

Adani Electricity Mumbai Limited
(Formerly known as Reliance Electric Generation and Supply Limited)

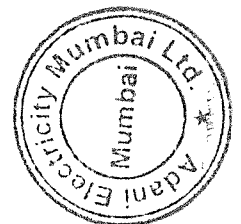
adani

CIN No : U74999GJ2008PLC107256

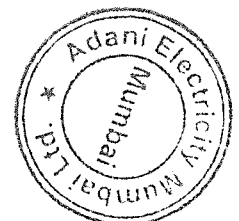
Statement of Unaudited Financial Results for the quarter ended 30 June, 2020

(₹ in Crores)

| Sr.No | Particulars | For Quarter ended | | | For the Year ended |
|-----------|---|-------------------|-----------------|-----------------|--------------------|
| | | 30-Jun-20 | 31-Mar-20 | 30-Jun-19 | 31-Mar-20 |
| | | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | |
| | Revenue from operations | 1,437.37 | 1,689.98 | 2,189.88 | 7,705.36 |
| | Other income | 63.23 | 72.33 | 20.00 | 165.01 |
| | Total Income | 1,500.60 | 1,762.31 | 2,209.88 | 7,870.37 |
| 2 | Expenses | | | | |
| | Cost of Power Purchased | 478.77 | 527.70 | 817.27 | 2,679.13 |
| | Cost of Fuel | 297.00 | 221.50 | 289.95 | 1,018.23 |
| | Transmission Charges | 120.49 | 104.09 | 99.69 | 403.16 |
| | Purchases of Traded Goods | 0.30 | 9.49 | 0.46 | 28.95 |
| | Employee Benefits Expense | 202.90 | 207.46 | 239.39 | 894.15 |
| | Finance Costs | 386.87 | 360.87 | 277.10 | 1,118.49 |
| | Depreciation and Amortization Expense | 210.94 | 137.77 | 121.58 | 510.46 |
| | Other Expenses | 135.78 | 200.31 | 158.89 | 732.23 |
| | Total Expenses | 1,833.05 | 1,769.19 | 2,004.33 | 7,384.80 |
| 3 | Profit / (Loss) Before Rate Regulated Activities, Exceptional Items And Tax (1-2) | (332.45) | (6.88) | 205.55 | 485.57 |
| 4 | Add / (Less): Regulatory Income/(Expense) (Net) | 238.30 | (17.86) | (87.87) | (232.77) |
| 5 | Profit / (Loss) Before Exceptional Items and Tax (3+4) | (94.15) | (24.74) | 117.68 | 252.80 |
| 6 | Exceptional Items | - | - | - | - |
| 7 | Profit / (Loss) Before Tax (5-6) | (94.15) | (24.74) | 117.68 | 252.80 |
| 8 | Tax Expenses | | | | |
| | -Current Tax | - | (2.86) | 26.61 | 50.84 |
| | -Deferred Tax Expense / (Credit) - (Net) | 18.00 | 104.51 | 34.99 | 151.74 |
| 9 | Profit / (Loss) After Tax (7-8) | (112.15) | (126.39) | 56.08 | 50.22 |
| 10 | Other Comprehensive Income / (Expenses) | | | | |
| | (a) Items that will not be reclassified to profit or loss | | | | |
| | -Remeasurement of Defined Benefit Plans | - | (20.68) | - | (20.68) |
| | -Income Tax Impact | - | 3.61 | - | 3.61 |
| | (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 | (103.17) | (13.24) | - | (13.24) |
| | Total Other Comprehensive Income / (Expenses) | (103.17) | (30.31) | - | (30.31) |
| 11 | Total Comprehensive Income / (Expenses) (9+10) | (215.32) | (156.70) | 56.08 | 19.91 |
| 12 | Paid-up Equity Share Capital (Face Value ₹ 10 each.) | 4,020.82 | 4,020.82 | 3,400.05 | 4,020.82 |
| 13 | Other Equity (excluding Revaluation Reserve) | | | | 503.51 |
| 14 | Basic and Diluted Earnings Per Share of ₹ 10 each (not annualised) - (Excluding Regulatory Income / (Expense)) (Net) - ₹ | (0.87) | (0.18) | 0.35 | 0.62 |
| 15 | Basic and Diluted Earnings Per Share of ₹ 10 (not annualised) - (Including Regulatory Income / (Expense)) (Net) - ₹ | (0.28) | (0.38) | 0.14 | 0.08 |



| Particulars | As At | As At |
|---|------------------|------------------|
| | 30-Jun-20 | 31-Mar-20 |
| | UnAudited | Audited |
| ASSETS | | |
| Non Current Assets | | |
| Property, Plant and Equipment | 12,221.00 | 12,378.06 |
| Capital Work-In-Progress | 520.61 | 375.53 |
| Right-of-Use Assets | 147.71 | 157.29 |
| Intangible Assets | 991.20 | 991.58 |
| Intangible Assets Under Development | 3.28 | 3.28 |
| Financial Assets | | |
| (i) Investments | 0.01 | 0.01 |
| (ii) Loans | 36.79 | 38.91 |
| (iii) Other Financial Assets | 677.71 | 866.10 |
| Income Tax Assets (net) | 0.32 | - |
| Other Non-current Assets | 279.24 | 285.24 |
| Total Non-current Assets | 14,877.87 | 15,096.00 |
| Current Assets | | |
| Inventories | 244.84 | 511.42 |
| Financial Assets | | |
| (i) Investments | 205.36 | 185.07 |
| (ii) Trade Receivables | 1,027.59 | 552.00 |
| (iii) Cash and Cash Equivalents | 38.14 | 122.69 |
| (iv) Bank Balances other than (iii) above | 1,070.27 | 502.41 |
| (v) Loans | 1,082.03 | 1,631.03 |
| (vi) Other Financial Assets | 599.39 | 543.96 |
| Other Current Assets | 300.89 | 313.55 |
| Total Current Assets | 4,568.51 | 4,362.13 |
| Total Assets before Regulatory Deferral Account | 19,446.38 | 19,458.13 |
| Regulatory Deferral Account - Assets | 194.23 | 247.73 |
| Total Assets | 19,640.61 | 19,705.86 |
| EQUITY AND LIABILITIES | | |
| EQUITY | | |
| Equity Share Capital | 4,020.82 | 4,020.82 |
| Other Equity | 288.19 | 503.51 |
| Total Equity | 4,309.01 | 4,524.33 |
| LIABILITIES | | |
| Non Current Liabilities | | |
| Financial Liabilities | | |
| (i) Borrowings | 10,128.10 | 10,150.70 |
| (ii) Trade Payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | - | - |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | 29.35 | 29.35 |
| (iii) Lease Liability obligation | 62.54 | 69.68 |
| (iv) Other Financial Liabilities | 77.58 | 82.17 |
| Provisions | 265.20 | 248.24 |
| Deferred Tax Liabilities (Net) | 68.42 | 50.42 |
| Other Non Current Liabilities | 276.24 | 278.06 |
| Total Non-current Liabilities | 10,907.43 | 10,908.62 |
| Current Liabilities | | |
| Financial Liabilities | | |
| (i) Borrowings | 1,276.66 | 984.31 |
| (ii) Trade Payables | | |
| (A) total outstanding dues of micro enterprises and small enterprises; and | 34.77 | 48.41 |
| (B) total outstanding dues of creditors other than micro enterprises and small enterprises. | 1,458.18 | 1,480.85 |
| (iii) Lease Liability obligation | 34.34 | 34.34 |
| (iv) Other Financial Liabilities | 948.28 | 853.23 |
| Other Current Liabilities | 347.41 | 284.73 |
| Provisions | 58.50 | 58.50 |
| Income Tax Liabilities (net) | - | 24.21 |
| Total Current Liabilities | 4,158.14 | 3,768.58 |
| Total Liabilities before Regulatory Deferral Account | 15,065.57 | 14,677.20 |
| Regulatory Deferral Account - Liabilities | 266.03 | 504.33 |
| Total Equity and Liabilities | 19,640.61 | 19,705.86 |



Notes :

- The aforesaid results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 4 August, 2020. The statutory auditor have carried out a review of the financial results for the quarter ended 30 June, 2020.
- Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of impact on business and financial risks on account of COVID-19. Considering that the Company is in the business of Generation, Transmission and Distribution of Power which is considered to be an Essential Service, the management believes that the impact of this outbreak on the business and financial position of the Company will not be significant. The management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

Further due to the lock downs being faced by the Company, in cases wherein physical meter reading could not be done, revenue has been recognised on billing done to consumers based on past average consumption which is in line with MERC regulations/directions.

- During the current quarter, the Company has incurred finance cost of Rs. 386.87 crores on borrowings. As per certain Lender Facility agreements, the Company is required to create Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA) which are earmarked funds. The Company earns interest income from restricted irreversible investment until the corresponding debts are outstanding. During the quarter, the Company has earned interest income of Rs. 6.64 crores from these earmarked funds. Accordingly, the net effective finance cost for the quarter amounts to Rs.380.23 crores.

Refer below table for comparatives:

Rs in crores

| Quarter / Year Ended | Finance Cost | Interest Earned on said Restricted Funds | Net Finance Cost |
|-------------------------------|--------------|--|------------------|
| Quarter ended 30 June, 2020* | 386.87 | 6.64 | 380.23 |
| Quarter ended 31 March, 2020* | 360.87 | 2.37 | 358.50 |
| Quarter ended 30 June, 2019 | 277.10 | 5.18 | 271.92 |
| Year ended 31 March, 2020* | 1,118.49 | 16.27 | 1,102.22 |

Includes Derivative MTM/Foreign exchange fluctuation Loss - (Net) of Rs 154.64 crores for the Quarter ended 30 June, 2020 and Gain - (Net) of Rs 52.05 crores for the Quarter and Year ended 31 March, 2020.

- Consequent to amendment in tariff regulations, the Company has changed the useful life in respect of batteries and meters and accordingly depreciation for the quarter is higher by Rs 67.64 crores.
- Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated 30 March, 2020, has approved the Truing -up of Annual Revenue Requirement (ARR) for FY 2017-18 and FY-2018-19, Provisional Truing -up of ARR for FY 2019-20 and ARR and Tariff for the Fourth Control Period from 2020-21 to 2024-25 for Generation, Transmission and Distribution Business of the Company (MYT Order). Consequent to the above order, the Company has recognised net income of Rs 143.98 Crores during the quarter ended 31 March, 2020.
- ATL has acquired the control of the company wef 29 August, 2018, through its purchase from Reliance Infrastructure Limited ("RINFRA"), of the equity shares of the Company. In accordance with Share Purchase Agreement, any incremental adjustment, arising as a result of the above MERC MYT order for the period 1 April, 2017 to 28 August, 2018 is to the account of R-infra.

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

- MERC vide its order dated 26 September, 2019 has upheld the demand raised by MSEDCL on the Company of Rs 124.60 crores, towards payment of fixed cost in respect of power procured from the State pool during the financial years ended 31 March, 2012 to 31 March 2018. Similar demands have also been raised by MSEDCL on other Mumbai Licensees.

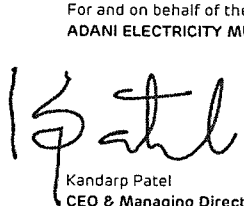
MERC in its above order, has however differed with the methodology adopted by MSLDC in calculating the above demand, and has issued instructions to MSLDC to issue revised bills based on the agreed revised methodology within a period of 1 year, and further, considering the amount/period involved directed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

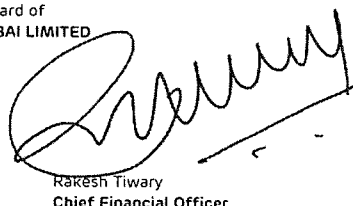
In terms of the above stated MERC Order, considering the proposed revision in the methodology to be adopted by MSLDC in calculating the above, and the complexities involved/unavailability of technical data in respect of all utilities, the management is unable to make an estimate of the above liability and accordingly no provision has been made in respect of the above in the results for the quarter ended 30 June, 2020. The Company would account for the same and pass through to the consumers, as and when the provisional/final invoices would be received.

Subsequent to the quarter end MERC vide its order 8 July 2020 has directed MSLDC to complete the Fixed Cost reconciliation by September 2020 and raise the bills accordingly.

- On 20 September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, 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 01 April, 2019 subject to certain conditions. The Company has decided not to avail the benefit provided under the above Ordinance, however the Company would evaluate its option in the future based on business developments.
- The chief operating decision maker evaluates the Company's performance and applies the resources to whole of the Company business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Hence the Company does not have any reportable segment as per Ind AS- 108 "Operating Segments".
- The Statement has been prepared by the Company for the sole purposes of consolidation requirements of ATL, the Holding Company.

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


Kandarpatel
CEO & Managing Director


Rakesh Tiwary
Chief Financial Officer

Place : Ahmedabad
Date : 4 August, 2020

