in accordance with the provisions of the Act, for a period of 3 years effective from the financial year 2023-24. The payment of such remuneration shall be in addition to the sitting fees for attending Board/Committee meetings.

This remuneration will be distributed amongst all or some of the Non-Executive Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Act.

Accordingly, the Board recommends the resolution set forth in Item No. 6 relating payment of remuneration to Non-Executive Directors, at an aggregate amount of not exceeding 1% of the net profit of the Company, by way of an Ordinary Resolution.

All Non-Executive & Independent Director(s) of the Company may be deemed to be concerned or interested in this resolution to the extent of commission that may be payable to them from time to time and none of the other Directors or key managerial personnel or their relatives is, in anyway, concerned or interested in the said resolution.

THE STATEMENT CONTAINING ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE V OF THE ACT:

I. General Information

The Company is engaged in the Power Transmission and Distribution sectors.

II. Date or expected date of commencement of commercial production:

The Company was incorporated on 9th December, 2013 and received certificate of Commencement of Business 17th December, 2013.

III. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.

Not Applicable.

IV. Financial Performance based on given indicators:

(₹ In Crore)

SN	Particulars	Financial Year					
		2022-23		2021-22		2020-21	
		Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
1	Revenue from Operations (Gross)	688	13,292.72	739.81	11,257.52	755.23	9,926.33
2	Profit/(Loss) for the year after tax	170.28	1,280.60	(64.61)	1,235.75	(21.21)	1,289.57
3	Profit/(Loss) under Sec. 198	149.69	2097.24	(115.16)	1,879.32	(21.21)	1,760.64

V. Foreign investments or collaborations, if any.

Company has not entered into any material foreign collaboration and no direct capital investment has been made in the Company except allotment of 1,56,82,600 Equity Shares of face value of Rs. 10 each at a premium of Rs. 2,444.95 per Equity Share by way of preferential allotment on a private placement basis during the year under review. Foreign investors, mainly comprising FIIs, are investors in the Company on account of past issuances of securities and secondary market purchases.

VI. Information about the Non-Executive & Independent Directors:

1. Background details:

SN	Name of the Director	Background details
1	Mr. K. Jairaj	K. Jairaj, a member of the 1976 batch of the Indian Administrative Service , has held distinguished appointments in the infrastructure, energy, transport and urban development sectors, including a role as Additional Chief Secretary, Energy Department and Chairman, BESCOM, Managing Director, Bangalore International Airport Ltd; Managing Director, Karnataka Power Corporation Ltd; Managing Director, Karnataka State Road Transport Corporation; Commissioner, Bangalore City Corporation for two terms; Commissioner for Commercial Taxes and Principal Secretary to the Chief Minister. With N.R. Narayanamurthy, Chairman Emeritus of Infosys, Mr. Jairaj established the Bangalore International Airport Limited, India's first greenfield airport on public private partnership basis with Siemens, Germany. Mr. Jairaj served with the World Bank, Washington D.C. USA, as senior public sector management specialist in the Africa region between 2004-2006. Mr. Jairaj's has academic background in economics, public policy and management. He has a Bachelor of Arts (Honours) degree from Bangalore University, Master of Arts degree in Economics from the Delhi School of Economics, M.P.A. Woodrow Wilson School Of Public And International Affairs, Princeton University and M.P.A, Kennedy School of Government, Harvard University, U.S.A, where he was Edward's Mason Fellow. Mr. K. Jairaj is active in the National Management Movement and served as President, All India Management Association (AIMA), the only IAS officer to have done so; Past President Bangalore Management Association; currently on the Board of Governors, Indian Institute of Management, Kashipur. He was on the Board of Governors of Indian Institute of Management, Bangalore from 2000 to 2004. He is associated with several educational and not-for-profit institutions. He has been appointed as Additional Independent Director on June 17, 2015.
2.	Dr. Ravindra H. Dholakia	Dr. Ravindra H. Dholakia, a retired Professor of IIM, Ahmedabad, has more than 38 years of experience in regional economic development, economic analysis and policy, international economics and health economics. He holds a post-doctoral research fellowship from the University of Toronto and a PhD in Economics from M S University, Baroda. Earlier, he has served as a consultant to State and Central governments, private sector institutions and international organizations such as WHO, UNICEF, ADB and World Bank. He has also been a member of various committees appointed by the Government and has more than 140 research papers and 22 books to his credit.

SN	Name of the Director	Background details
3.	Mrs. Meera Shankar	Meera Shankar joined the Indian Foreign Service in 1973 and had an illustrious career spanning 38 years. She served in the Prime Minister's Office for six years, from 1985 to 1991 working on foreign policy and security matters. Thereafter, she led the Commercial Wing in the Indian Embassy in Washington as Minister (Commerce) till 1995. She returned as Director General of the Indian Council of Cultural Relations overseeing India's cultural diplomacy. She has had extensive experience in South Asia having worked on Bangladesh, Sri Lanka and Maldives as Under Secretary and Deputy Secretary in the Ministry of External Affairs. Later, as Joint Secretary she headed divisions dealing with neighbours, Nepal and Bhutan, and the South Asian Association of Regional Cooperation (SAARC). As Additional Secretary, she handled the UN and international security issues. She served as Ambassador of India to Germany from 2005 to 2009 and then to the United States from 2009 to 2011. She has been appointed as Additional Independent Director on June 17, 2015.
4.	Mrs. Lisa Caroline MacCallum	Ms. Lisa Caroline MacCallum began her professional life in Accounting, Finance and Consulting with KPMG in Australia and the USA. She enjoyed a long career at NIKE Inc (2001-2014) based in the USA, serving on the executive leadership team in commercial and brand strategy roles and as Vice President of NIKE's Corporate Philanthropy and Global Community Investments. Prior to joining NIKE, Lisa co-founded a Tokyo-based multi-media and executive education company, Business Breakthrough, Inc. She currently serves as an ESG Advisory Board member of KAO Corporation Japan and is an independent non-executive Director of Bond University Australia Limited and Seattle based employee experience company Limeade Limited.

2. **Past remuneration other than sitting fees:**

   Nil

3. **Job profile and their suitability:**

   The Independent Directors have vast experience in the functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. Detailed profile of the Directors is given in point 1 above. The elaborated experience of the Directors in various sectors helps in enriching the Board discussions and deliberations and taking decisions that are beneficial for the growth of the Company.

4. **Remuneration proposed:**

   1% of net profit as calculated as per Section 198 of the Act in case of profit or minimum remuneration calculated as per Schedule V of the Act in case of no/inadequacy of profits for subsequent three financial years, i.e. 2023-24 to 2025-26 to be paid to the Non-executive Directors including Independent Directors.

5. **Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):**

   Taking into consideration the size of the Company, the profile of the Directors, his/her responsibilities and contribution and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration paid to similar senior level counterparts in other Companies in the industry.

6. **Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel or other director, if any.**

   Except for drawing remuneration, there is no other pecuniary relationship with the Company or with the managerial personnel of the Company.

7. **Recognition or Awards:**

   Nil

VII. Other Information:

1. **Reasons of loss or inadequate profits:**

   The Company has been profitable on standalone and consolidated basis for FY 23 and the Company doesn't envisage at this point any such adversities that may hamper the profitability of the Company in the subsequent years.

2. **Steps taken or proposed to be taken for improvement:**

   N.A.

3. **Expected increase in productivity and profits in measurable terms:**

   The Company has been profitable on standalone and consolidated basis for FY 23 and the Company doesn't envisage at this point any such adversities that may hamper the profitability of the Company in the subsequent years.

VIII. Disclosures:

The information and disclosures of the remuneration of Non-Executive Directors including Independent Directors is provided in the Corporate Governance Report, forming part of the Annual Report, under the heading "details of remuneration".

For Item Nos. 7, 8, 9 & 10:

The provisions of the SEBI Listing Regulations, as amended by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, mandates prior approval of members by means of an ordinary resolution for all material related party transactions and subsequent material modifications as defined by the audit committee, even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Effective from April 1, 2022, a transaction with a related party shall be considered as material if the transaction(s) to be entered into, either individually or taken together with previous transactions during a financial year, whether directly and/or through its subsidiary(ies), exceed(s) ₹1,000 crore, or 10% of the annual consolidated turnover as per the last audited financial statements of the listed entity, whichever is lower.

In the financial year 2023-24, the Company, along with its subsidiary(ies), propose to enter into certain related party transaction(s) as mentioned below, on mutually agreed terms and conditions, and the aggregate of such transaction(s), are expected to cross the applicable materiality thresholds as mentioned above. Accordingly, as per the SEBI Listing Regulations, prior approval of the Members is being sought for all such arrangements / transactions proposed to be undertaken by the Company, either directly or along with its subsidiary(ies). All the said transactions shall be in the ordinary course of business of the Company and on an arm's length basis.

The Audit Committee has, on the basis of relevant details provided by the management, as required by the law, at its meeting held on May 29, 2023, reviewed and approved the said transaction(s), subject to approval of the Members, while noting that such transaction shall be on arms' length basis and in the ordinary course of business of the Company.

Your Board of Directors considered the same and recommends passing of the resolutions contained in Item Nos. 7, 8, 9 & 10 of this Notice.

Information required under Regulation 23 of SEBI Listing Regulations read with SEBI Circular dated 22nd November 2021 is provided herein below:

A. Resolution Item No. 7: Particulars of material related party transactions to be entered by Adani Electricity Mumbai Limited, a subsidiary of the Company (AEML)

SN	Particulars	Details
i.	Name of the Related Party	Adani Enterprises Limited (AEL)
ii.	Type of transaction	The transaction involves purchase of power, purchase of coal, rendering of service, receipt of service and other transactions for business purpose from/ to AEL.
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s). The above arrangement will be continuing business transactions. Approval of the shareholders is being sought for transaction for 2 financial years starting from FY 2023-24.
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	AEL is an entity under common control with the Company / AEML.
v.	Tenure of the proposed transaction	FY 2023-24 and FY 2024-25
vi.	Value of the proposed transaction	Not to exceed ₹3,100 crore in any financial year

SN	Particulars	Details
vii.	Value of RPT as % of –	
	• Company's audited consolidated annual turnover of ₹13,840 Crores for the financial year 2022-2023.	Approx. 22%.
	• Subsidiary's annual standalone turnover of ₹8,692 Crores for the financial year 2022-23.	Approx. 36%
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable

SN	Particulars	Details
ix.	Justification as to why the RPT is in the interest of the Company.	AEML, a subsidiary of the Company, is an electricity distribution company providing electricity to ~ 3 million consumers in Mumbai and is instrumental in the Company's goal to emerge among the largest power distribution businesses in India's private sector across the following platforms: superior service, rich experience, proactive technology investments, operational excellence, prudent capital management programme and renewable energy. As part of the Company's business strategy, AEML propose to enter into various transactions with AEL including purchasing of power/coal and rendering and availing of services forming part of business strategy. For procuring power from AEL, the company has entered into a Medium term power purchase agreement with AEL based on Competitive Tendering process and as per the norms specified by Maharashtra Electricity Regulatory Commission (MERC) These transactions not only smoothen business operations for both the companies, but also ensures consistent flow of desired quality and quantity of power to the end consumers, without interruptions. The dealings between AEML and AEL also bring greater efficiency, synergies of centralization, cost reduction and operational simplification. All the transactions shall be in the ordinary course of business of the Company and on an arm's length basis.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

B. Resolution Item No. 8: Particulars of material related party transactions to be entered by Adani Electricity Mumbai Limited, a subsidiary of the Company (AEML)

SN	Particulars	Details
i.	Name of the Related Party	Adani Hybrid Energy Jaisalmer Four Limited (AHEJFL)
ii.	Type of transaction	The transaction involves supply of power by AHEJFL to AEML under the power purchase agreement for a tenure of 25 years.
iii.	Material terms and particulars of the proposed transaction	AEML is one of the largest electricity discom catering to customers in Mumbai and its sub-urban regions. AHEJFL is in the business of generation of power using renewable sources of energy. AEML has entered into the power purchase agreement (PPA) with AHEJFL under the competitive tender process. The purchase of power from AHEJFL shall be in the ordinary course of business of the AEML and on an arm's length basis. The fixed PPA tariff is ₹3.24/ kWh for a period of 25 years with minimum CUF requirements of 50%. The tariff is approved by Maharashtra Electricity Regulatory Commission. The above arrangement will be continuing business transactions. Approval of the shareholders is being sought for Power Purchase for 25 financial years starting from FY 2023-24.

SN	Particulars	Details
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	AHEJFL is an entity under common control with the Company / AEML.
v.	Tenure of the proposed transaction	25 years, considering that it is a long-term fixed price contract.
vi.	Value of the proposed transaction	Not to exceed ₹1,100 crore in any financial year
vii.	Value of RPT as % of –	
	• Company's audited consolidated annual turnover of ₹13,840 Crores for the financial year 2022-2023.	Approx. 8%.
	• Subsidiary's annual standalone turnover of ₹8,692 Crores for the financial year 2022-23.	Approx. 13%
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable

SN	Particulars	Details
ix.	Justification as to why the RPT is in the interest of the Company.	AEML had issued tenders towards procurement of Hybrid (Solar / Wind) Power on long term basis, wherein it had laid down criteria and bidders who met the prescribed criteria were eligible to participate and submit their bids. Pursuant to the said process, AHEJ4L emerged as the lowest bidder for the supply of Hybrid Power, which is in line with the applicable laws and regulations and as per the guideline issued by Maharashtra Electricity Regulatory Commission (MERC) Post approval of MERC, based on the tender process, AEML & AHEJ4L has entered Long Term Power Procurement (LTPP) agreement for 25 Years, which will further enable AEML to meet its Renewable Power Obligation (RPO) as per the norms of Maharashtra Electricity Regulatory Commission (MERC). All the transactions shall be in the ordinary course of business of the Company and on an arm's length basis. The long term fixed price contract is in line with the industry practice. The PPA will ensure assured price to AEML and will eliminate the price volatility.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

C. Resolution Item No. 9: Particulars of material related party transactions to be entered by MPSEZ Utilities Limited (MUL), a Wholly Owned Subsidiary of the Company

SN	Particulars	Details
i.	Name of the Related Party	Adani Power Limited (APL)
ii.	Type of transaction	The transaction involves purchase of power under long-term Power Purchase Agreement (PPA).
iii.	Material terms and particulars of the proposed transaction	The transaction involves supply of power by APL to MUL under the power supply agreement for a tenure of 15 years, under the competitive tender process. MUL had resolve to procure electricity from a power generating station that would dedicate a contracted capacity of 360 MW for production of electricity and supply thereof to consumers. However, MUL has the right to reduce Contracted Capacity based on demand with prior written notice. APL is in the business of generation of power. The supply of power to MUL shall be in the ordinary course of business of the APL and on an arm's length basis. Fixed Charge considering 360 MV at ₹5/ kWh @ 85% PLF, for a period of 15 years. The above arrangement will be continuing business transactions. Approval of the shareholders is being sought for power purchase for 15 financial years starting from FY 2023-24.
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	APL is an entity under common control with the Company / MUPL.
v.	Tenure of the proposed transaction	15 years
vi.	Value of the proposed transaction	Not to exceed ₹1,600 crore in any financial year

SN	Particulars	Details
vii.	Value of RPT as % of –	
	• Company's audited consolidated annual turnover of ₹13,840 Crores for the financial year 2022-2023.	Approx. 12%.
	• Subsidiary's annual standalone turnover of ₹236 Crores for the financial year 2022-23.	Approx. 678% MUL is expanding its Capacity.
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	
	(i) Details of financial indebtedness	Not Applicable
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Not Applicable
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	Not Applicable
ix.	Justification as to why the RPT is in the interest of the Company.	MUL has invited proposal for pre-qualification of bidders who own and operate a power generating station and offer to supply electricity there from. MUL had prescribed the technical and commercial terms and conditions and invited bids in accordance with the Guidelines issued by the Central Government, under section 63 of the Act vide Notification No. 23/17/2013-R&R (Vol-VI) dated 05.03.2019. After evaluation of the Bids, APL emerged L1 Bidder, based on which MUL had entered Power Supply Agreement with APL on long term basis. Power Purchase Agreement is approved by Gujarat Electricity Regulation Commission. The long term fixed price contract is in line with the industry practice. The PPA will ensure assured price to MUL and will eliminate the price volatility.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable

SN	Particulars	Details
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

D. Resolution Item No. 9: Particulars of material related party transactions to be entered by ATL HVDC Limited, a Wholly Owned Subsidiary of the Company (ATL HVDC)

SN	Particulars	Details
i.	Name of the Related Party	Adani Electricity Mumbai Infra Ltd. (AEMIL)
ii.	Type of transaction	Providing financial assistance in the form of interest bearing inter corporate deposit(s)/loans, in one or more tranches.
iii.	Material terms and particulars of the proposed transaction	Material terms and conditions are based on the contracts which inter alia include the rates based on prevailing/ extant market conditions and commercial terms as on the date of entering into the contract(s). The above arrangement will be continuing business transactions. Approval of the shareholders is being sought for financial assistance for 3 financial years starting from FY 2023-24.
iv.	Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise)	ATL HVDC and AEMIL are fellow subsidiaries
v.	Tenure of the proposed transaction	3 years
vi.	Value of the proposed transaction	Not to exceed Rs. 2,128 Crore in any financial year
vii.	Value of RPT as % of –	
	• Company's audited consolidated annual turnover of ₹13,840 Crores for the financial year 2022-2023.	Approx. 15%
	• Subsidiary's annual standalone turnover of ₹ Nil Crores for the financial year 2022-23.	Not applicable, AEMIL is executing project
viii.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	ATL HVDC propose to provide Inter Corporate Deposits / loans, to AEMIL in multiple tranches from its sources.
	(i) Details of financial indebtedness	Not Applicable

SN	Particulars	Details
	(ii) Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	Repayment of Inter Corporate Deposit(s) will be over a period of three years from date of disbursement; however, the borrower will have the right to make pre-payment without any pre-payment penalty during the tenure of Inter Corporate Deposit(s). Interest would be charged at appropriate market rate; however, the pricing may change in case of any movement in credit profile of AEMIL. The Inter Corporate Deposit(s) would be under unsecured category.
	(iii) the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the related party transaction	The funds will be utilised by AEMIL for construction of project 1000MW High-Voltage Direct Current (HVDC) Transmission link between MSETCL Kudus and Adani Electricity Mumbai Limited (AEML) Aarey
ix.	Justification as to why the RPT is in the interest of the Company.	Please refer "Background, details and benefits of the transactions" appended below. All the transactions shall be in the ordinary course of business of the Company and on an arm's length basis.
x.	Copy of the valuation or other external party report, if any such report has been relied upon.	Not Applicable
xi.	Any other information relevant or important for the members to take a decision on the proposed transaction.	None

Background, details and benefits of the transaction

(i) Financial assistance in nature of Inter corporate deposits of revolving nature, not exceeding ₹2,128 Crore, in any financial year, in one or more tranches.

ATL is one of the largest private sector power transmission and distribution companies in India and is involved in setting up and operating power transmission lines through its subsidiary companies. Adani Electricity Mumbai Infra Limited (AEMIL) has conceptualized 1000MW HVDC (voltage source converter based) Transmission link between MSETCL Kudus and Adani Electricity Mumbai Limited (AEML) Aarey with estimated project of INR 7,215 Crores.

The aforementioned transaction(s) assist in furthering business opportunities and synergy(ies) for Adani Transmission Limited.

The Project Cost is estimated at INR. 7,215 Crores and is proposed to be financed by ATL HVDC Limited, wholly owned subsidiary of ATL, in form of Inter Corporate Deposit in multiple tranches and multiple times, spread over FY 2023-24 to FY 2025-26. Appropriate market rate of interest will be charged by ATL HVDC Limited on Financial assistance extended to AEMIL.

As per the SEBI Listing Regulations, all related parties of the Company, whether or not a party to the proposed transaction(s), shall abstain from voting on the said resolution.

The Board recommends passing of the Ordinary Resolutions as set out in Item nos. 7, 8, 9 & 10 of this Notice, for approval by the Members of the Company.

Mr. Gautam S. Adani, Mr. Rajesh S. Adani and Mr. Anil Sardana and their relatives are deemed to be concerned or interested in these resolutions.

None of other the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, except to the extent of their shareholding in the Company, if any, in the proposed Ordinary Resolutions, as set out in Item no. 7, 8, 9 & 10 of this Notice.

For Item No. 11

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. K V M & Co. Cost Accountants as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the financial year 2023-24, at a fee of ₹50,000/- plus applicable Taxes and reimbursement of out of pocket expenses, as remuneration for cost audit services for the Financial Year 2023-24.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 11 of this Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2024.

The Board recommends passing of the Ordinary Resolution as set out in Item no. 11 of this Notice, for approval by the Members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives, are in any way, concerned or interested, financially or otherwise, in the proposed Ordinary Resolution, as set out in Item no. 8 of this Notice.

Date: 29th May, 2023.
Place: Ahmedabad

Registered Office:
Adani Corporate House, Shantigram,
Nr. Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad – 382 421
Gujarat, India.
CIN: L40300GJ2013PLC077803

For and on behalf of the Board
Adani Transmission Limited

Jaladhi Shukla
Company Secretary
Membership No. FCS 5606

Annexure To Notice

Particulars of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which he holds directorship as on 31st March, 2023	Name of committees[1] in which he holds membership/ chairmanship as on 31st March, 2023
Mr. Rajesh S. Adani (DIN: 00006322)	58 Years 07.12.1964 (Note 2)	B.Com.	Mr. Rajesh S. Adani has been associated with Adani Group since its inception. He is in charge of the operations of the Group and has been responsible for developing its business relationships. His proactive, personalized approach to the business and competitive spirit have helped towards the growth of the Group and its various businesses.	• Adani Transmission Limited^^ • Adani Power Limited^^ • Adani Enterprises Limited^^ • Adani Ports and Special Economic Zone Limited^^ • Adani Green Energy Limited^^ • Adani Welspun Exploration Limited • Adani Institute for Education and Research • Adani Trading Services LLP • Adani Tradeline Private Limited	• Adani Transmission Limited^^ ◆ Stakeholders' Relationship Committee (Member)

^^Listed Companies.

Notes -

1. Represents Membership / Chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.
2. Mr. Gautam S. Adani & Rajesh S. Adani (on behalf of S.B. Adani Family Trust) holds 60,16,34,660 Equity Shares of the Company. Mr. Rajesh S. Adani hold 1 (one) Equity Share of the Company in his individual capacity.

Annexure To Notice

Particulars of Directors seeking Appointment / Re-appointment

Name of Director	Age, Date of Birth (No. of Shares held)	Qualification	Nature of expertise in specific functional area	Name of the companies in which he holds directorship as on 31st March, 2023	Name of committees[1] in which he holds membership/ chairmanship as on 31st March, 2023
Mr. Anil Sardana (DIN: 00006867	63 Years 16.04.1959 (Nil)	An honours graduate in Electrical Engineering from Delhi University, a Cost Accountant (ICWAI) and holds a PGDM from All India Management Association	Mr. Anil Sardana has more than 43 years of experience in the infrastructure space, particularly in the Energy and Telecom sectors having managed complex transitions, developments & operations as well as Engineering, Procurement and Construction assignments. He had also worked at NTPC (14 years); BSES (7 years) and Tata Group where he spent 18 years. Mr. Anil Sardana holds a degree of bachelors' in engineering from University of Delhi. He also holds a Post Graduate degree in Cost Accountancy (ICWAI) and a Post-Graduate Diploma in Management. He has attended Top Management Program at the Indian Institute of Management, Ahmedabad.	• Adani Transmission Limited^^ • Adani Power Limited^^ • Adani Electricity Mumbai Limited • Adani Electricity Mumbai Infra Limited • AEML SEEPZ Limited • Adaniconnex Private Limited • Adani Data Networks Limited • Adani Electricity Navi Mumbai Limited • India Energy Exchange • Systems, Applications & Products in Data Processing (SAP) – Executive Advisory Board • UN women • Miraclefeet Foundation for Eliminating Clubfoot • Confederation of Indian Industry	• Adani Transmission Limited^^ ◆ Stakeholders' Relationship Committee (Member)

^^Listed Companies.

Notes -

1. Represents Membership / Chairmanship of two committees viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.

Annexure to Notice

DHARMESH PARIKH & CO LLP
CHARTERED ACCOUNTANTS
[LLPIN: AAW-6517]

303/304, "Milestone"
Nr. Drive-in-Cinema, Opp.T.V.Tower,
Thaltej, Ahmedabad-380054
Phone: 91-79-27474466
Email: info@dharmeshparikh.net
Website: www.dharmeshparikh.net

CERTIFICATE

To whom soever it may concern

On the basis of review of necessary documents, records and available information as on the date of certificate and explanation provided to us by **Adani Transmission Limited** (CIN L40300GJ2013PLC077803) (the "Company"), having its registered office at, Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382 421, we certify the following in terms of Regulation 45(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a. the Company was incorporated on 09th December 2013 and ever since there has been no change in the name of the Company. In view of the same, complying with the condition of a time period of at least one year being elapsed from the last name change does not arise.

b. the condition of at least fifty percent of the total revenue in the preceding one-year period to be accounted for by the new activity suggested by the new name is not applicable as there is no change in the activity suggested by new name.

c. since there is no new activity / project, the condition of investment of amount of atleast fifty percent of the assets in the new activity/project is not applicable.

This certificate is issued as per requirements of Regulation 45(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is to certify that the above-mentioned information is true to the best of my knowledge and belief, according to the books and documents/records produced before us for verification and relied upon & on the request of the management of the Company for onwards submission.

Place: Ahmedabad

Date: 29.05.2023

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

For, **Dharmesh Parikh & Co LLP**
Chartered Accountants
Firm Registration No.: 112054W/W100725

Chirag J Shah

(CA. CHIRAG SHAH)
Partner
Membership No. 122510
UDIN: 23122510BGUGSG4618

Dharmesh Parikh & Co. (Registration No. GUJ/AH/102552), a Partnership Firm has been converted into Dharmesh Parikh & Co LLP (LLP Identification No. AAW-6517) with effect from 9th Day of April, 2021

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info@trisyscom.com

adani

Transmission