

Media Release

Adani Energy Solutions continues growth momentum

Q3 PAT up 80% YoY at Rs 625 crore

Adjusted Q3 PAT at Rs 440 crore excluding one-time tax reversal, up 26% YoY

Q3 EBITDA at Rs 1,831 crore, up 6% YoY

AESL during Q3 secured the largest project in its operating history. It bagged its third HVDC system, the Rajasthan Phase III Part-I (Bhadla-Fatehpur), with an estimated project cost of Rs 25,000 crore. With strong order book and exemplary execution and robust asset management, AESL consolidated its position as the largest private transmission player in India

Editor's Synopsis

- Robust growth of 24% in total income of Rs 6,000 crore in Q3 is driven by the contributions from the recently commissioned MP Package-II, Kharghar-Vikhroli, Warora-Kurnool, Khavda-Bhuj, Mahan-Sipat lines, higher energy sales in Mumbai and Mundra utilities
- EBITDA increased by 6% to Rs 1,831 crore for the quarter translating from strong revenue growth, EPC income in transmission, treasury income and steady regulated EBITDA in AEML
- PAT increased by 80% YoY, resulting from higher EBITDA, and aided by reversal of net deferred tax liability of Rs 185 crore, mainly due to divestment of Dahanu plant in AEML
- Adjusted PAT excluding one-time tax items increased by 26% YoY to Rs 440 crore
- Secured two new transmission projects - Khavda Phase IV Part-D and Rajasthan Phase III Part I (Bhadla – Fatehpur HVDC), thereby adding 3,044 ckm to under construction network
- The company has fully commissioned MP package - II transmission line during the quarter and is on track to fully commission Sangod, Khavda Phase-II Part-A, KPS-1 lines in FY25
- With five new project wins so far this year, the under-construction transmission pipeline has zoomed to ~Rs 54,761 crore in Q3FY25 from Rs 17,000 crore
- The capex as of 9MFY25 has increased to Rs 7,475 crore, as against Rs 3,784 crore in 9MFY24
- The smart meter deployment is progressing well with the current average run-rate of 15,000 meters per day expected to reach an average of 20,000 meters per day by the next quarter
- In line with the robust power demand trends, Q3 energy demand (units sold) in Mumbai circle (AEML), ended 3% higher YoY and increased by 30% YoY at Mundra Utility (MUL)

Ahmedabad, 23 January 2025: Adani Energy Solutions Limited ("AESL"), part of the globally diversified Adani portfolio and the largest private transmission and distribution company in India with a large smart metering portfolio, today announced its financial and operational performance for the quarter and nine month ended December 31, 2024.

"Continuing the growth momentum, AESL reported another strong quarter on both operating and financial metrics. The company stays focused on timely project commissioning as well as achieving operating efficiencies. The key highlight of this quarter is the new project wins in AESL, which not only helps in gaining market share but also strengthens AESL's pole position as the largest private transmission player in India. The power demand trends in both utilities are encouraging and we are making progress with the installation of smart meters in all our contracts with daily average installation consistently improving. We are confident that despite a large order book of Rs 54,761 crore in transmission and ~Rs 13,600 crore in smart metering, the company will continue to deliver strong operating and financial performance, thanks to unparalleled project and operating excellence coupled with robust capital management program," said **Kandarp Patel, CEO, Adani Energy Solutions.**

Q3 FY25 and 9M FY25 Highlights:

Consolidated Financial Performance:

(Rs crore)

Particulars	Q3 FY25	Q3 FY24	YoY %	9M FY25	9M FY24	YoY %
Operational Revenue	4,173	3,615	15.4	12,941	10,657	21.4
Total Income	6,000	4,824	24.4	17,850	12,363	44.4
Operating EBITDA	1,579	1,454	8.6	4,814	4,077	18.1
Total EBITDA	1,831	1,732	5.7	5,484	4,553	20.4
PAT	625	348	79.5	1,714#	814	110.4
Adjusted PAT	440*	348	26.3	1,244#*	814	52.8
Cash profit	999	899	11.1	2,933#	2,306	27.2

(Note: Total Income = Operational revenue + income from Service Concession Agreement (SCA) assets / EPC / traded goods + One time income/expense + Other Income; Total EBITDA = Operating EBITDA plus other income, one-time regulatory income, adjusted for CSR exp.; Cash profit calculated as PAT + Depreciation and amortization expenses + Deferred Tax + MTM option loss); #Adjusted for an exceptional item due to carve-out of the Dahanu power plant of Rs 1,506 crore; *Adjusted for net one-time deferred tax reversal of Rs 185 crore in Q3FY25 and Rs 469 crore in 9MFY25 in AEML distribution business

Income: Total income witnessed robust growth of 24% on account of the contribution of the newly operationalized transmission assets (MP Package-II, KVTL, KBTL, WKTL lines), contribution from acquired Sipat Mahan line and an increase in energy sales due to consistent demand growth in distribution business at Mumbai and Mundra and growing contribution from smart metering business

- Strong transmission system availability of 99.7% at the portfolio level
- AEML, the Mumbai distribution business, witnessed an increase in the energy consumed by 3%. Its distribution losses of 4.66% remain low and the utility added new consumers, reaching 3.17 million on the back of reliable and affordable power supply

EBITDA:

- EBITDA increased by 6% to Rs 1,831 crore for the quarter resulting from strong revenue growth across all segments, higher EPC income in transmission, treasury income and steadily regulated EBITDA from the Distribution business
- The operational EBITDA of Rs 1,579 crore in Q3 ended 9% higher. The transmission business continues to maintain the industry's leading operating EBITDA margin of ~92%

PAT: PAT of Rs 625 crore in Q3 FY25 was 80% higher YoY, translating from a strong EBITDA growth and boosted by reversal of net deferred tax liability of Rs 185 crore mainly due to divestment of Dahanu plant in AEML

Segment-wise Financial Highlights:

(Rs crore)

Segment	Particulars	Q3 FY25	Q3 FY24	YoY %	9MFY25	9MFY24	YoY%
Transmission	Op Revenue	1,189	1,056	12.6	3,561	2,881	23.6
	Operating EBITDA	1,086	967	12.4	3,258	2,628	24.0
	EBITDA	1,239	1,055	17.4	3,665	2,824	29.8
	PAT	359	246	45.7	973	668	45.8
	Cash Profit	669	530	26.3	1,930	1,448	33.3
Distribution (AEML and MUL)	Op Revenue	2,973	2,559	16.2	9,359	7,777	20.3
	Operating EBITDA	484	487	-0.7	1,541	1,448	6.4
	EBITDA	557	677	-17.7	1,738	1,729	0.5
	PAT	257	102	152.4	#706	147	380.7
	Cash Profit	317	369	-14.1	#960	857	12.0

Note: #Adjusted for an exceptional item because of carve-out of the Dahanu power plant in line with Ind AS 105 of Rs 1,506 crore. KVTL – Kharghar Vikhroli, KBTL – Khavda Bhuj, WKTL: Warora Kurnool, MP-II: Madhya Pradesh Package II; AESML: Adani Energy Solutions Mahan Ltd (acquired from Essar), AEML: Adani Electricity Mumbai Ltd; MUL: MPSEZ (Mundra) Utility Ltd

Segment-wise Key Operational Highlights:

Particulars	Q3 FY25	Q3 FY24	Change
Transmission business			
Average Availability (%)	99.7%	99.7%	In line
Transmission Network Added (ckm)	225	302	Lower
Total Transmission Network (ckm)	25,778	20,422	Higher
Distribution business (AEML)			
Supply reliability (%)	99.99%	99.99%	In line
Distribution loss (%)	4.66%	5.44%	Lower
Units sold (MU's)	2,574	2,489	Higher
Distribution business (MUL)			
Units sold (MU's)	236	182	Higher

Transmission business:

- On operational parameters, it was a strong quarter, with an average system availability of over 99.7%. Robust line availability resulted in an incentive income of Rs 33 crore in Q3FY25. During 9MFY25 the company earned an incentive income of Rs 97 crore highlighting its operational excellence in operating and maintaining the transmission infrastructure
- During the quarter, the company won two new transmission projects: Khavda Phase IV Part-D with a project cost of Rs 3,455 crore and Rajasthan Phase III Part-I (Bhadla – Fatehpur HVDC) with a preliminary project cost of ~Rs 25,000 crore, thereby adding 3,044 ckm to under construction network. With five new project wins so far this year, the under-construction project pipeline has zoomed to Rs 54,761 crore in Q3FY25 from Rs 17,000 crore at the start of the year
- The company has fully commissioned MP package - II transmission line during the quarter
- Added 225 circuit kilometers during the quarter and ended with a total transmission network of 25,778 circuit kilometers

Distribution business (AEML Mumbai and MUL Mundra):

- In line with the robust power demand trends, Q3 energy demand (units sold) in Mumbai circle (AEML), ended 3% higher YoY and increased by 30% YoY at Mundra Utility (MUL)
- The distribution loss at AEML has been improving consistently and stands at 4.66% in Q3FY25. Maintained supply reliability at over 99.9%

Segment-wise Progress and Outlook:

Transmission:

- Robust under construction project pipeline of 13 projects worth Rs 54,761 crore are currently under the execution phase
- We expect to fully commission the Sangod (STSL), Khavda Phase-II Part-A, KPS (Khavda Pooling Station) – 1 in the current fiscal year
- The near-term tendering pipeline for the industry is solid and upwards of ~Rs 61,000 crore

Distribution:

- The distribution business continues to show a steady performance with double digit revenue growth and expansion of RAB (regulatory asset base). AEML's RAB after Dahanu divestment stands at Rs 7,627 crores (Equity of Rs 4,396 crores and Debt of Rs 3,231 crores) as of Q3FY25

Smart Meters:

- The smart meter deployment is progressing well with the current average run-rate of 15,000 meters per day expected to reach an average of 20,000 meters per day by the next quarter
- AESL was the lowest bidder in the cancelled smart metering tender of 8.2 million meters in Tamil Nadu. The order quantity of 8.2 million meters was not part of its existing pipeline of 22.8 million meters. The company will take part in the rebidding
- The under-implementation pipeline stands at 22.8 million smart meters, comprising nine projects with a revenue potential of over Rs 27,195 crore

ESG Updates:

- AESL has joined UNEZA, a global alliance for clean energy and renewable infrastructure development. The company is first in power and utilities segment in India to join the global alliance, focused on developing grid infrastructure for green energy evacuation
- AESL's CSA score from S&P Global has improved to 73/100 as of November 2024, surpassing the global electricity utilities average at 42/100. This was driven by improvements in product stewardship, climate strategy, and human capital engagement categories
- The share of renewable power supplied to the Mumbai circle stands at 36% as of YTD FY25, and is on track to achieve 60% by FY27
- Scored 97% in the World Disclosure Initiative (WDI) survey, by Thomson Reuters Foundation well above the energy sector and country averages of 76% and 60% respectively
- Adani Electricity and Adani Foundation organized a month-long "Eye Check-up Camp," across 94 locations. 3,000 underprivileged women received eye care through "Swabhimaan Initiative" and over 17,320 children under "Utthan Project" benefited from the camp
- Adani Electricity and Adani Foundation, through their CSR initiative 'Swabhimaan Project,' has empowered over 4,000 underprivileged women, providing them with skill development training and opportunities to earn a sustainable livelihood

Achievements:

- AEML received the OHS Indian 2024 Award at the 10th Edition of OSH India Awards in the "Excellence in Occupational Health and Safety Management System - Technology and Services" category, recognizing the company's commitment to a safe and sustainable work environment
- AEML has honored with a silver certificate by Arogya World in the "Healthy Workplace" category. This reflects the company's commitment to prioritize employee health and well-being, in line with the WHO standards

About Adani Energy Solutions Limited (AESL):

AESL, part of the Adani portfolio, is a multidimensional organization with presence in various facets of the energy domain, namely power transmission, distribution, smart metering, and cooling solutions. AESL is the country's largest private transmission company, with a presence across 16 states of India and a cumulative transmission network of 25,778 ckm and 84,186 MVA transformation capacity. In its distribution business, AESL serves more than 12 million consumers in metropolitan Mumbai and the industrial hub of Mundra SEZ. AESL is ramping up its smart metering business and is on course to become India's leading smart metering integrator with an order book of over 22.8 million meters. AESL, with its integrated offering through the expansion of its distribution network through parallel licenses and competitive and tailored retail solutions, including a significant share of green power, is revolutionizing the way energy is delivered to the end consumer. AESL is a catalyst for transforming the energy landscape in the most reliable, affordable, and sustainable way.

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