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INDIA'S NO. 1 POWER UTILITY

We are India's No. 1 utility company according to the Ministry of Power's Annual Distribution Utilities Ranking Report.

INDIA'S NO. 1 POWER UTILITY

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Adani Electricity Mumbai Limited

13th Compliance Certificate (March 2026)

Comprising Adani Electricity Mumbai Limited and Power Distribution Services Limited

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1. Executive Summary

About Adani Group

Adani Group is India's leading energy and infrastructure conglomerate and among the country's largest infrastructure and real assets platforms. With a diversified portfolio of **13 listed companies**, the Group has established a strong financial foundation—**three portfolio companies hold investment-grade international credit ratings**, supported by robust liquidity and financial coverage.

From its origins as a commodity trading enterprise, Adani Group has transformed into a creator and operator of critical infrastructure, bridging key demand gaps in India's development journey. The Group's growth is guided by its core philosophy of "**Nation Building**" and the principle of "**Growth with Goodness**," ensuring sustainable, inclusive, and responsible expansion.

Adani Group is committed to strengthening its **ESG footprint** through climate-focused initiatives, renewable energy integration, and impactful community development programmes. Its CSR initiatives are anchored in sustainability, diversity, and shared value creation.

Company Overview

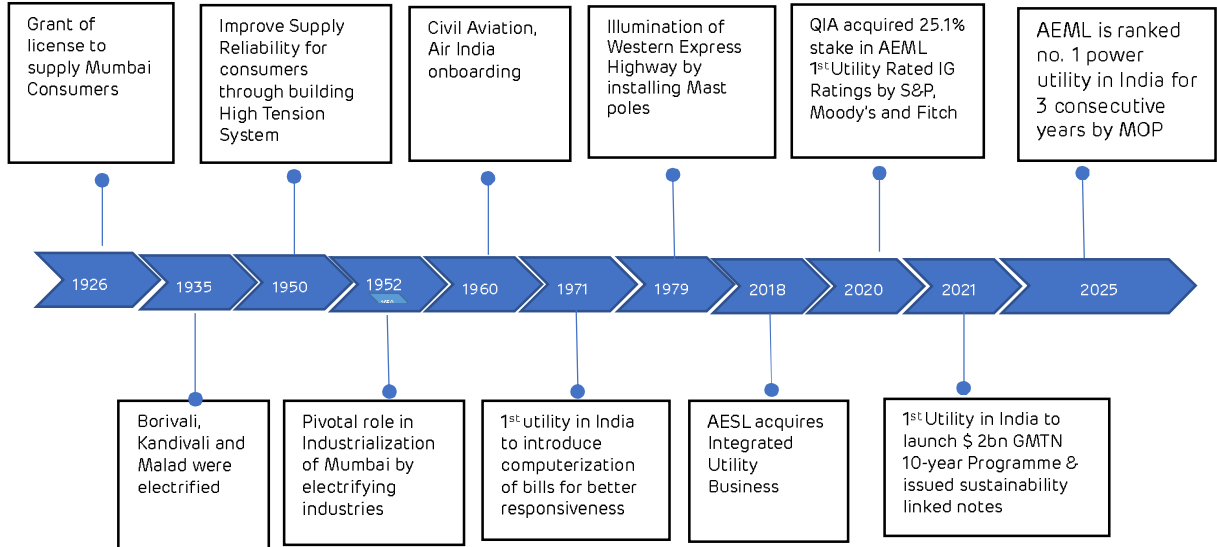
Adani Electricity Mumbai Limited (AEML) is India's **No. 1 power utility company** according to Ministry of Power's Annual Distribution Utilities Ranking Report and a subsidiary of **Adani Energy Solutions Limited (AESL)**.

AEML operates as a **Section 62 regulated utility under the Electricity Act, 2003**, following a **cost-plus regulatory framework**. This structure ensures stable returns and minimal risk exposure, positioning AEML as a high-quality, regulated **Return on Equity (ROE)** asset. The company is supported by **PDSL**, which provides specialized network and select back-office services.

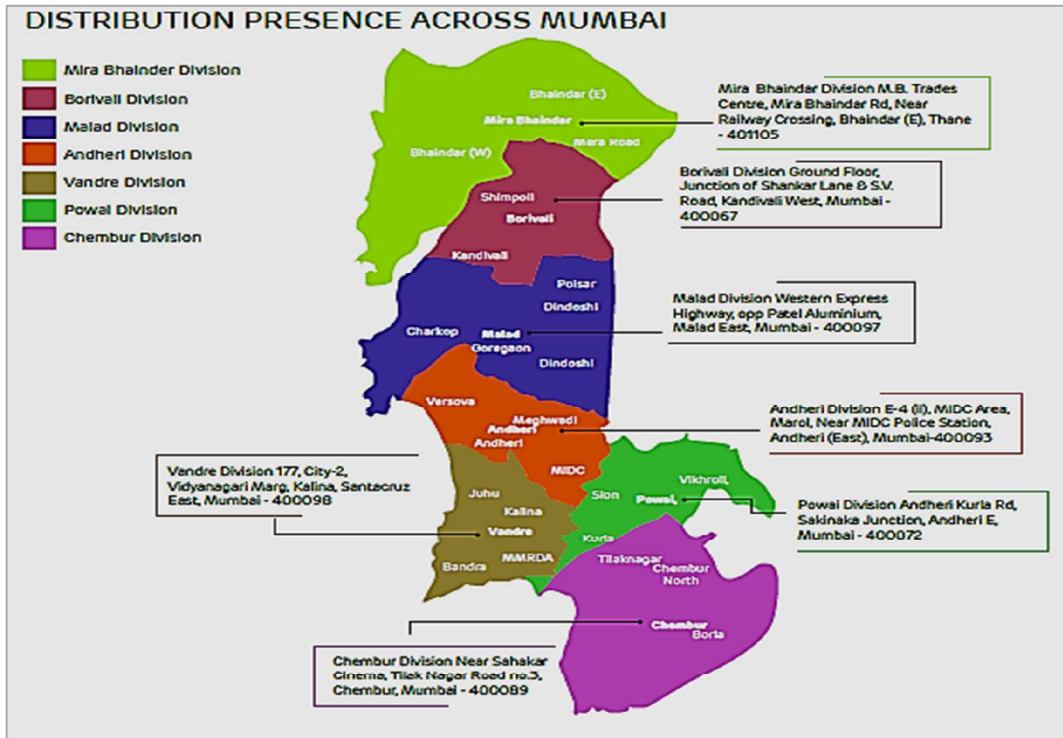
Key Highlights

- **Heritage & Trust:** Partnering Mumbai's growth journey for nearly a century, since **1926**
- **Service Area:** Electricity distribution across Mumbai and its suburban regions covering approximately **400 sq. km**
- **Power Demand:** Supplies Mumbai's substantial demand of about **2,300 MW**
- **Network Strength:** Extensive, resilient, and highly efficient distribution network
- **Competitive Tariffs:** Reliable power at competitive rates, supported by significant **in-group renewable energy access**
- **Elite Recognition:** A+ Grade for Outstanding Customer Service under CSRD by REC and A+ rating in the integrated assessment released by PFC

A 100-year legacy of serving Mumbai's consumers, Increase in number of customers from 2.5k to 3.27 Mn

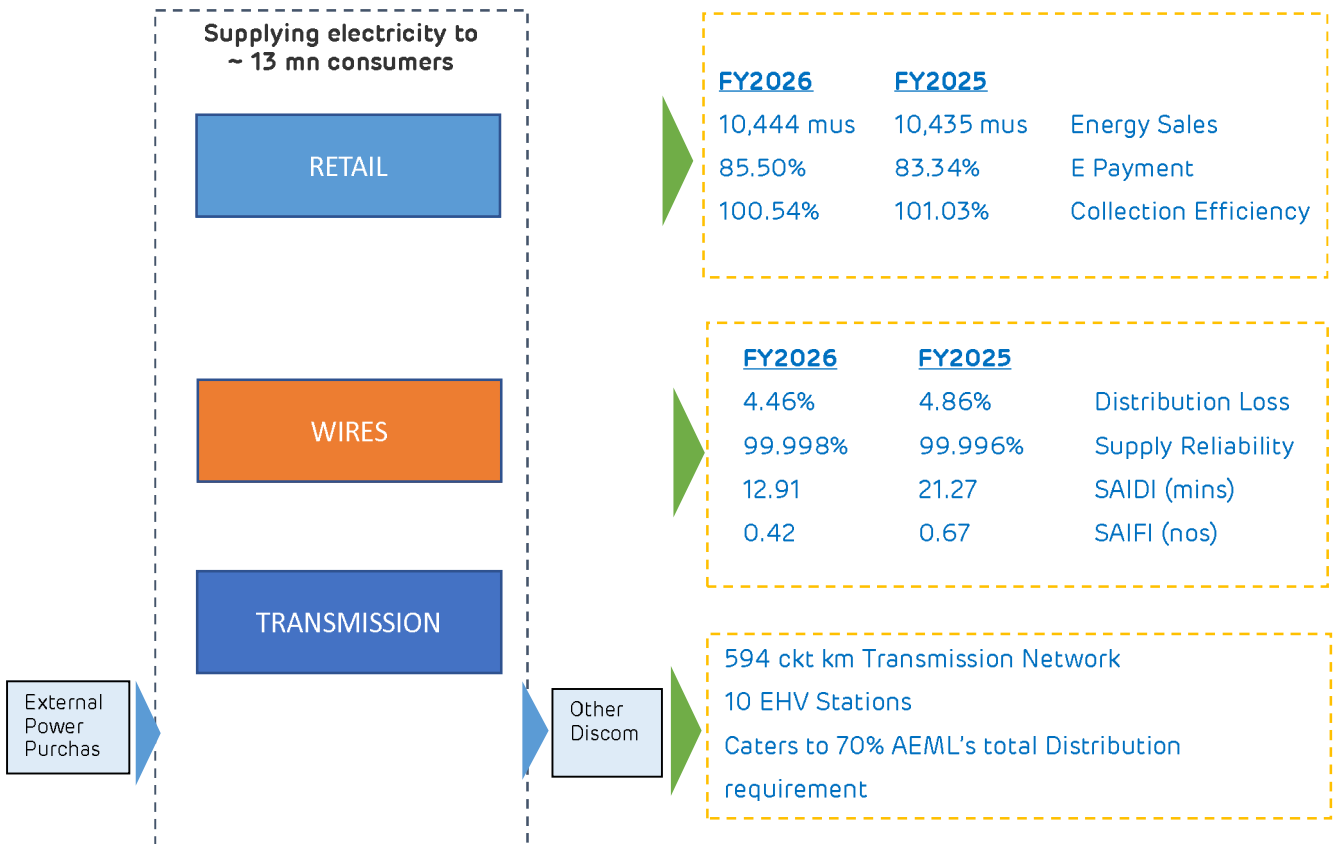


AEML Distribution Area



INTIGRATED UTILITY

KEY HIGHLIGHTS



Adani Electricity Mumbai Limited (AEML) Obligor Group.

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") constitute a collective obligor group for the purposes of the U.S. dollar-denominated notes. AEML is the principal operating entity and is majority owned (74.9%) and controlled by Adani Energy Solutions Limited ("AESL"), formerly known as Adani Transmission Limited. Qatar Holding LLC holds the remaining 25.1% equity interest in AEML and PDSL.

PDSL, a wholly owned subsidiary of AESL, performs a key structural function within the obligor framework by receiving AEML's allocated corporate cost recoveries and ring-fencing the associated cash flows for the benefit of the obligor group. This structure is designed to enhance creditor protections and ensure the effective flow of funds to service obligations under the U.S. dollar notes, in accordance with the transaction's cash-flow and security arrangements.



Adani Electricity Mumbai Shines in National Consumer Service Ratings! Ranked No 1 amongst Mumbai Discoms

Adani Electricity, the largest power distributor in Mumbai, has once again garnered an impressive 'A' rating in the Consumer Service Ratings for FY 2024-25, released by the Ministry of Power, Government of India.

Standing tall among 66 Discoms across India, the achievement showcases Adani Electricity's commitment to providing Reliable, Sustainable, and Customer-centric power services at competitive Tariffs.

Key Findings from the Report that make Adani Electricity stand out

- **24x7 Power:** We keep the lights on for our 3.27 million customers, ensuring uninterrupted power supply with an average of 24 hours per day, exceeding the national average of 23.59 hours.
- **Minimal Outages:** We experience significantly fewer outages compared to others, with an Interruption Index of 0.20 against the national average of 200.15!
- **Speedy Connections:** Streamlined new connection process, with 100% of applications processed online compared to the national average of 82%.
- **Accurate Billing:** Prioritizing transparency, with 100% of bills based on actual meter readings and 95% using non-manual meter reading, far exceeding the national averages.
- **Convenient Communication:** We keep consumers informed, with 94% receiving billing alerts and are continuously improving. Nearly 80% consumers now pay bills digitally, the rest visit one of our Genius Pay Self-Help Kiosk spread across our Distribution area.
- **Prompt Grievance Redressal:** We resolve concerns quickly and efficiently, taking 89% less time than the specified time limit for call center complaints.

The Report also highlighted Adani Electricity's Technological Edge in achieving Enhanced Reliability as an Industry Best Practice

Showcasing how Adani Electricity is Leveraging cutting-edge GIS technology, to pinpoint and rectify faults promptly, further solidifying reliability. The Company aims to minimize the average complaint management time by focusing on network abnormalities rather than customer calls as this system efficiently identifies the "most probable" location of a power outage, enabling the team to promptly dispatch crews and resolve issues swiftly.

Highlights of FY FY2026

Power Procurement and Regulatory Approvals

- A long-term power purchase agreement (PPA) with a tenor of 25 years has been executed for the procurement of 250 MW of wind power from JSW Neo Energy Limited at a tariff of ₹3.65/kWh, with an expected capacity utilization factor (CUF) of 31%. Commercial supply is expected to commence within the next 15–18 months.
- The Maharashtra Electricity Regulatory Commission (MERC) has approved the tariff for procurement of 50 MW of solar power from SECI at ₹2.67/unit for a period of 25 years, with supply expected to begin during H1 FY2027.
- MERC has granted in-principle approval for AEML-T's capital expenditure scheme for laying an additional 220 kV underground cable to augment capacity on the Boisar–Ghodbunder–Borivali LILLO line, involving an estimated project cost of ₹168 crore.

Tariff and Regulatory Developments

- Successfully implemented Multi-Year Tariff (MYT) changes for FY2026, including tariff revisions aligned with new Time-of-Day (ToD) slots, rationalization of bulk Open Access discounts, and introduction of Captive ToD discounts for Open Access consumers.

Digital Transformation and Customer Experience

- Achieved 100% adoption of the C4C CRM mobile portal, enabling real-time customer data capture during field operations and enhancing decision-making, operational efficiency, and customer engagement.
- Successfully executed Time-of-Day tariff migration for residential consumers equipped with smart meters, improving billing accuracy and operational efficiency.
- Implemented Gen-AI-based Root Cause Analysis (RCA) for consumer complaints and Gen-AI-enabled Customer Care Co-pilot (CCC) across five commercial processes, materially enhancing customer experience and process efficiency.
- Commercial complaints declined by approximately 30%, driven by improved optical meter reading accuracy, on-the-spot billing through IVR and WhatsApp Bot channels, predictive analytics, and proactive communication for high-consumption-related issues.
- Cumulatively installed 15.7 million smart meters, achieving auto meter reading efficiency in excess of 92%.

Technology Enablement

- Implemented ten Low-Code Application Platform (LCAP) modules, including Bill Distribution, Complaint Management, GIS Portal, Reverse Migration, and High-Tension (HT) Web applications. Further modules and enhancements are under active development.
- Developed a centralized, automated KPI management framework leveraging a Google Cloud-based data lake, enabling enterprise-wide performance monitoring through a CEO-level integrated scorecard.
- Launched email and WhatsApp chatbots on a Conversational AI platform integrated with the Customer Contact Centre, resulting in reduced call volumes and improved agent efficiency.

Capital Expenditure and Network Strengthening

- MERC accorded in-principle approval to 19 Detailed Project Reports (DPRs) during FY2026, including 17 DPRs for AEML-D (₹4,888.53 crore) and 2 DPRs for AEML-T (₹460.44 crore).
- Successfully commissioned the Chandivali 220 kV EHV scheme, strengthening transmission infrastructure.
- Achieved capital expenditure of ₹18,110 million and capitalization of ₹17,110 million during FY2026, fully funded through internal accruals with no incremental debt.

Operational and Sustainability Performance

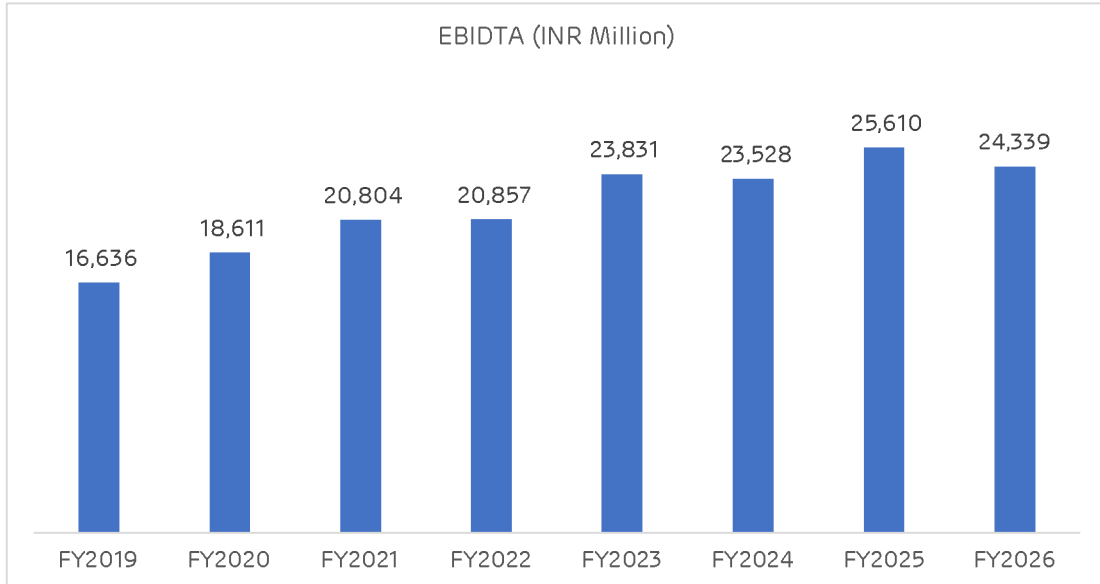
- Clean energy share increased to 38.23% in FY2026, compared with 35.80% in FY2025.
- Distribution losses improved to 4.43% in FY2026, from 4.86% in FY2025.
- Delivered over 116,000 hours of safety training during FY2026, covering a wide cross-section of operational personnel.

Credit Rating Developments

- International credit rating agencies S&P Global Ratings and Moody's Investors Service revised AEML's outlook from Negative to Stable.
- CareEdge Global Ratings assigned AEML an international rating of BBB+ with Stable outlook, aligned with India's sovereign rating and one notch above AEML's existing international ratings.
- Domestic rating agencies upgraded AEML's ratings: India Ratings from IND AA+/Stable to IND AAA/Stable, and CRISIL from AA+/Positive to AAA/Stable.

Financial achievements

EBITDA Performance: EBITDA has grown at CAGR of 5.6%.



FY 2026 EBITDA is lower on account of DTPS Carve out in September 2024 and one time MYT Order in FY2025.

Operational Performance for Distribution business

Annual Energy Sales for FY2026 marginally higher than FY2025. This is due to the early onset and prolonged monsoon followed by early and strong winter in FY2026. The details for the same along with the breakup of the sales mix, are represented in the table below:

Sales Mix (Mus)	FY2026	FY2025	Increase %
Residential	5,191	5,318	-2.4%
Commercial	4,014	4,024	0%
Industrial	1,239	1,093	13.4%
Total	10,444	10,435	0.1%

An efficient and stable business is one, which is able to effectively collect its receivables in a timely manner, and AEML is one such business that focuses and puts forwards a lot of focus on its collection drives and has provided its consumers with various payment options which includes digital options, KIOSKS etc. for the timely servicing of the electricity bills. Due to the continuous endeavour and monitoring of the collections, AEML, was able to clock near cent percent collection efficiency.

Renewable Power commitment

- AEML has significantly enhanced its Renewable Energy portfolio, increasing the share of renewable power from 3% in FY2019 to 37.54% as of March 2026 (if 3,224.23 MUs procured through REC Certificates are considered (equivalent to 28.38%) for past period RPO compliance as per MERC Regulations renewable shares will increase to 65.92%), in line with its commitments under the July 2021 Sustainability-Linked Bond (SLB) issuance.
- AEML consumers will take pride in being among a select group globally to source a substantial proportion of their electricity from Renewable Energy sources, with the renewable share targeted to reach 60% by 2027.
- Scaling up Renewable Energy supply is a core pillar of the Company's strategy, reinforcing its commitment to delivering reliable, affordable, and sustainable electricity to its consumers.

Credit Ratings

International Rating

All three international rating agency has completed annual surveillance of AEML and has reaffirmed Investment Grade (IG) Rating capped at sovereign. During the year S&P and Moody's has upgraded outlook from Negative to Stable

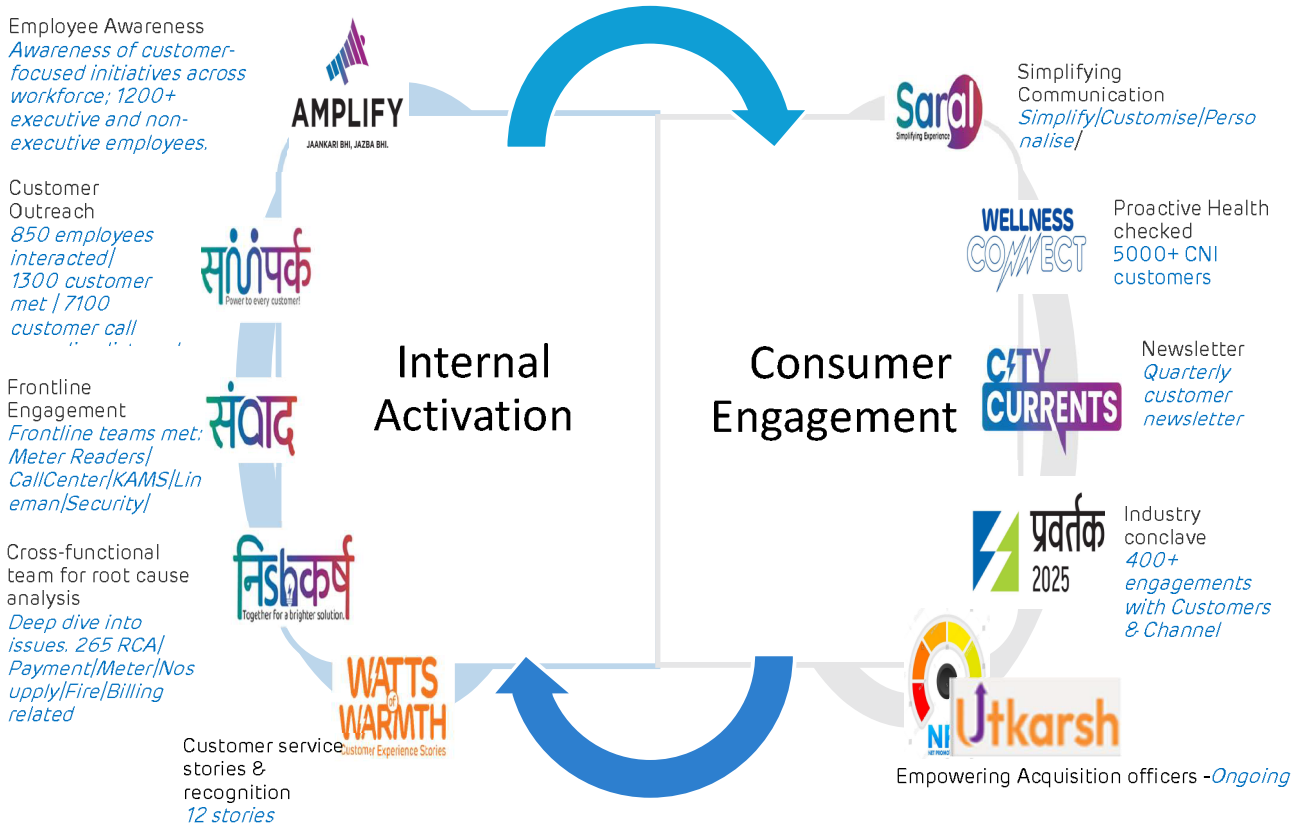
Rating Agency	Rating/Outlook	Rating/Outlook
	\$ 1bn Senior Secured Notes	\$ 300mn Sustainability Linked Notes
Moody's	Baa3/ Stable	Baa3/ Stable
Fitch	BBB-/	BBB-/
S&P	BBB-/ Stable	-
CareEdge Global	BBB+/Stable	BBB+/Stable

Domestic Rating

During the year India Rating has upgraded Rating from IND AA+/Stable to AAA/Stable and CRISIL has upgraded Rating from CRISIL AA+/Positive to CRISIL AAA/Stable

Rating Agency	Rating/Outlook
India Ratings	IND AAA/Stable
CRISIL	CRISIL AAA/Stable

Consumer Engagement Programme



Corporate Social Responsibility (CSR)

CSR Initiatives of AEML

Corporate Social Responsibility (CSR) at AEML represents a core business philosophy that guides the Company to operate responsibly while creating long-term value for society and the environment. AEML integrates social, environmental, and economic considerations into its operations and stakeholder engagements, ensuring accountability, transparency, and sustainable development for the communities it serves and the broader public.

Flagship Projects at AEML

AEML's CSR initiatives reinforce its voluntary commitment to creating positive social and environmental impact beyond its core business operations. The Company undertakes CSR activities throughout the year, focusing on inclusive and sustainable development. Its key flagship programmes are centered on the priority areas of **Education**, **Sustainable Livelihoods**, **Skill Development**, and **Community Health**, reflecting AEML's long-term commitment to community well-being and social upliftment.



The following are some of the ongoing projects which needs a special reference and shows the commitment of the Company with respect to CSR activities.

Education: Utthan

Utthan initiative, launched in September 2021, addresses foundational literacy and numeracy (FLN) challenges among students in BMC schools. The project aligns with the National Education Policy (NEP) 2020 and supports holistic child development through interactive and joyful learning experiences.

Objective - Improve Mumbai Suburban's NAS (National Assessment Survey) ranking, advancing from 35th to the top 15 districts in Maharashtra by 2028.

Approach and Implementation - 3-year initiative targeting 947 BMC primary schools, impacting over 150,000+ students. The focus is on :-

- Strengthening FLN in early grades (Classes 1-4)
- Provide scholarship books and study materials for Classes 9–10 to strengthen academic performance and enhance outcomes under the scholarship program
- Baseline assessment conducted by an independent third-party agency, M/s ImpactDash, to evaluate program effectiveness and learning outcomes

Sustainable Livelihood: Swabhimaan (Self Respect) : The Rise of SHE

Launched in 2022, Swabhimaan is a flagship initiative to empower underprivileged women, particularly in Malad-Malwani and Mira Road.

Engagement:

- Over 4,500 women reached through the initiative
- Implementation of Entrepreneurship Development Programs (EDPs)
- Formation and strengthening of Entrepreneur Self-Help Groups (ESHGs)
- Capacity building through financial literacy, resource mapping, business planning, and upskilling

Key Achievements & Impact

- Facilitated ₹1.85 crore in institutional loans for 50 Self-Help Groups (SHGs) comprising over 520 members
- Trained more than 865 Swabhimaan beneficiaries in livelihood skills such as Worli painting and artificial jewellery making
- Over 350 Swabhimaan beneficiaries received training in Financial and Digital Literacy.
- Enabled more than 3,400 women to establish and operate their own micro-businesses
- INR 1.25 crore+ sales generated since April 2025

Program Overview

- Project Start Date: September 2022
- Total Beneficiaries: 4,000 women
- New Additions in 2024: 500 beneficiaries
- Impact Assessment: Conducted by ImpactDash

Community Health

Overall, 26,205 Swabhimaan and Utthan beneficiaries were screened, and 9,114 spectacles were provided

- During the current financial year, 3,825 women and 1,204 students were screened, with 3,205 women and 141 students receiving free spectacles
- 12 health camps conducted, reaching 1,470+ beneficiaries
- Hemoglobin (Hb) testing along with iron-folic acid tablet distribution
- Blood sugar screening for early detection of diabetes
- Blood pressure, BMI, and weight assessments
- Gynecologist consultations to address women's health needs

Community Development

- At Malad Malwani BMC School, a water recharge activity has been successfully implemented, which is expected to recharge approximately 20.04 lakh litres of water during the monsoon season, considering around 64 days of rainfall. This initiative contributes significantly to groundwater replenishment, helps reduce surface runoff and localized flooding, and supports long-term water security in the area. Additionally, it aids in maintaining soil moisture, promotes healthy vegetation, and strengthens climate resilience by conserving rainwater and reducing dependence on external water sources.
- A drinking water project was implemented in Waje Village by laying water distribution lines from a common well to a hamlet comprising 70 households. This initiative will provide safe and reliable drinking water for approximately 400 people. Environmentally, the project promotes sustainable use of local water resources by optimizing the existing well infrastructure, thereby reducing dependence on water tankers and associated fuel consumption and emissions. Improved access to nearby potable water also minimizes groundwater over-extraction from multiple individual sources and reduces soil disturbance caused by informal water collection. Overall, the project supports efficient water management, lowers the community's environmental footprint, and contributes to long-term water sustainability in the village.

2. Sustainability, Reliability and Affordability

Our corporate strategic framework focuses on three key fundamentals that guide our actions and define success, ensuring the delivery of a sustainable, reliable, and affordable power supply while maintaining high standards of customer service.

2.1 Sustainability

AEML is committed to advancing all **United Nations Sustainable Development Goals (SDGs)**, with a strategic focus on **SDG 7 – Affordable and Clean Energy, SDG 11 – Sustainable Cities and Communities, and SDG 13 – Climate Action.**

In the context of rapid developments and growing opportunities within the power sector, AEML's role has become increasingly critical. What we do today matters more than ever—generating affordable, clean, and renewable energy to enable a more equitable, resilient, and sustainable future.

With a strong emphasis on renewable energy adoption, AEML has successfully contracted **700 MW of power supply from a hybrid solar-wind power plant**, delivering an impressive **50% Capacity Utilization Factor (CUF)**. As a result, AEML increased its renewable energy procurement mix to **30% by 2023**, with a clear roadmap to scale this further to **60% by 2027**. This transition is expected to offset emissions equivalent to **up to ~16% of Mumbai's total greenhouse gas (GHG) emissions.**

To put this achievement into perspective, **India has set a national target to reduce GHG emission intensity by 33% against the 2005 baseline.** Against this backdrop, AEML aims to achieve **nearly twice India's national target**, doing so **three years ahead of schedule**, based on a **2019 baseline**, as compared to India's 2005 baseline.

Underscoring the seriousness of this commitment, AEML has linked these sustainability targets to **financial penalties for non-achievement** under its issuance of **USD 300 million in notes to international investors**, reinforcing strong accountability and demonstrating the depth of its climate and sustainability resolve.

KPI under Sustainability Linked Notes

Sustainability Performance Targets (SPTs)

- KPI-1: Increase Renewable power mix in the overall power purchase mix
 - SPT 1: Attain at least 60% of renewable power procurement mix by end of FY2027
- KPI 2: Reduction in GHG Emission Intensity (Scope 1 and 2) (GHG Emission Scope 1 and 2 measured by tCO₂ divided by EBITDA of AEML)
 - SPT 2: Reduce GHG Emission Intensity (Scope 1 and 2) by 60% by end of FY2029, compared with FY2019.

As agreed in the pricing supplement for USD 300 million Sustainability Linked Notes 2031, for each financial year the Obligor Group need to publish Assurance Report on verified and/or certified by the External Verifier, which shall disclose the Renewable Power Mix (RPM) and the GHG Emission Intensity.

Annual Assurance Report for March 2026 on GHG Emission Intensity (Scope 1 & 2) and Renewable Power Mix (RPM) for detailed information will be uploaded on website of the company in due course (www.adanielectricity.com) under Investor Section.

The Progress under KPI-1 against base line year is as follows:

KPI-1 : Renewable Power Mix in Purchased Electricity: Units in Million (Mus)

Description		FY 2018-19 ⁽²⁾	FY2025-26
Procurement of electricity from the eligible renewable energy sources ⁽¹⁾	a	280.73	7,487.24*
Procurement of electricity from other than renewable energy sources	b	9,032.91	3,870.18
Total electricity procured	c=a+b	9,313.64	11,357.42
Percentage of procurement of electricity from the eligible renewable energy sources	a/c	3.01%	65.92%*

1. Eligible Renewable Energy sources are considered as per 'Renewable Purchase Obligation, its Compliance and Implementation of Renewal Energy Certificate Framework Regulations, 2019' issued by Maharashtra Electricity Regulatory Commission (the "Regulation") which means renewable sources such as mini hydro, micro hydro, small hydro, wind, Solar, biomass including bagasse, bio fuel cogeneration, urban or municipal waste and such other sources as are recognized or approved by Ministry of New and Renewable Energy, Government of India.
2. This includes utilization of 3,268.16 Mus in FY 2018-19 through embedded captive generation as per power purchase arrangement.
3. The FY2018-19 (Baseline year) numbers are referred from assured numbers reported by AEML.
4. *This includes 3,224.23 MUs procured (equivalent to 28.38%) for past period RPO compliance as per MERC Regulations.

KPI-2 : GHG Emission Intensity (Scope 1 & 2)

Parameter	UoM	FY 2018-19	FY 2025-26#
Scope-1 & 2 GHG emissions	tCO ₂ e	37,50,069	4,79,015
REC for compliance	tCO ₂ e	0	(22,89,205)
Effective Scope 1 & 2 GHG emissions	tCO ₂ e	37,50,069	(18,10,189)
AEML EBITDA *	Rs Cr	1,663.67	2,431.35
Emission Intensity per EBITDA of AEML	tCO ₂ e	2,254.09	(744.63)
	EBITDA (Rs Cr)		
Reduction (%)		Baseline	133.03%

(With REC & RE)

1. The reported data on EBITDA of AEML within the Report are based on standalone audited financial statements of the respective year.
2. 1 crore = INR 100,00,000
3. The FY2018-19 (Baseline Year) numbers are referred from assured numbers reported by AEML.

AEML has achieved 133.2% reduction in GHG emission intensity during FY 2026 as compared to base line target of 60% in FY2029

2.2 Reliability

Reliability is central to AEML's operating philosophy, as a dependable electricity supply is critical to sustained enterprise growth and economic activity. This commitment was clearly demonstrated during the COVID-19 pandemic, when AEML ensured uninterrupted 24/7 power supply to consumers even throughout prolonged lockdowns.

The Company's strong focus on reliability is further reflected in its consistently improving performance across key industry benchmarks, including SAIFI, SAIDI, CAIDI, and ASI. To sustain and enhance supply reliability, AEML follows a continuous, year-round capital expenditure (Capex) cycle, enabling systematic network strengthening and asset upgrades. This approach not only enhances system resilience but also delivers long-term value and improved service quality for consumers

- Mumbai's network design inherently insulates consumers from large-scale grid failures
- Despite 23 instances of National and Regional Grid outages over the past two decades, Mumbai consumers have remained largely unaffected
- Focused initiatives on asset hardening and network modernization to enhance system resilience



- Continued investments in advanced Operations & Maintenance (O&M) practices, contributing to consistently lower SAIDI and SAIFI levels

2.3 Affordability

Affordability reflects AEML's objective of providing affordable electricity tariffs to its approximately 13 million consumers.

AEML will continue to undertake initiatives that enhance consumer service delivery and improve the quality of community life. The Company's sustainability commitment is centered on the United Nations Sustainable Development Goals (SDGs), with **SDG 7 – Affordable and Clean Energy** serving as a cornerstone.

In alignment with this goal, AEML is committed to decarbonising power generation, transmission, and distribution operations, contributing to climate change mitigation while ensuring access to affordable and clean energy for all.

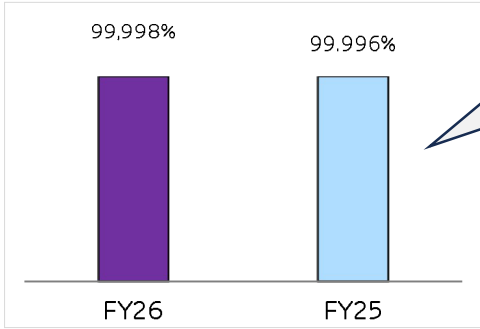
The measures undertaken comprise:

- 37.54% of total power procurement in FY2026 sourced from renewable energy (if 3,224.23 MUs procured through REC Certificates are considered (equivalent to 28.38%) for past period RPO compliance as per MERC Regulations renewable shares will increase to 65.92%) including 700 MW of hybrid (solar + wind) power contracted under a 25-year fixed-tariff Power Purchase Agreement (PPA) at ₹3.24 per unit
- Long-term PPA of 25 years executed for 250 MW of wind power from JSW Neo Energy Limited at a tariff of ₹3.65 per kWh, with an expected Capacity Utilization Factor (CUF) of 31%
- Reduction in dependence on short-term power procurement, resulting in overall power purchase cost savings
- Smoothing of Fuel Adjustment Cost (FAC), contributing to greater tariff stability for consumers

3. Operational Performance

Operating Metrics

Supply Reliability (ASAI) (%)

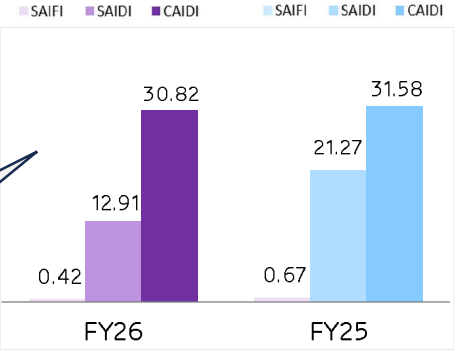


Higher the better

Maintained supply reliability of more than 99.9%

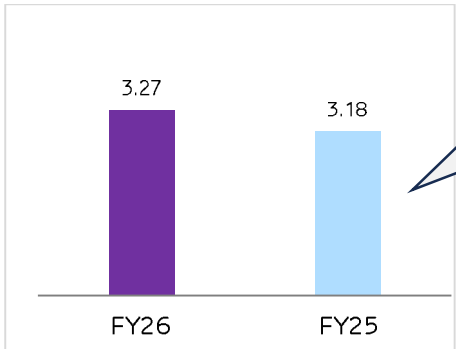
Reliability parameters remain in line with the global standards

SAIDI (mins), SAIFI (nos.) and CAIDI (mins)⁽¹⁾



Lower the better

Consumer base (million)

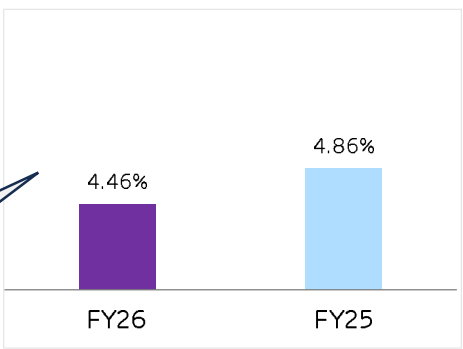


Higher the better

Maintained the consumer base on account of higher reliability and consumer centric initiatives

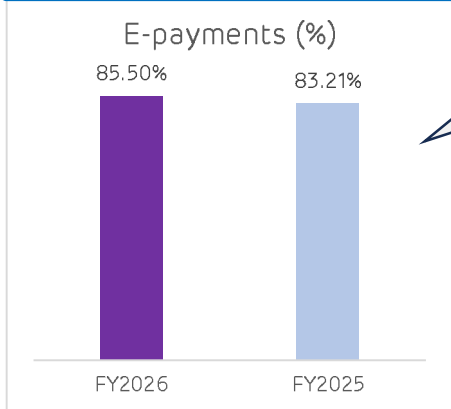
Distribution loss is constantly improving and remains well below regulatory norms

Distribution Loss (%)⁽¹⁾



Lower the better

E-payment (% of total collection)

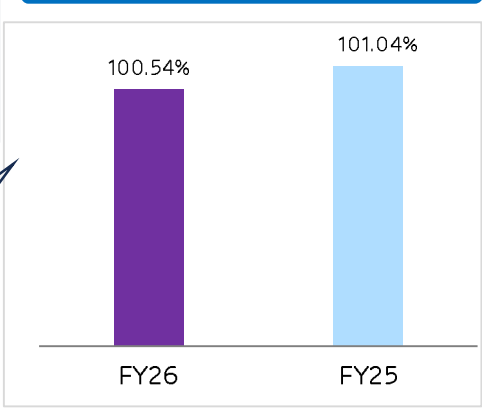


Higher the better

E-payments share increasing with greater adoption of digital payment

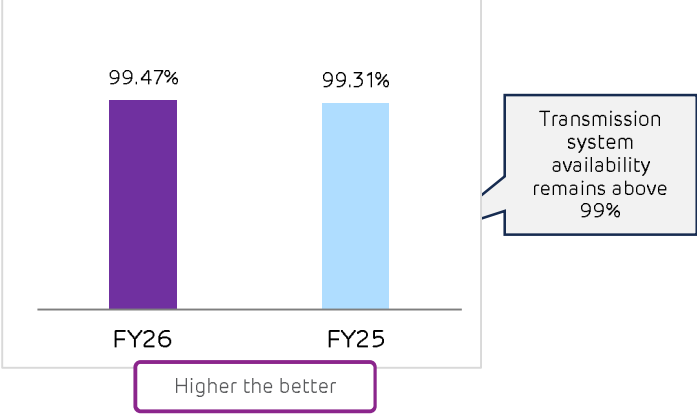
Collection efficiency is maintained

Collection Efficiency (%)



Higher the better

Transmission Availability (%)



Notes: 1) SAIDI - System Average Interruption Duration Index indicates average outage duration for each customer served, SAIFI - System Average Interruption Frequency Index indicates average number of interruptions, Customer Average Interruption Duration Index (CAIDI): indicates average time required to restore service during a predefined period.

4. Financial Performance

A. Summary of the Covenants for period ended on calculation date.

12 months ended on	DSCR	PLCR	Net Debt to RAB	FFO to Net Debt
March 31, 2026	4.77x	3.64x	0.59x	43.88%
September 30, 2025	4.53x	3.67x	0.72x	38.7%
March 31, 2025	4.12x	3.20x	0.70x	33.1%
September 30, 2024	3.52x	3.04x	0.78x	35.3%
March 31, 2024	3.92x	3.06x	0.78x	30.81%
September 30, 2023	4.32x	2.67x	0.96x	9.35%
March 31, 2023	4.76x	3.29x	0.86x	13.37%
September 30, 2022	4.80x	3.24x	0.86x	9.91%
March 31, 2022	5.53x	3.37x	0.89x	4.76%*
September 30, 2021	5.80x	3.33x	0.85x	9.74%
March 31, 2021	6.01x	3.41x	0.81x	16.03%*
September 30, 2020	3.84x	3.79x	0.85x	18.43%
March 31, 2020	2.35x	3.57x	0.82x	30.07%

DSCR - Debt Service Coverage Ratio, PLCR - Project Life Coverage Ratio, RAB - Regulatory Asset Base, FFO - Fund from Operations

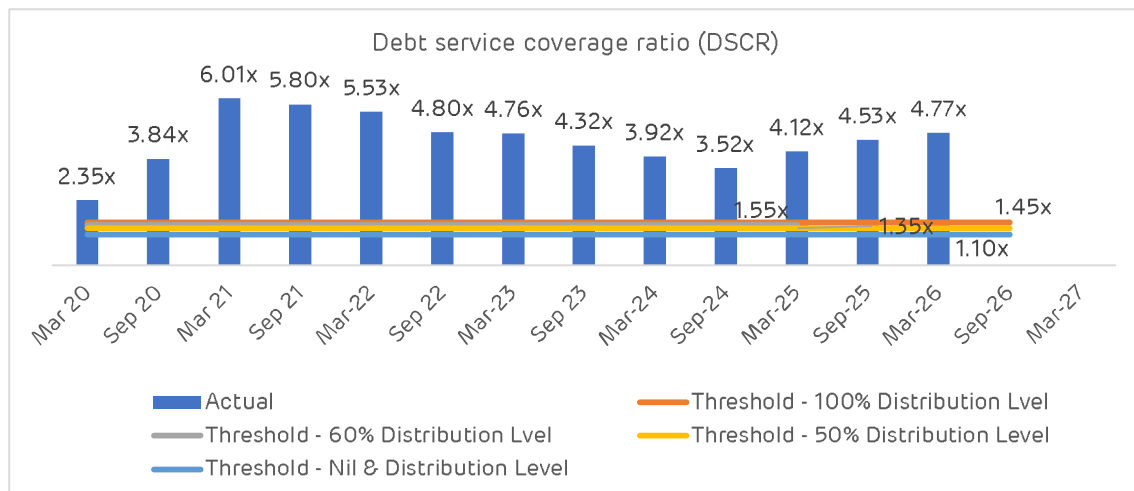
x - times

*We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.

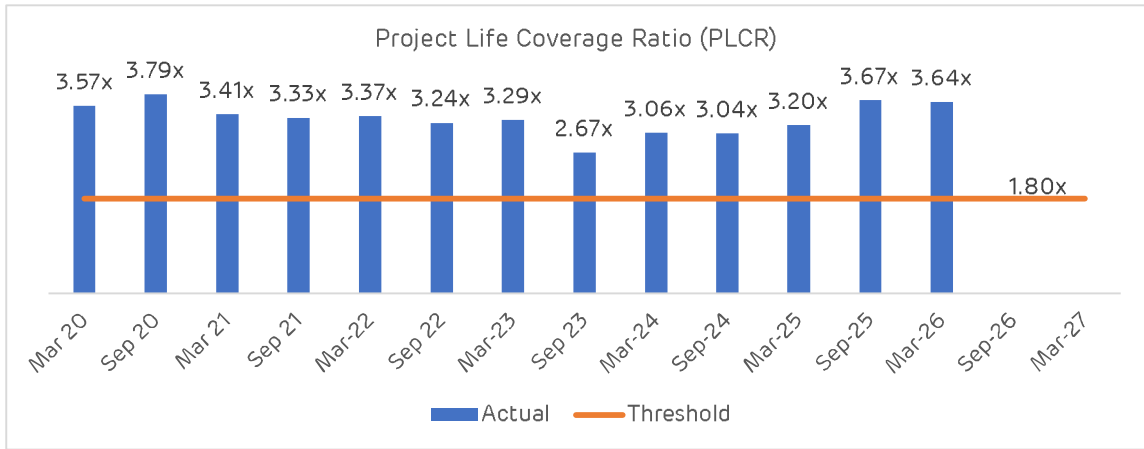
Note: Above covenants are calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Accession Memorandum for USD 300 million. All covenants in forms of ratios are in compliance and are calculated on trailing twelve month basis at each calculation date

Covenants Performance

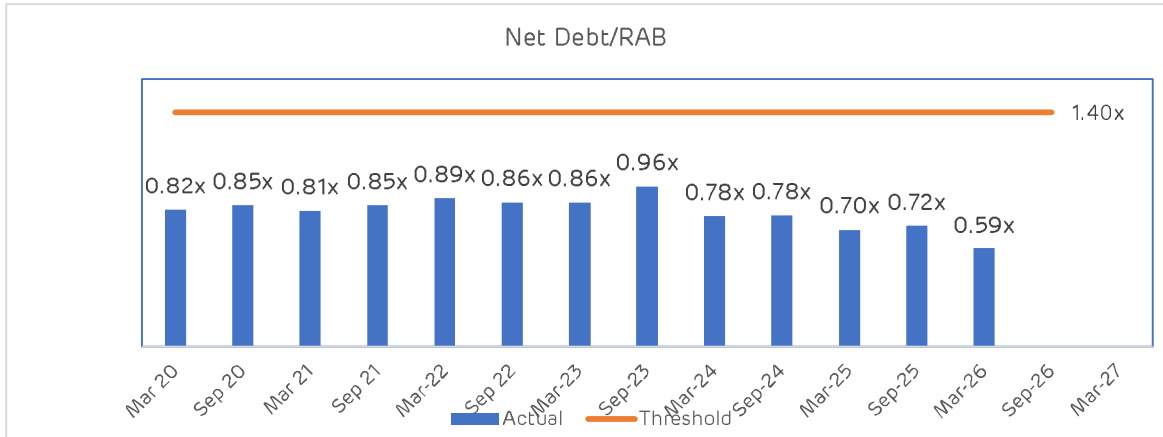
B1. Debt Service Coverage Ratio (DSCR)



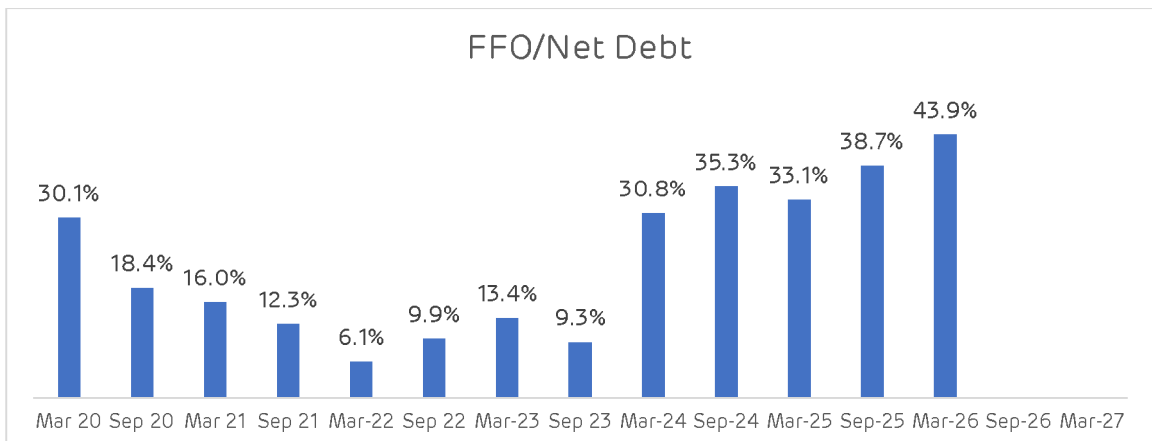
B2. Project Life Coverage Ratio (PLCR)



B3. Net Debt to RAB



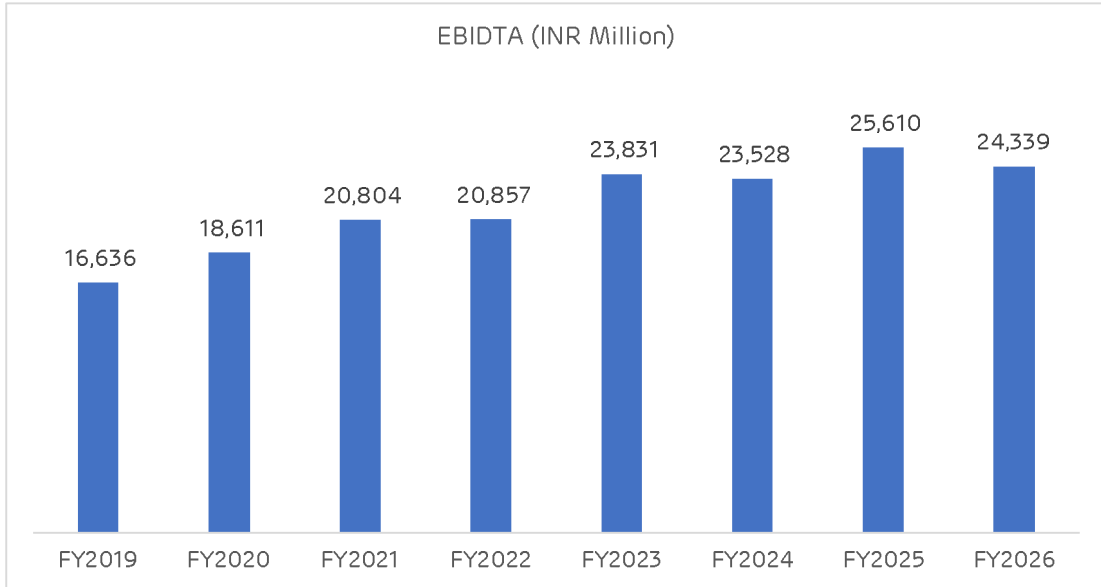
B4. Fund from Operations / Net Debt



*We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non-utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.

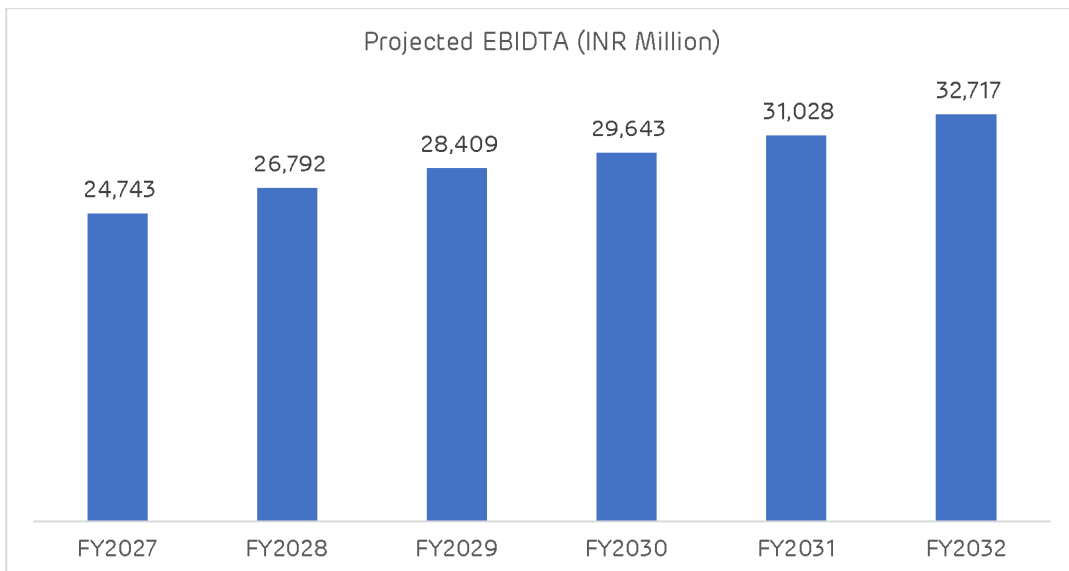
B5. EBITDA performance

Historical AEML Obligor Group EBITDA



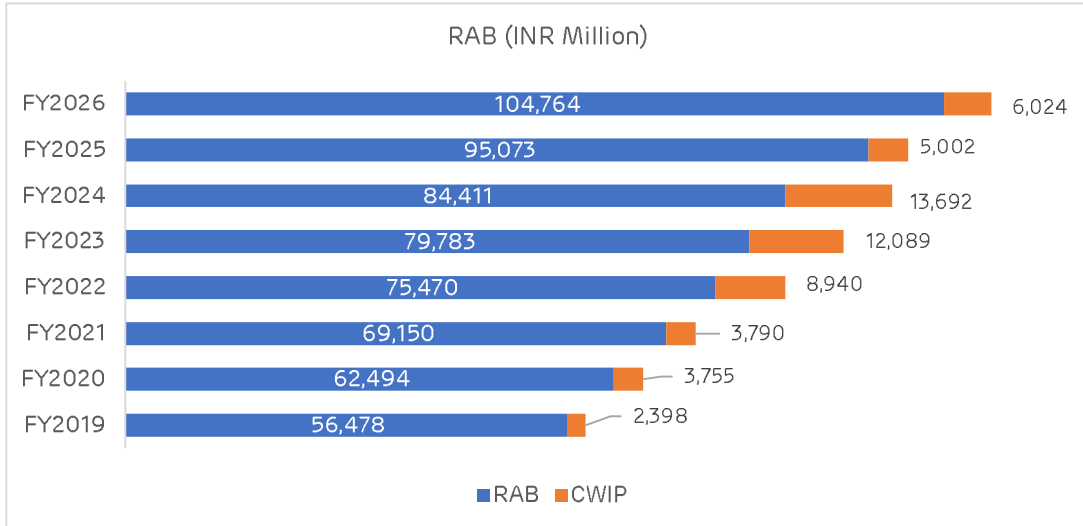
FY 2026 EBIDTA is lower on account of DTPS Carve out in September 2024 and one time MYT Order impact in FY2025.

AEML Obligor Group Projected EBITDA

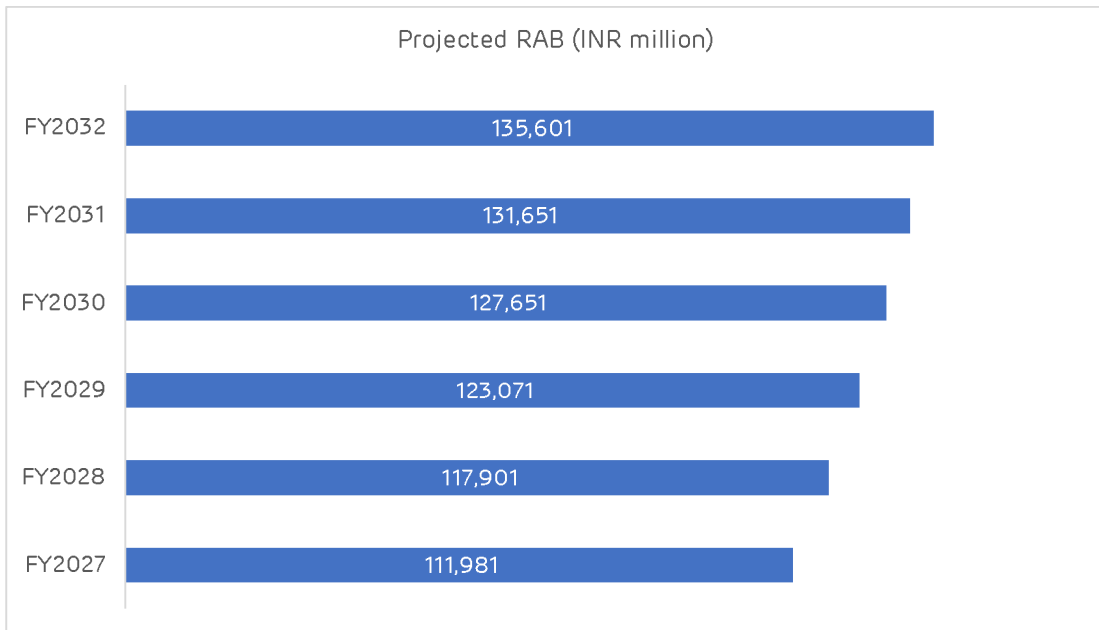


B6. AEML Regulated Asset Base (RAB)

Historical AEML RAB



AEML Projected RAB



5. Information on Compliance Certificate and workings

To: SBICAP Trustee Company Limited (the "Security Trustee")

Copy to: Kroll Trustee Services (HK) Limited (the "Note Trustee")
(formerly Madison Pacific Trust Limited)

Copy to: Note Holders for U.S. \$ 1,000,000,000 Senior Secured Notes Due 2030
(Outstanding U. S. \$ 880,001,000) and U.S. \$ 300,000,000 Sustainability Linked
Senior Secured Notes due 2031

From: Adani Electricity Mumbai Limited ("AEML") (as borrower)
Power Distribution Services Limited ("PDSL") (as Obligor)

Dated: May 26, 2026

Dear sirs/madam

Adani Electricity Mumbai Limited and Power Distribution Services Limited (together as "Issuers") – Common Terms Deed dated February 12, 2020, and Accession Memorandum dated July 13, 2021 (the "Common Terms Deed")

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2026. Terms used in the Common Terms Deed shall have the same meaning in this Compliance Certificate.

The Certificate is based on the following documents:

1. Audited Financial Statement of Obligor Group for the year ended as on March 31, 2026.
2. The Cash Flow Waterfall Mechanism as detailed in the Project Accounts Deed.
3. Management Information System (MIS) (for reconciliation of Ind AS and Legal definition) is provided in Annexure 7 to the Certificate.

6. Computation of Operating Account Waterfall as per Project Account Deed for the Calculation Period ended as on March 31, 2026 (From April 1, 2025 to March 31, 2026)

Amount (INR Million)

Sr. No.	Particulars	March 2026	March 2025	Source*
	Revenue from Operations	115,888.30	116,164.25	Profit & Loss Account
	Other Income	4,027.21	2,995.17	
	Net Movement in Regulatory Deferral Balance	(10,682.00)	(13,007.83)	
I	Net Operating Income	109,233.51	106,151.59	
	Cost of Power Purchased	(55,801.25)	(50,404.84)	
	Cost of Fuel	0.00	(6,235.43)	
	Transmission Charges	(8,843.73)	(5,975.80)	
	Purchases of traded goods	0.00	(7.02)	
	Employee Benefit Expense	(9,802.55)	(9,090.65)	
	Other Expenses	(10,446.71)	(8,828.02)	
II	Total Operating Expenses	(84,894.24)	(80,541.76)	
III	Combined EBIDTA (I-II)	24,339.27	25,609.83	
IV	Tax Paid	(1,092.68)	2.64	Statement of Cash Flow
V	Interest on Working Capital (RCF)	(86.14)	(550.76)	Working Note 4
VI	Opening Cash Balance	15,233.71	8,338.04	Working Note 1
	Interest and Hedge Cost Paid on Shareholders Affiliated Loans during previous 12 months (net)	(1,478.84)	(2,048.36)	MIS
VII	Total Distribution to Shareholders	(1,478.84)	(2,048.36)	
VIII	Cash Balance on Debt upsizing	0.00	0.00	
IX	Cash Flow Available for Debt Service (III to VIII)	36,915.32	31,351.39	
	Debt Service			
	Principal Repayment	0.00	0.00	
	Interest on Senior Creditors	(7,830.55)	(7,616.46)	Working Note 4
X	Total Debt Service	(7,830.55)	(7,616.46)	

Sr. No.	Particulars	March 2026	March 2025	Source*
	Reserve Funding & Transaction Cost			
	Investment in Contingency Reserve	(14.25)	0.00	MIS
XI	Total Reserve Funding & Transaction Cost	(14.25)	0.00	
XII	Cash Available post Debt Service and Various Reserve funding of Senior Creditors and Transaction cost (IX-X-XI)	29,070.52	23,734.93	
	Working Capital Changes	14,764.50	12,170.20	Statement of Cash flow
	Working Capital Loan	(1,500.00)	(6,500.00)	
	Repayment of Long-term borrowings / QIA Sub Debt	(12,113.44)	(4,083.20)	
	Investment in Subsidiary	(0.20)	0.00	
	Loans (incl Employee Loans)	258.07	35.40	
	Receipt on sale Dahanu Plant	0.00	8,150.00	
	Payments towards Capital Expenditure (net)	(15,959.09)	(17,900.24)	Working Note 6
	Release from Hedge Reserve (net)	6,251.90	142.09	MIS
	Other Finance Charges & Lease Obligation	(972.06)	(515.47)	
	Receipt on Hedge Rollover	0.00	6,004.80	
	Senior Debt Restricted Reserve Account	0.00	(6,004.80)	
XIII	Total Other Cash Inflow and Outflow	(9,270.32)	(8,501.22)	
XIV	Total Cash Balance (XII+XIII)	19,800.20	15,233.71	
XV	Funds earmarked - Contingency Reserve Investment	(111.96)	0.00	MIS
XVII	Net Cash Available for Operating Expenses (XV-XVI)	19,688.24	15,233.71	
XVIII	Funds for Operating Expenses expected equivalent to 1-month (net of advances)	(4,748.81)	(4,271.81)	MIS
XIX	Net Cash Available for transfer to Distribution Account (XVII-XVIII)	14,939.43	10,961.90	

* For working Notes Refer Annexure 7

We confirm that:

- (a) in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 4.77x:1x.
- (b) as at the Calculation Date, the aggregate amount for transfer to our Distributions Account in accordance with the Operating Account Waterfall is Rs. 14,939.43 million
- (c) acting prudently, the cash balance which can be distributed as permitted under the relevant Transaction Documents is Rs. 14,939.43 million.
- (d) to the best of our knowledge having made due enquiry, no default subsists.

(e) Summary of the Covenants on for 12 months calculation period ended on calculation date.

12 months ended on	DSCR	PLCR	Net Debt to RAB	FFO to Net Debt
March 31, 2026	4.77x	3.64%	0.59x	43.88%
September 30, 2025	4.53x	3.67x	0.72x	38.74%
March 31, 2025	4.12x	3.20x	0.70x	33.07%
September 30, 2024	3.52x	3.04x	0.78x	35.26%
March 31, 2024	3.92x	3.06x	0.78x	30.81%
September 30, 2023	4.32x	2.67x	0.96x	9.35%
March 31, 2023	4.76x	3.29x	0.86x	13.37%
September 30, 2022	4.80x	3.24x	0.86x	9.91%
March 31, 2022	5.53x	3.37x	0.89x	4.76%*
September 30, 2021	5.80x	3.33x	0.85x	9.74%
March 31, 2021	6.01x	3.41x	0.81x	16.03%*
September 30, 2020	3.84x	3.79x	0.85x	18.43%
March 31, 2020	2.35x	3.57x	0.82x	30.07%

DSCR - Debt Service Coverage Ratio, PLCR - Project Life Coverage Ratio, RAB - Regulatory Asset Base, FFO - Fund from Operations

x - times

*We have utilized our FFO prudently in order to repay the working capital loan outstanding as on March 2022. In case of non utilization of FFO towards repayment of working capital loan, FFO/Net Debt will be resulted in 16.56% as on March 2022 and 17.74% as on March 2021.

Note: Above covenants are calculated as per definitions given under Common Trust Deed (CTD) and Note Trust Deed (NTD) executed for USD 1,000 million and Accession Memorandum for USD 300 million. All covenants in forms of ratios are in compliance and are calculated on trailing twelve month basis at each calculation date

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p> <p>KANDARP SURYAKANT PATEL T PATEL Digitally signed by KANDARP SURYAKANT PATEL T PATEL Date: 2026.05.26 18:32:22 +05'30'</p> <p>Name: Kandarp Patel</p> <p>Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p> <p>KUNJAL MAHENDRA MEHTA Digitally signed by KUNJAL MAHENDRA MEHTA Date: 2026.05.26 18:03:17 +05'30'</p> <p>Name: Kunjal Mehta</p> <p>Designation: Authorised Signatory</p>
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Encl.:

1. Legal form of compliance Certificate **Appendix 1**
2. Covenant calculations (Annexure 1 to 3)
3. Fund from Operations / Net Debt (Annexure 4)
4. Refinancing Plan (Annexure 5)
5. Investment Details (Annexure 6)
6. Legal form of Directors Certificate **Appendix 2**
7. Other Security Certificate
8. Working Notes (Annexure 7)
9. Obligor Group Audited Aggregated Accounts for the twelve months ended as on March 31, 2026

7. Appendix 1 - Form of Compliance Certificate

To: SBICAP Trustee Company Limited (the "Security Trustee")

Copy to: Kroll Trustee Services (HK) Limited (the "Note Trustee")
(formerly Madison Pacific Trust Limited)

Copy to: Note Holders for U.S. \$ 1,000,000,000 Senior Secured Notes Due 2030
(Outstanding U. S. \$ 880,001,000) and U.S. \$ 300,000,000 Sustainability Linked
Senior Secured Notes due 2031

From: Adani Electricity Mumbai Limited ("AEML") (as borrower)
Power Distribution Services Limited ("PDSL") (as Obligor)

Dated: May 26, 2026

Dear Sirs

Adani Electricity Mumbai Limited and Power Distribution Services Limited (together as "Issuers") – Common Terms Deed dated February 12, 2020, and Accession Memorandum dated July 13, 2021 (the "Common Terms Deed")

We refer to the Common Terms Deed. This is a Compliance Certificate given in respect of the Calculation Date occurring as on March 31, 2026 (the "**Calculation Date**"). Unless otherwise defined herein, terms used in the Common Terms Deed and Facility Agreement shall have the same meanings in this Compliance Certificate.

We confirm that:

1. as at the Calculation Date, the aggregate amount for transfer to the AEML Distributions Account in accordance with the Project Accounts Deed is INR. 14,939.43 million.
2. in accordance with the workings set out in the attached Annexure 1, the Debt Service Cover Ratio for the Calculation Period ended on the Calculation Date was 4.77x:1.0x;
3. in accordance with the workings set out in the attached Annexure 2, the Project Life Cover Ratio for the Calculation Period ended on the relevant Calculation Date was 3.64x:1.0x;
4. in accordance with the workings set out in the attached Annexure 3, the ratio of Net Debt to RAB for the Calculation Period ended on the relevant Calculation Date was 0.59x:1.0x;
5. in accordance with the workings set out in the attached Annexure 4, the ratio of Funds From Operations to Net Debt for the Calculation Period ended on the relevant Calculation Date was 43.88%;

as at the Calculation Date, the cash balance in each of the Obligors' Project Accounts was as follows: (Refer Annexure 6)

Sr. No.	Account Name	Amount (INR million)
	Cash and Cash Equivalents	
	AEML PAD Accounts (various)*	26,188.89
	AEML Non-PAD Account*	1,409.60
	Cash on Hand	15.31
	Cheques / Drafts on Hand	66.40
I	Total Obligor Group Cash Balance	27,680.20
	Restricted Cash & Cash Equivalents	
	Debt Service Reserve Account	
	Senior Secured Notes (USD 880 million)	1,170.00
	Sustainability Linked Notes (USD 300 million)	370.00
	Shareholders Affiliated Debts	340.00
	Total Debt Service Reserve Account	1,880.00
	Capital Expenditure Reserve Account	6,000.00
II	Total Restricted Cash & Cash Equivalents	7,880.00
	Cash Balance (I-II)	19,800.20

*Includes accrued interest on Investments

6. the amount of capital expenditure forecast to be undertaken by the Company in the six-month period commencing on the Calculation Date was INR 6,000 million
7. as at the Calculation Date, the Obligors' EBITDA (on an aggregate basis) for the Calculation Period ended on the Calculation Date was INR 24,339.27 million.
8. No refinancing plan during the six-month period commencing from March 31, 2026, Calculation Date.
9. each of the Obligors is acting prudently and has completed the required maintenance.
10. the total taxes, operations and maintenance expenses, power purchase costs, fuel costs and other operating expenses of the Obligor Group for the Calculation Period ending on the above Calculation Date was INR 84,894.24 million
11. to the best of our knowledge, having made due enquiry, no Default subsists¹.

[In accordance with paragraph 1 (c) (*Compliance Certificate*) of Schedule 3 (*Undertakings*), the Company hereby encloses at Annexure 5 a refinancing plan for the six-month period commencing on March 31, 2025, the Calculation Date.]²

¹ If this statement cannot be made, the certificate should identify any Event of Default or Potential Event of Default, as applicable, that is subsisting and the steps, if any, being taken to remedy it.

² To be included if a refinancing plan has been prepared for any Calculation Period.

The details of all Authorised Investments in respect of each Project Account as at date of this Compliance Certificate are set in Annexure 6.

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p> <p>KANDARP SURYAKANT PATEL Digitally signed by KANDARP SURYAKANT PATEL Date: 2026.05.26 18:33:15 +05'30'</p> <p>Name: Kandarp Patel</p> <p>Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p> <p>KUNJAL MAHENDRA MEHTA Digitally signed by KUNJAL MAHENDRA MEHTA Date: 2026.05.26 18:04:33 +05'30'</p> <p>Name: Kunjal Mehta</p> <p>Designation: Authorised Signatory</p>
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8. Annexure I - Debt Service Coverage Ratio (DSCR) as on March 31, 2026 Amount (INR million)

Sr. No.	Particulars	March 2026	March 2025	Source*
	"Debt Service Cover Ratio" means, in relation to a Calculation Period ending on the relevant Calculation Date, the ratio of			
A	"Cashflow Available for Debt Service" means, for the Obligor Group in relation to a Calculation Period, Combined EBITDA less amounts paid during such period in cash in respect of Tax less interest on RCF for the relevant period incurred by the Obligor Group (if any) plus any Opening Cash Balance.			
I	Combined EBITDA	24,339.27	25,609.83	Operating Waterfall
II	Tax Paid	(1,092.68)	2.64	Statement of Cash Flow
III	Interest on Working Capital (RCF)	(86.14)	(550.76)	Working Note 4
IV	Opening Cash Balance (net)	13,754.87	6,289.68	Working Note 1
A	Cash Flow Available for Debt Service (I-II-III+IV)	36,915.32	31,351.39	
B	Debt Service			
VI	the sum of scheduled principal repayment (to the extent not refinanced and without considering any RCF) adjusting, if applicable, any opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account and the AEML Surplus Holdings Account,	Nil	Nil	
a	Scheduled Principal Repayment (to the extent not refinanced and without considering any RCF)	Nil	Nil	
b	Less : opening cash carried forward from the previous Calculation Period in the relevant Senior Debt Redemption Account	Nil	Nil	
c	Less : opening cash carried forward from the previous Calculation Period in the relevant AEML Surplus Holdings Account	Nil	Nil	
VII	interest payments to Senior Creditors and payments of any Costs (of recurring nature) to Senior Creditors in relation to Senior Debt due or accrued during that period and any Initial Termination Payment and where such Senior Debt is denominated in a currency other than INR the relevant amounts shall be calculated at the rate at which such Senior Debt is hedged under any Hedging Agreement.	7,733.01	7,616.46	Working Note 3
B	Total Debt Service B (VI+VII)	7,733.01	7,616.46	
C	Debt Service Coverage Ratio (A/B)	4.77	4.12	

*For working Notes Refer Annexure 7

9. Annexure II – Project Life Coverage Ratio (PLCR)

Amount (INR million)

Sr. No.	Particulars	As on April 1, 2026	As on April 1, 2025	Source*
	“Project Life Cover Ratio” means, as of any given date of calculation:			
I	Net Present Value (discounted using the Discount Rate) of the Combined EBITDA forecast for the period from the calculation date until the end of the period covered by the MERC	213,633.05	210,731.47	MIS
II	Residual value of the Regulated Business as at such end date	135,277.59	110,372.67	
III	Net present value (discounted using the Discount Rate) of the equity component of all Regulatory Capital Expenditure forecast for the period from the calculation date until the end of the period covered by the MERC Licenses;	(39,776.49)	(48,398.23)	
A	Total A (I+II+III)	309,134.15	272,705.91	
IV	Senior Debt (excluding RCF),	86,507.26	93,488.98	Working Note 5
V	the amounts in the Senior Debt Service Reserve Account, Senior Debt Redemption Account and Senior Debt Restricted Amortisation Account outstanding as at such date.	(1,540.00)	(8,349.80)	Working Note 1
B	Total B (IV+V)	84,967.26	85,139.18	
C	Project Life Cover Ratio (A / B)	3.64	3.20	

* For working Notes Refer Annexure 7

10. Annexure III – Net Debt to RAB as on March 31, 2026

Amount (INR million)

Sr. No.	Particulars	March 2026	March 2005	Source*
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.			
I	Total Indebtness (Senior Debt and RCF Facility)	89,007.26	97,488.98	Working Note 5
II	Working Capital Loans (RCF)	(2,500.00)	(4,000.00)	
III	Senior Debt Service Reserve Account	(1,540.00)	(1,680.00)	
IV	Senior Debt Redemption Account	-	(6,669.80)	Working Note 1
V	Cash Balances	(19,800.20)	(15,233.71)	
A	Net Debt (I-II-III-IV-V)	65,167.06	69,905.47	
	Regulatory Asset Base (RAB)			
	"RAB" means, as of any given date of calculation, an amount equal to the sum of			
I	the regulated asset base of the Borrower as set forth in the then-prevailing tariff order	104,763.95	95,072.80	MIS
II	all spent Regulatory Capital Expenditure pending capitalisation	6,023.70	5,002.02	Working Note 7
B	Total Regulatory Asset Base (RAB) (I+II)	110,787.65	100,074.82	
	Net Debt to RAB (A/B)	0.59	0.70	

*For working Notes Refer Annexure 7

11. Annexure IV - Fund From Operation to Net Debt as on March 31, 2026

Amount (INR million)

Sr. No.	Particulars	March 2026	March 2025	Source*
	"Funds From Operations" means EBITDA minus cash taxes paid and adjusted for any positive or negative adjustments in working capital minus cash net interest.			
	Combined EBITDA	24,339.27	25,609.83	Operating Waterfall
I	Tax Paid	(1,092.68)	2.64	Statement of Cash Flow
a	Working Capital changes	14,764.50	12,170.20	
b	Working Capital loan changes	(1,500.00)	(6,500.00)	
II	adjustment in Working Capital (a+b)	13,264.50	5,670.20	
III	Cash Net Interest	(7,916.69)	(8,167.22)	Working Note 4
A	Fund from Operations (I-II+III)	28,594.40	23,115.45	
	"Net Debt" means the total indebtedness of the Obligors (excluding any working capital debt) less any amounts held in the Senior Debt Restricted Amortisation Account, the Senior Debt Service Reserve Account, the Senior Debt Restricted Reserve Account, the Senior Debt Redemption Account and any cash balances.			
I	Total Indebtness (Senior Debt and RCF Facility)	89,007.26	97,488.98	Working Note 5
II	Working Capital Loans (RCF)	(2,500.00)	(4,000.00)	
III	Long Term Rupee Term Loans (RCF)	-	-	
IV	Senior Debt Service Reserve Account (SDSRA)	(1,540.00)	(1,680.00)	Working Note 1
V	Senior Debt Restricted Reserve Account (SDRRA)	-	-	
VI	Senior Debt Redemption Account (SDRA)	-	(6,669.80)	
VII	Cash Balances	(19,800.20)	(15,233.71)	
B	Total Net Debt	65,167.06	69,905.47	
	Fund From Operation to Net Debt (A/B)	43.88%	33.07%	

* For working Notes Refer Annexure 7



12. Annexure – V Refinancing Plan as on March 31, 2026

Not applicable right now as the same is to be provided 12 months ahead of maturity date.

13. Annexure VI- Details of all investments as per PAD as on March 31, 2026
Amount (INR million)

Sr. No.	Name of Project Account	Balance (a)	Investment* (b)	March 2026 (a+b)	March 2025
	AEML PAD Accounts				
	AEML Current Account	15.77	Nil	15.77	45.87
	AEML Cash Collections Account	35.97	Nil	35.97	0.41
	AEML Cheque Collections Account	639.72	Nil	639.72	537.02
	AEML Non-Energy Payment Collections Account	4.31	Nil	4.31	44.82
	AEML Utilisation Account*	68.27	17,487.19	17,555.46	2,735.16
	AEML Taxes Account	1.26	Nil	1.26	1.50
	AEML O&M Expenses Account	56.09	Nil	56.09	16.36
	AEML Senior Debt Restricted Amortisation Account	0.02	Nil	0.02	0.02
	AEML Senior Debt Service Reserve Account*	0.09	1,540.00	1,540.09	1,680.09
	AEML Senior Debt Redemption Account	0.07	Nil	0.07	0.07
	AEML Senior Debt Redemption Reserve Account	0.02	Nil	0.02	6,669.82
	AEML Capital Expenditure Reserve Account*	0.02	6,000.00	6,000.02	6,000.02
	AEML Subordinated Debt Payment Account	0.02	Nil	0.02	0.02
	AEML Subordinated Debt Reserve Account	0.02	340.00	340.02	540.02
	AEML Surplus Holdings Account	0.02	Nil	0.02	0.02
	AEML Distributions Account	0.01	Nil	0.01	4,100.01
	AEML Enforcement Proceeds Account	0.02	Nil	0.02	0.02
A	AEML PAD Accounts	821.70	25,367.19	26,188.89	22,371.25
B	AEML Non PAD Account*	1,409.60		1,409.60	7,660.82
C	Total Fund Balance (A+B)	2,231.30	25,367.19	27,598.49	30,032.07
F	Cheques / Drafts On Hand	66.40	-	66.40	81.05
E	Cash on Hand	15.31	-	15.31	10.39
	Total Obligor Group Cash Balance	2,313.01	25,367.19	27,680.20	30,123.51

* Includes accrued interest on Investment

14. Appendix 2 - Form Certificate of Directors

May 26, 2026

To
 Kroll Trustee Services (HK) Limited (the "Note Trustee")
 (formerly Madison Pacific Trust Limited)
 54th Floor, Hopewell Centre
 183 Queen's Road East
 Wan Chai, Hong Kong

Dear Ladies and Gentlemen

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") (incorporated in the Republic of India with limited liability) U.S. \$ 1,000,000,000 3.949 per cent Senior Secured Notes due 2030 (Outstanding U.S. \$ 830,501,000) and U.S. \$ 300,000,000 3.867 per cent Sustainability Linked Notes due 2031 (Outstanding U.S. \$ 255,339,000) under the U.S. \$ 2,000,000,000 Global Medium Term Note Programme

In accordance with the clause 6.5 of the Note Trust Deed dated February 12, 2020 (the "Note Trust Deed") and clause 13.1 (v) of the Trust Deed dated July 13, 2021 (as amended and/or supplemented from time to time, (the "Trust Deed") made between (1) Adani Electricity Mumbai Limited and Power Distribution Services Limited (the "Issuers") and (2) the Note Trustee, we, as Directors of the Issuers, hereby confirm that, having made all reasonable enquiries, to the best of the knowledge, information and belief of the Issuers that as at date not more than five days before the date of this certificate (the "Certification Date"):

- a. As of May 26, 2026, no Event of Default or Potential Event of Default had occurred since December 19, 2025 (the last compliance certificate issue date).
- b. from and including May 21, 2026 to and including May 26, 2026 each Issuer has complied in all respects with its obligations under the Note Trust Deed and Trust Deed.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed and Trust Deed.

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p> <p>KANDARP SURYAKANT T PATEL Digitally signed by KANDARP SURYAKANT PATEL Date: 2026.05.26 18:33:57 +05'30'</p> <p>Name: Kandarp Patel</p> <p>Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p> <p>MEHUL TEJPAL RUPERA Digitally signed by MEHUL TEJPAL RUPERA Date: 2026.05.26 18:05:38 +05'30'</p> <p>Name: Mehul Rupera</p> <p>Designation: Director</p>
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May 26, 2026

To
Kroll Trustee Services (HK) Limited (the "Note Trustee")
(formerly Madison Pacific Trust Limited)
54th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong

Dear Ladies and Gentlemen

Adani Electricity Mumbai Limited ("AEML") and Power Distribution Services Limited ("PDSL") (incorporated in the Republic of India with limited liability) U.S. \$ 1,000,000,000 3.949 per cent Senior Secured Notes due 2030 (Outstanding U.S. \$ 830,501,000) and U.S. \$ 300,000,000 3.867 per cent Sustainability Linked Notes due 2031 (Outstanding U.S. \$ 255,339,000) issued under the U.S. \$ 2,000,000,000 Global Medium Term Note Programme

In accordance with the Common Trust Deed dated February 12, 2020 and Accession Memorandum dated July 13, 2021 (as amended and/or supplemented from time to time, the "Note Trust Deed") made between (1) Adani Electricity Mumbai Limited and Power Distribution Services Limited (the "Issuers") and (2) the Note Trustee, we hereby certify on behalf of the Issuers, that:

1. The Security Package (including project documents and insurance contracts, if any) in respect of which Security has been created are as follows:
 - (a) a first ranking mortgage of immovable properties of the Borrower, listed in Schedule ("**Identified Immoveable Properties**").
 - (b) a negative lien over other immovable properties of the Borrower, excluding the Identified Immoveable Properties.
 - (c) a first charge by way of hypothecation of all the movable assets of the Project, both present and future.
 - (d) a first pari-passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets; post distribution cash flows and debenture liquidity reserve), commissions or revenues whatsoever arising out of the Project, both present and future.
 - (e) a first pari-passu charge on the Accounts under the Project Accounts Deed (excluding the Excluded Accounts) and amounts lying to the credit of such Accounts, both present and future.
 - (f) a first pari-passu charge/ assignment in relation to the MERC Licenses of the Project, subject to approval from MERC.
 - (g) a pledge over 100% of the entire paid-up equity and preference share capital of the Borrower.
 - (h) a negative lien of the PDSL in relation to the immoveable and moveable assets (including all book debts, operating cash flows, receivables, commissions, or revenues whatsoever of the PDSL), both present and future.
 - (i) Non-disposal undertaking on the shares of PDSL.

2. Stipulated Security Creation Timelines

- (i) Security detailed under (b), (c), (d), (e), (g), (h) and (i) is already created and perfected by the relevant security providers (as applicable) within 90 (ninety days) from the first disbursement date ("**First Security Longstop Date**") for USD 1 bn and USD 300mn
- (ii) Security detailed under (a) and (f) is created and perfected for USD 1 billion Notes and USD 300mn by the relevant security providers (as applicable) within 90 (ninety days) from the date by which the Borrower has procured relevant regulatory approvals and completed formalities for release of charge of existing lenders (who are being refinanced through the proceeds of the bonds) ("**Second Security Longstop Date**").

3. Ranking of Security

The Security Interest created on the Security as aforesaid shall rank pari passu inter se the Senior Secured Creditors.

Terms not defined herein shall have the same meanings as provided in the Note Trust Deed.

Yours faithfully

<p>For Adani Electricity Mumbai Limited</p> <p>KANDARP SURYAKANT PATEL Digitally signed by KANDARP SURYAKANT PATEL Date: 2026.05.26 18:34:55 +05'30'</p> <p>Name: Kandarp Patel</p> <p>Designation: Managing Director & CEO</p>	<p>For Power Distribution Services Limited</p> <p>KUNJAL MAHENDRA MEHTA Digitally signed by KUNJAL MAHENDRA MEHTA Date: 2026.05.26 18:05:06 +05'30'</p> <p>Name: Kunjal Mehta</p> <p>Designation: Authorised Signatory</p>
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15 Annexure VII - Working Notes

Working Note 1 : Cash & Cash Equivalents

Amount (Rs million)

Sr. No.	Particulars	Closing as on March 31, 2026	Opening as on April 1, 2025	Financial Statement Note No. / source
a	Cash & Cash Equivalents	2,313.01	6,805.29	Note 13
	Investments (including income accrued)			
	Bank Balance Other than Cash and Cash Equivalents - At Amortised Cost	6,371.64	6,401.46	Note 14
	Fixed Deposit with Banks	5,592.55	5,592.55	Note 8
	Contingency Reserve Investments	2,705.90	2,685.99	Note 6a & 6b
	Mutual Fund	10,697.10	8,638.22	Note 6b
b	Total Investments (including income accrued)	25,367.19	23,318.22	
I	Total Cash Balance (a+b)	27,680.20	30,123.51	
	3.949% Senior Secured Notes	1,170.00	1,240.00	MIS
	3.867% Sustainability Linked Notes	370.00	440.00	
	6.365% Shareholders Affiliated Debts	340.00	540.00	
c	Total Debt Service Reserve Account	1,880.00	2,220.00	
d	Capital Expenditure Reserve Account	6,000.00	6,000.00	
e	Senior Debt Redemption Reserve	Nil	6,669.80	
II	Total Restricted Cash Balance	7,880.00	14,889.80	
	Cash Balance	19,800.20	15,233.71	
	Interest & Hedge Cost paid on QIA Sub Debt during the period		(1,478.84)	
	Cash Balance (net)		13,754.87	

Working Note 2 : Finance Cost Breakup
Amount (Rs million)

Sr. No.	Particulars	Amount	Amount	Financial Statement Note No. / source
	Interest Senior Secured Note	3.949% Senior Secured Note	3.867% Sustainability Linked Notes	
	Interest	3,000.75	953.64	MIS
	Withholding Tax on Interest	172.72	54.99	
		3,173.47	1,008.63	
	Fees Amortised	85.25	29.89	
		3,258.72	1,038.52	
a	Total Interest Senior Secured Note		4,297.24	Note 26
	6.365% Shareholders Affiliated Debts			
	Interest		923.18	MIS
	Fees Amortised		35.30	
b	Total Interest - Shareholders Affiliated Debts		958.48	Note 26
I	Total Interest Foreign Currency Loans (a +b)		5,568.94	
II	Interest on Working Capital		84.11	Note 26
	Hedge Cost on Foreign Currency Loans			
	3.949% Senior Secured Notes		2,725.25	MIS
	3.867% Sustainability Linked Notes		825.66	
	6.365% Shareholders Affiliated Debts		347.80	
III	Total Hedge Cost on Foreign Currency Loans		3,898.71	Note 26
IV	Interest on Consumer Security Deposits		395.11	Note 26
V	Interest on lease obligation (Ind AS)		11.13	
VI	Interest - Others		0.78	
VII	Other Finance Charges		58.64	
VIII	Interest Cost Capitalised		(4.85)	
	Total (I to VIII)		9,699.35	

Working Note 3 : Finance Cost as per Definition in DSCR
Amount (Rs million)

	Particulars	Amount	Financial Statement Note No. / source
	Interest on Senior Secured Notes (including withholding tax)	4,182.10	Working Note 2
	Hedge Cost on		
	3.949% Senior Secured Notes	2,725.25	
	3.867% Sustainability Linked Notes	825.66	
	Interest to Senior Creditors	7,733.01	

Working Note 4: Long Term and Short Term Cash Interest
Amount (Rs million)

Sr. No.	Particulars	Amount	Financial Statement Note No. / source
	3.949% Senior Secured Notes	5,943.93	MIS
	3.867% Sustainability Linked Notes	1,886.62	
	Interest and Hedge Cost on (incl. withholding tax)	7,830.55	
	Interest on Working Capital	86.14	
	Cash Interest for FFO	7,916.69	

Working Note 5: Total Indebtedness
Amount (Rs million)

Sr. No.	Particulars	Amount	Financial Statement Note No. / source
	External Commercial Borrowings – at Hedging Rate		
	3.949% Senior Secured Notes – \$ 830.50mn	66,980.71	MIS
	3.867% Sustainability Linked Notes - \$ 255.34mn	19,526.55	
a	Total External Commercial Borrowings	86,507.26	
b	Secured Working capital short term loan	2,500	Note 16
	Total Indebtedness (a+b)	89,007.26	

Working Note 6: Cash utilised for Capital Expenditure
Amount (Rs million)

Sr. No.	Particulars	Amount	Financial Statement Note No. / source
	Cash Outflow towards Capital Expenditure	16,490.13	Statement of Cash flow
	Proceeds from Sale of Property, Plant and Equipment	(86.85)	
	Consumer Contribution (Net)	(444.19)	
	Cash utilised for Capital Expenditure	15,959.09	

Working Note 7: Regulatory Capital Expenditure pending capitalisation
Amount (Rs million)

Sr. No.	Particulars	Amount	Financial Statement Note No. / source
	Capital Work-In-Progress	5,046.00	Balance Sheet
	Investment in Chandivali Land	892.00	Note 6a
	Capital Advance	85.70	Note 10
	Capital Expenditure pending capitalisation	6,023.70	

Working Note 8: Debt Service Reserve (DSRA) Calculation
Amount (Rs million)

Sr. No.	Particulars	Required DSRA Amount	Actual DSRA Amount	Financial Statement Note No. / source
a	\$ 830.50 mn - Six month of Interest - @ 3.949% pa on INR 59,169.71 million)	1,168.31	1,170.00	Working Note 1
b	\$ 255.34 mn - Six month of Interest - @ 3.867% pa on INR 18,997.14 million)	367.31	370.00	
I	Total Senior Debt DSRA (a+b)	1,535.62	1,540.00	
II	Shareholder Affiliated Debt			
	\$ 150 mn - Six month of Interest - @ 6.365% pa on INR 10,689.57 million)	340.20	340.00	
	Total DSRA (I+II)	1,875.82	1,880.00	

Definitions and Abbreviations

The following terms used in this Compliance Certificate have the meanings set forth below.

ATL	Adani Transmission Limited
AESL	Adani Energy Solutions Limited
AEML	Adani Electricity Mumbai Limited
PDSL	Power Distribution Services Limited
DTPS	Dahanu Thermal Power Station
MCGM	Municipal Corporation of Greater Mumbai
HPSV	High Pressure Sodium Vapour
LED	Light emitting diode
ASAI	Average Service Availability Index
SAIFI	System Average Interruption Frequency Index indicates average number of interruptions,
SAIDI	System Average Interruption Duration Index indicates average outage duration for each customer served,
CAIDI	Customer Average Interruption Duration Index (CAIDI): indicates average time required to restore service during a predefined period of time.
RPM	Renewable Power Mix
GHG	Greenhouse Gas
FY	Financial Year
KPI	Key Performance Indicator
tCO ₂ e	Tonnes (t) of carbon dioxide (CO ₂) equivalent (e)
SPT	Sustainability Performance Targets
FAC	Fuel Adjustment Charge
EBITDA	Earnings before Interest, Tax, Depreciation, and amortization
INR	Indian Rupee
Rs.	Indian Rupee
mn	million
RPO	Renewal Power Obligations
MERC	Maharashtra Electricity Regulatory Commissions

Walker ChandioK & Co LLP

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Building Commerz III, International
Business Park, Oberoi Garden City,
Off Western Express Highway,
Goregaon (East),
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Independent Auditor's Report on the Special Purpose Combined Financial Statements for the year ended 31 March 2026

To The Board of Directors of Adani Electricity Mumbai Limited ('the Company')

Opinion

1. We have audited the accompanying Special Purpose Combined Financial Statements of Adani Electricity Mumbai Limited ('the Company') and Power Distribution Services Limited ('PDSL') (the Company and PDSL together referred to as 'the Obligor group'), which comprise the Special Purpose Combined Balance Sheet as at 31 March 2026, the Special Purpose Combined Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Combined Statement of Cash Flows and the Special Purpose Combined Statement of Changes in Net shareholder's Investment for the year then ended and notes to the Special Purpose Combined Financial Statements, including material accounting policy information and other explanatory information (hereinafter referred to as the 'Special Purpose Combined Financial Statements').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of PDSL, the accompanying Special Purpose Combined Financial Statements have been prepared, in all material respects, in accordance with the basis of preparation set out in Note 2.2 to the Special Purpose Combined Financial Statements.

Basis for Opinion

3. We conducted our audit of the Special Purpose Combined Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 ('the Act'). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Combined Financial Statements section of our report. We are independent of the Obligor Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Special Purpose Combined Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 12 of the Other Matter section below, is sufficient and appropriate to provide a basis for our opinion on the Special Purpose Combined Financial Statements.

Walker Chandio & Co LLP

Emphasis of Matter - Basis of Preparation and Restriction on distribution and use

4. We draw attention to Notes 2.1 and 2.2 to the accompanying Special Purpose Combined Financial Statements, which describes that the Obligor Group does not form a separate legal group of entities and further describes the basis of its preparation, including the approach to and the purpose for preparing these Special Purpose Combined Financial Statements. Consequently, the Obligor Group's Special Purpose Combined Financial Statements may not necessarily be indicative of the financial performances, financial position and cash flows of the Obligor Group that would have occurred if it had operated as a single group of entities during the periods presented. These Special Purpose Combined Financial Statements has been prepared by the management of Adani Electricity Mumbai Limited solely to submit it to the Singapore Exchange Securities Trading Limited (SGX-ST) as per the requirement of clause 1(a)(ii) of Schedule 3 of the Common Terms Deed dated 12 February 2020 and CTD Accession Memorandum dated 13 July 2021 entered by the Obligor Group, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on SGX-ST and therefore, it may not be suitable for another purpose. This audit report is issued solely for the aforementioned purpose, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Further, we do not accept or assume any liability or any duty of care for any other purpose for which or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. Our opinion is not modified in respect of the above matter.

Responsibilities of Management and Those Charged with Governance for the Special Purpose Combined Financial Statements

5. The accompanying Special Purpose Combined Financial Statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the preparation of these Special Purpose Combined Financial Statements in accordance with the basis of preparation stated in Note 2.2 to the Special Purpose Combined Financial Statements including determination that such basis of preparation is acceptable in the circumstances. The respective Board of Directors of the companies included in the Obligor Group are responsible for design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Special Purpose Combined Financial Statements, in all material respects, in accordance with the basis of preparation specified in aforementioned Note 2.2 and are free from material misstatement, whether due to fraud or error. These Financial Statements have been used for the purpose of preparation of the Special Purpose Combined Financial Statements by the Board of Directors of the Company, as aforesaid.
6. In preparing the special purpose combined financial statements, the respective Board of Directors of the companies included in the Obligor Group are responsible for assessing the ability of the Obligor Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate entities forming part of the Obligor Group or to cease operations, or has no realistic alternative but to do so.
7. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Obligor Group.

Walker Chandiook & Co LLP

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

8. Our objectives are to obtain reasonable assurance about whether the Special Purpose Combined Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose combined financial statements.
9. As part of an audit in accordance with Standards on Auditing specified under Section 143(10) of the Act, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Special Purpose Combined Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the entities forming part of Obligor Group has in place an adequate internal financial controls with reference to financial statements and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entities forming part of the Obligor Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose Combined Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entities forming part of Obligor Group to cease to continue as a going concern;
 - Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Obligor Group to express an opinion on the Special Purpose Combined Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entity included in the Special Purpose Combined Financial Statements, of which we are the independent auditors. For the other entity included in the Special Purpose Combined Financial Statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.
10. 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.
11. 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.

Chartered Accountants

Walker Chandniok & Co LLP

Other Matter

12. We did not audit the financial statements of PDSL, whose financial statements reflect total assets of ₹ 145.65 million as at 31 March 2026, total revenues of ₹ 127.12 million and net cash outflow amounting to ₹ 43.82 million for the year ended on that date, as considered in the Special Purpose Combined Financial Statements. This financial statements have been audited by other auditor whose report has been furnished to us by the management and our opinion on the Special Purpose Combined Financial Statements, in so far as it relates to the amounts and disclosures included in respect of PDSL, is based solely on the report of the other auditor.

Our opinion above on the Special Purpose Combined Financial Statements is not modified in respect of the above matter with respect to our reliance on the work done by and the report of the other auditor.

For Walker Chandniok & Co LLP

Chartered Accountants

Firm Registration No.: 001076N/N500013

**Neeraj
Goel**

Digitally signed by
Neeraj Goel
Date: 2026.05.25
18:57:53 +05'30'

Neeraj Goel

Partner

Membership No.: 99514

UDIN: 26099514GGOGBOS3966

Place: Gurgaon

Date: 25 May 2026

Particulars	Notes	As at 31 March, 2026	As at 31 March, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,39,964.22	1,32,570.21
Capital work-in-progress	5a	5,046.00	4,107.73
Right of use assets	5b	6,103.80	5,324.32
Intangible assets	5c	10,688.04	10,346.09
Intangible assets under development	5d	-	68.75
Financial assets			
(i) Investments	6a	8,484.70	8,364.64
(ii) Loans	7	218.64	470.38
(iii) Other financial assets	8	16,100.30	9,428.41
Non current tax assets (net)	9	380.94	276.42
Other non-current assets	10	114.39	17.80
Total non-current assets		1,87,101.03	1,70,974.75
Current assets			
Inventories	11	468.09	473.69
Financial assets			
(i) Investments	6b	10,697.10	8,738.17
(ii) Trade receivables	12	15,040.24	13,237.76
(iii) Cash and cash equivalents	13	2,313.01	6,805.29
(iv) Bank balances other than (iii) above	14	6,371.64	6,401.46
(v) Loans	7	45.60	51.93
(vi) Other financial assets	8	5,734.41	612.35
Current tax assets (net)	9	2.47	1.05
Other current assets	10	2,529.39	2,829.87
Total current assets		43,201.95	39,151.57
Total Assets before regulatory deferral account		2,30,302.98	2,10,126.32
Regulatory deferral account - assets		20,159.18	30,876.01
Total assets		2,50,462.16	2,41,002.33
EQUITY AND LIABILITIES			
Equity			
Net Shareholder's investment	15	47,565.91	41,297.72
Total equity		47,565.91	41,297.72
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	16	1,16,540.14	1,15,947.74
(ii) Lease liabilities	17	5,717.80	4,774.88
(iii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		400.60	388.83
(iv) Other financial liabilities	19	29,029.06	28,884.06
Provisions	20	6,591.54	5,256.08
Deferred tax liabilities (net)	21	2,957.14	958.13
Other non current liabilities	22	3,419.19	3,193.55
Total non-current liabilities		1,64,655.47	1,59,403.27
Current liabilities			
Financial liabilities			
(i) Borrowings	16	2,500.00	8,102.83
(ii) Lease liabilities	17	4.07	87.12
(iii) Trade payables	18		
(A) total outstanding dues of micro enterprises and small enterprises; and		584.85	404.34
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.		15,690.50	13,816.88
(iv) Other financial liabilities	19	13,863.86	13,354.75
Provisions	20	1,580.39	659.44
Other current liabilities	22	4,017.11	3,875.98
Total current liabilities		38,240.78	40,301.34
Total liabilities		2,02,896.25	1,99,704.61
Total equity and liabilities		2,50,462.16	2,41,002.33

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Digitally signed by Neeraj Goel
Date: 2026.05.25 18:58:45 +05'30'

Neeraj Goel
Partner
Membership No.: 99514

Place : Gurugram
Date : 25 May, 2026

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

ANIL KUMAR SARDANA
Digitally signed by ANIL KUMAR SARDANA
Date: 2026.05.25 17:20:28 +05'30'

Anil Sardana
Chairman
DIN: 00006867
Place : Ahmedabad

KUNJAL MAHENDRA MEHTA
Digitally signed by KUNJAL MAHENDRA MEHTA
Date: 2026.05.25 14:15:47 +05'30'

Kunjali Mehta
Chief Financial Officer
Place : Ahmedabad
Date : 25 May, 2026

KANDARP SURYAKANT PATEL
Digitally signed by KANDARP SURYAKANT PATEL
Date: 2026.05.25 18:12:41 +05'30'

Kandarp Patel
Managing Director & CEO
DIN.: 02947643
Place : Ahmedabad

JALADHI ATULCHANDRA SHUKLA
Digitally signed by JALADHI ATULCHANDRA SHUKLA
Date: 2026.05.25 14:28:24 +05'30'

Jaladhi Shukla
Company Secretary
Place : Ahmedabad

Particulars	Notes	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Income :			
Revenue from operations	23	1,15,888.30	1,16,164.25
Other income	24	4,027.21	2,995.17
Total income		1,19,915.51	1,19,159.42
Expenses :			
Cost of power purchased		55,801.25	50,404.84
Cost of fuel		-	6,235.43
Transmission charges		8,843.73	5,975.80
Purchases of traded goods		-	7.02
Employee benefits expense	25	9,802.55	9,090.65
Finance costs	26	9,699.35	10,452.41
Depreciation and amortisation expense	5e	8,294.94	7,704.09
Other expenses	27	10,446.71	8,828.02
Total expenses		1,02,888.53	98,698.26
Profit before movement in regulatory deferral account balance, exceptional items and tax		17,026.98	20,461.16
(Less) : net movement in regulatory deferral account balance	42	(10,682.00)	(13,007.83)
Profit before exceptional items and tax		6,344.98	7,453.33
Exceptional items	32	-	(15,060.22)
Profit / (loss) before tax for the year		6,344.98	(7,606.89)
Tax expense:	28		
Current tax		986.74	6.43
Excess provision of tax pertaining to earlier years		-	(235.48)
Deferred tax		982.50	(1,843.22)
		1,969.24	(2,072.27)
Profit / (loss) after tax for the year	Total A	4,375.74	(5,534.62)
Other comprehensive income / (loss)			
(a) (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plans		37.58	(157.97)
Movement in regulatory deferral account balance		(37.58)	157.97
(ii) Tax related to items that will not be reclassified to profit or loss		-	-
(b) (i) 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		2,908.96	1,338.10
(ii) Tax related to items that will be reclassified to profit or loss		(1,016.51)	(467.59)
Other comprehensive income / (loss)	Total B	1,892.45	870.51
Total comprehensive income / (loss) for the year, net of tax	Total (A+B)	6,268.19	(4,664.11)

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration Number : 001076N / N500013

Neeraj Goel
Digitally signed by Neeraj Goel
Date: 2026.05.25 18:59:17 +05'30'

Neeraj Goel
Partner
Membership No.: 99514

Place : Gurugram
Date : 25 May, 2026

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

ANIL KUMAR SARDANA
Digitally signed by ANIL KUMAR SARDANA
Date: 2026.05.25 17:20:52 +05'30'

KANDARP SURYAKANT PATEL
Digitally signed by KANDARP SURYAKANT PATEL
Date: 2026.05.25 18:13:33 +05'30'

Anil Sardana
Chairman
DIN: 00006867
Place : Ahmedabad

Kandarp Patel
Managing Director & CEO
DIN.: 02947643
Place : Ahmedabad

KUNJAL MAHENDRA MEHTA
Digitally signed by KUNJAL MAHENDRA MEHTA
Date: 2026.05.25 14:16:18 +05'30'

JALADHI ATULCHANDRA SHUKLA
Digitally signed by JALADHI ATULCHANDRA SHUKLA
Date: 2026.05.25 14:28:53 +05'30'

Kunjali Mehta
Chief Financial Officer

Jaladhi Shukla
Company Secretary

Place : Ahmedabad
Date : 25 May, 2026

Place : Ahmedabad

Particulars	As at 31 March, 2026	As at 31 March, 2025
Opening balance	41,297.72	45,961.83
Profit / (loss) for the year	4,375.74	(5,534.62)
Other comprehensive income for the year*	1,892.45	870.51
Closing balance	47,565.91	41,297.72

Closing balance of net shareholder's investment represents the aggregate amount of share capital and other equity of each of the entities within the Obligor Group, and does not necessarily represent legal share capital for the purpose of the Obligor Group.

* Other Comprehensive income includes the adjustments for changes in actuarial valuation and cash flow hedge reserve.

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N / N500013

Neeraj Goel
Digitally signed by Neeraj Goel
Date: 2026.05.25 19:00:08 +05'30'
Neeraj Goel
Partner
Membership No.: 99514

Place : Gurugram
Date : 25 May, 2026

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED

ANIL KUMAR SARDANA
Digitally signed by ANIL KUMAR SARDANA
Date: 2026.05.25 17:21:23 +05'30'

Anil Sardana
Chairman
DIN: 00006867
Place : Mumbai

KUNJAL MAHENDRA MEHTA A MEHTA
Digitally signed by KUNJAL MAHENDRA MEHTA
Date: 2026.05.25 14:16:41 +05'30'

Kunjal Mehta
Chief Financial Officer

Place : Ahmedabad
Date : 25 May, 2026

KANDARP SURYAKANT PATEL
Digitally signed by KANDARP SURYAKANT PATEL
Date: 2026.05.25 18:26:24 +05'30'

Kandarp Patel
Managing Director & CEO
DIN: 02947643
Place : Ahmedabad

JALADHI ATULCHANDRA SHUKLA
Digitally signed by JALADHI ATULCHANDRA SHUKLA
Date: 2026.05.25 14:29:13 +05'30'

Jaladhi Shukla
Company Secretary

Place : Ahmedabad

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
A. Cash flow from operating activities		
Profit / (loss) before tax	6,344.98	(7,606.89)
Adjustments for:		
Interest income	(1,646.90)	(1,749.51)
Delayed payment charges	(572.29)	(385.23)
Gain on partial repurchase of senior secured note	(722.21)	-
Amortisation of service line contribution	(185.00)	(162.32)
Gain on sale and changes in fair value of current investments measured at FVTPL	(445.97)	(309.68)
Finance costs	9,699.35	10,452.41
Depreciation and amortisation expense	8,294.94	7,704.09
Exceptional Items (loss on sale of Dahanu Thermal Power Station)	-	15,060.22
Loss / (profit) on sale of property, plant and equipment (net)	163.35	(34.13)
Sundry creditors balances written back	(214.38)	(87.35)
Bad debt written off	186.19	165.66
Operating profit before working capital changes	20,902.06	23,047.27
Changes in working capital:		
Adjustments for (increase) / decrease in assets :		
Trade receivables	(1,988.67)	(2,168.29)
Inventories	5.60	217.31
Financial assets - current / non current	102.49	(126.21)
Other assets - current / non current	287.30	(2,344.98)
Regulatory deferral account - assets	10,716.83	12,857.59
Adjustment for increase / (decrease) in liabilities :		
Trade payables - current / non current	2,280.28	2,790.07
Financial liabilities - current / non current	996.68	1,303.08
Provisions - current / non current	2,256.41	334.66
Other liabilities - current / non current	107.58	(693.03)
Cash generated from operations	35,666.56	35,217.47
Income taxes paid (net)	(1,092.68)	2.64
Net cash generated from operating activities (A)	34,573.88	35,220.11
B. Cash flow from investing activities		
Capital expenditure on property, plant & equipment and intangible assets (including capital advances and work in progress)	(16,490.13)	(17,551.43)
Proceeds from sale of property, plant and equipment	86.85	106.39
Consideration received towards sale of Dahanu Thermal Power Station	-	8,150.00
Purchase of mutual funds / other investments (net)	(1,632.92)	(8,333.93)
Acquisition of subsidiary	-	(5,643.30)
Investment in subsidiary	(0.20)	-
Proceeds from / (deposits in) Bank deposits (net) (Including Margin money deposit)	29.82	(55.42)
Loans repaid	258.07	35.40
Delayed payment charges received	572.29	385.23
Interest income received	1,646.90	1,749.51
Net cash used in investing activities (B)	(15,529.32)	(21,157.55)
C. Cash flow from financing activities		
Increase in service line contribution	444.19	437.60
Repayment from current borrowings (net)	(12,113.44)	(4,083.20)
Repayment of short-term borrowings (net)	(1,500.00)	(6,500.00)
Refund on modification of leases	-	4,750.50
Payment of principal portion of lease liabilities	(32.13)	(79.94)
Interest of lease liabilities	(11.13)	(19.12)
Finance cost paid	(10,324.33)	(4,627.19)
Net cash used in financing activities (C)	(23,536.84)	(10,121.35)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(4,492.28)	3,941.21
Cash and cash equivalents as at 01 April (Opening Balance)	6,805.29	2,864.08
Cash and cash equivalents as at 31 March (Closing Balance)	2,313.01	6,805.29
Cash and cash equivalents includes	As at 31 March, 2026	As at 31 March, 2025
Balances with banks		
- In current accounts	1,231.30	1,123.75
Fixed deposits (with original maturity for three months or less)	1,000.00	5,590.10
Cheques / drafts on hand	66.40	81.05
Cash on hand	15.31	10.39
Total cash & cash equivalents	2,313.01	6,805.29

Note

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 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

Particulars	As at 01 April, 2025	Cash flows (net)	Non-cash transaction	As at 31 March, 2026
Non-current borrowings	1,20,050.57	(12,113.44)	8,603.01	1,16,540.14
Current borrowings	4,000.00	(1,500.00)	-	2,500.00
Lease liabilities	4,862.00	(32.13)	892.00	5,721.87
Interest accrued but not due on borrowings	1,089.77	(10,335.46)	10,204.98	959.29
Total	1,30,002.34	(23,981.03)	19,699.99	1,25,721.30

Particulars	As at 01 April, 2024	Cash flows (net)	Non-cash transaction	As at 31 March, 2025
Non-current borrowings	1,20,982.00	(4,083.20)	3,151.77	1,20,050.57
Current borrowings	10,500.00	(6,500.00)	-	4,000.00
Lease liabilities	191.44	4,670.56	-	4,862.00
Interest accrued but not due on borrowings	1,183.32	(4,646.31)	4,552.76	1,089.77
Total	1,32,856.76	(10,558.95)	7,704.53	1,30,002.34

Note : Non-cash transactions represents movement in revaluation of foreign currency borrowings and amortised cost of borrowings

The accompanying notes form an integral part of the special purpose combined financial statements.

As per our attached report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N / N500013

**Neeraj
Goel**

Neeraj Goel

Partner

Membership No.: 99514

Digitally signed by
Neeraj Goel

Date: 2026.05.25
19:12:58 +05'30'

For and on behalf of the Board of Directors

ADANI ELECTRICITY MUMBAI LIMITED

**ANIL
KUMAR
SARDANA**

Anil Sardana

Chairman

DIN: 00006867

Place : Mumbai

**KUNJAL
MAHENDRA
MEHTA**

Kunjal Mehta

Chief Financial Officer

Place : Ahmedabad

Date : 25 May, 2026

**KANDARP
SURYAKA
NT PATEL**

Kandarp Patel

Managing Director & CEO

DIN.: 02947643

Place : Ahmedabad

**JALADHI
ATULCHANDRA
SHUKLA**

Jaladhi Shukla

Company Secretary

Place : Ahmedabad

Place : Gurugram

Date : 25 May, 2026

1 Corporate information

Adani Electricity Mumbai Limited ("AEML") ("The Company") is a public limited company incorporated and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India, and its principal office at Devidas Lane, Off SVP Road, Near Devidas Telephone Exchange, Borivali(W), Mumbai 400105, Maharashtra, India. It is subsidiary of Adani Energy Solutions Limited (AESL) formerly known as Adani Transmission Limited ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT).

The integrated Mumbai Transmission and Distribution (TD) Business, under a license, transmits and distributes electricity to consumers in and around suburbs of Mumbai inclusive of areas covered under the Mira Bhayander Municipal Corporation, making it the country's largest private sector integrated power utility. The Tariff to be charged to the consumers is regulated by Maharashtra Electricity Regulatory Commission ("MERC").

Power Distribution Services Limited ("PDSL"), (formerly known as Adani Electricity Mumbai Services Limited) is incorporated on 6 December 2019 and domiciled in India having its registered office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421, Gujarat, India. It is subsidiary of Adani Energy Solutions Limited (AESL) formerly known as Adani Transmission Limited ("the Holding Company") and ultimate holding entity is S. B. Adani Family Trust (SBAFT). It is incorporated with the object to provide multiple services including human resource management, administrative support, information technology support, finance and accounts, audit and assurance support, treasury management, tax advisory, security support and training, other corporate support, business plan advisory, advisory on the implementation of best practices in line with global utility players, and advisory on process improvement. The above services are only indicative, and the nature and quantum of services may vary.

The Company and PDSL are together referred to as "the Obligor Group" in these Special Purpose Combined Financial Statements. The purpose and basis of preparation of financial statements explained in Note 2.1 & Note 2.2.

These financial statements of the Obligor Group for the year ended 31 March, 2026 were authorised for issue by the board of directors on 25 May, 2026.

2.1 Purpose of the special purpose combined financial statements

The Special purpose combined financial statements of Obligor Group comprise of the Special Purpose Combined Balance Sheet as at 31 March 2026, the Special Purpose Combined Statement of Profit and Loss (including Other Comprehensive Income), the Special Purpose Combined Statement of Cash Flows and the Special Purpose Combined Statement of Changes in Net shareholders' Investment for the year then ended and notes to the Special Purpose Combined Financial Statements, including material accounting policy information and other explanatory information (together hereinafter referred to as the 'Special Purpose Combined Financial Statements'), which have been prepared solely to submit it to the Singapore Exchange Securities Trading Limited (SGX-ST) as per the requirement of clause 1 (a) (ii) of Schedule 3 of the Common Terms Deed (CTD) dated 12 February, 2020 and CTD Accession Memorandum dated 13 July 2021 entered into between the Company, PDSL, Madison Pacific Trust Limited and SBICAP Trustee Company Limited in respect of the US Dollar denominated bonds listed on Singapore Exchange Securities Trading Limited (SGX-ST) and therefore, it may not be suitable for another purpose.

The Special purpose combined financial statements presented herein reflects the Obligor Group's results of operations, assets and liabilities and cash flows as at and for the year ended 31 March 2026.

2.2 Basis of preparation and presentation

The financial statements of the Obligor Group have been prepared in accordance with recognition, measurement, presentation and disclosure principles specified in the Indian Accounting Standards (Ind AS) as notified under Section 133 of the Companies Act, 2013 ("the Act") (except Ind AS 33, Earnings per Share), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time), other accounting principles generally accepted in India, presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable and the Guidance Note on Combined and Carve-out Financial Statements issued by the Institute of Chartered Accountants of India (ICAI).

As this special purpose combined financial statements have been prepared on a combined basis, it is not meaningful to show share capital or provide an analysis of reserves. Net Shareholder's Investment, therefore, represents the difference between the assets and liabilities pertaining to combined businesses. Share capital of Obligor Group is held by the Holding Company (74.90%) and Qatar Holding LLC (25.10%). Certain disclosure like Earnings Per Share have not been presented in this special purpose combined financial statements, as Obligor Group did not meet the applicability criteria as specified under Indian Accounting Standard 33 - Earnings per Share.

Management of the Company has prepared these Special Purpose Combined Financial Statements to depict the historical cost of the Obligor Group except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value (refer material accounting policy information regarding financial instruments)

As per the Guidance Note on Combined and Carve Out Financial Statement, the procedure for preparing combined financial statement of the combining entities is similar to that of consolidated financial statement as per the applicable Ind As. Accordingly, when combined financial statements are prepared, intra-group transactions and profits or losses are eliminated. All the intergroup transactions are undertaken on an arm's length basis. The resulting financial position may not be that which might existed if the combining businesses has been a stand-alone business.

Accordingly, the following procedure is followed for the preparation of the special purpose combined financial statements:

- (a) Combined like items of assets, liabilities, equity, income, expenses, and cash flows of the entities of the Obligor Group.
- (b) Eliminated in full intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between entities of the Obligor Group.

The carrying amounts of the Company and PDSL as reflected in their respective standalone statements are used for the purpose of preparing special purpose combined financial statements. This special purpose combined financial statements is Combined Financial statements and may not be necessarily indicative of the financial performance, financial position and cash flows of the Obligor Group that would have occurred if it had operated as separate stand-alone entities during the period presented or the Obligor Group's future performance. The Special Purpose Combined Financial statements include the operation of entities in the Obligor Group, as if they had been managed together for the period presented.

Income taxes are arrived at by aggregation of the tax expenses accrued by the combining businesses, after considering the tax effects of any adjustments which is in accordance with the Guidance Note on Combined and Carve-Out Financial Statement issued by the ICAI.

The inclusion of entities in the Obligor Group in these Special Purpose Combined Financial Statement are not an indication of exercise of control as defined in Ind AS 110 "Consolidated Financial Statement", by the Company over the entities forming part of Restricted Group.

The special purpose combined financial statements of the Obligor Group are presented in "Indian Rupees (₹)" which is also the Obligor Group's functional currency and all amounts disclosed in the special purpose combined financial statements and notes have been are rounded to the nearest two decimals in million, (transactions below ₹ 5,000 are denoted as ₹ 0.00) as per the requirement of Schedule III to the Act, unless otherwise stated.

The accounting policies followed in preparation of the Special Purpose Combined Financial Statements are consistent with those followed in the most recent annual financial statements of the entities forming part of the Obligor Group except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

For the purpose of these Special Purpose Combined Financial Statement, event occurring after the balance sheet date are updated only till adoption of financial statement of respective entities forming part of Obligor Group by its Board of Directors.

3 Material accounting policies

3.1 Current versus Non-Current Classification

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

3.2 Property, plant and equipment ("PPE")

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

In respect of property, plant and equipment ("assets") pertaining to Mumbai transmission and distribution business acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April, 2018, in line with the requirements of the Court Scheme, the Obligor Group has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by a Government registered valuer. Subsequent additions to the assets on or after 01 April, 2018 are accounted for at cost.

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

Derecognition

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

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than freehold land) less their residual values over their useful lives. Freehold land is not depreciated.

Regulated Assets: Subject to the below, depreciation on property, plant and equipment in respect of Mumbai transmission and distribution business of the Obligor Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight-line method at the rates using the methodology as notified by the regulator.

For certain types of assets in respect of which useful life is not specified in MERC Multi Year Tariff Regulations ("MYT regulations"), useful life as prescribed under Schedule-II of Companies Act, 2013 is considered.

In respect of assets 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.

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 Obligor Group has changed the salvage value of computers from 5 % to nil w.e.f. 01 April 2020).

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

Estimated useful lives of assets are as follows:

Type of Asset	Useful lives
Building	30-60 Years
Plant and equipment (except meters & batteries)	25-35 Years
Plant and equipment - meters*	25 Years
Plant and equipment - batteries	10 Years
Distribution line / transmission cable	35 Years
Streetlight	25 Years
Furniture and fixtures	15 Years
Office equipment*	15 Years
Computers, servers & related network*	3-6 Years
Vehicles	15 Years

* Consequent to amendment in tariff regulations, with respect to assets in principal approved on or after 11th August 2024, the Obligor Group has changed the useful life (years) in respect of meters (from 10 to 25), office equipment (from 5 to 15), Computers, servers & related network (from 3 to 6).

3.3 Intangible assets

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

In respect of intangible asset ("assets") pertaining to Mumbai transmission and distribution business acquired from Reliance Infrastructure Limited (RIL) under a Court sanctioned scheme of arrangement with an appointed date of 01 April 2018, in line with the requirements of the Court Scheme, the Obligor Group has accounted for such Assets at their respective fair values as at 01 April, 2018 based on valuation done by professional valuation firm.

Subsequent additions to the assets on or after 01 April, 2018 are accounted for at cost.

Derecognition of Intangible assets.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in Statement of Profit and Loss when the asset is derecognised.

Useful life

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

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

Estimated useful lives of the intangible assets are as follows:

Type of Assets	Useful lives
Transmission license	Indefinite
Computer software	3 years

3.4 Non-current assets held for sale

Non-current assets are classified as held for sale if their carrying amounts are recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell, except for financial assets which are measured as per Ind AS 109 "Financial Instruments". Non-current assets are not depreciated or amortised.

3.5 Impairment of PPE and intangible assets

PPE (including CWIP) and intangible assets with definite lives, are reviewed for impairment, whenever events or changes in circumstances indicate that their carrying values may not be recoverable. Intangible assets having indefinite useful lives are tested for impairment, at-least annually and whenever circumstances indicate that it may be impaired.

For the purpose of impairment testing, the recoverable amount (that is, higher of the fair value less costs to sell and the value-in-use) is determined on an individual asset basis, unless the asset does not generate cash flows that are largely independent of those from other assets, in which case the recoverable amount is determined at the cash generating unit ("CGU") level to which the said asset belongs. If such individual assets or CGU are considered to be impaired, the impairment to be recognised in the statement of profit and loss is measured by the amount by which the carrying value of the asset / CGU exceeds their estimated recoverable amount and allocated on pro-rata basis.

Impairment losses are reversed in the statement of profit and loss and the carrying value is increased to its revised recoverable amount provided that this amount does not exceed the carrying value that would have been determined had no impairment loss been recognised for the said asset / CGU in previous years.

3.6 Financial instruments

Financial assets (except for trade receivables which are measured at transaction cost) and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

(A) Financial assets

Initial recognition and measurement:

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

Subsequent measurement:

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

i) Classification and measurement of financial assets**a) Financial assets at amortised cost**

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

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

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

ii) Impairment of financial assets

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

iii) Derecognition

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

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

-the Obligor 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 Obligor Group has transferred substantially all the risks and rewards of the asset, or (b) the Obligor Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Obligor 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 Obligor Group continues to recognise the transferred asset to the extent of the Obligor Group's continuing involvement. In that case, the Obligor 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 Obligor Group has retained.

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

(B) Financial liabilities and equity instruments**i) Classification as debt or equity**

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

ii) financial liabilities**Initial recognition and measurement**

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

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

Subsequent measurement

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

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

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

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (loans to related parties), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include buyer's credit, foreign letter of credit and inland letter of credit.

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

iii) Derecognition of Financial Liability

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

3.7 Derivative financial instruments and hedge accounting**Initial recognition and subsequent measurement:**

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of Profit and Loss, except for the effective portion of cash flow hedges, which is recognised in Other Comprehensive Income (OCI) and later reclassified to the Statement of Profit and Loss when the hedge item affects profit or loss. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

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

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

Cash flow hedges :

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the 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 relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognised in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognised in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs of inventories are determined on weighted average basis. Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Unserviceable / damaged stores and spares are identified and written down based on technical evaluation.

3.9 Foreign currencies

The functional currency of the Obligor Group is Indian Rupee ₹.

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

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

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

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

3.10 Fair value measurement

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

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

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

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (ii) Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable;
- (iii) Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

3.11 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 Obligor Group expects to be entitled in exchange for those goods or services.

1. Transmission of power

Revenue from transmission of power is recognised net of cash discount over time for transmission of electricity. The Obligor Group as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement (ARR) comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies.

Input method is used to recognize revenue based on the Obligor Group's efforts or inputs to the satisfaction of a performance obligation to deliver power.

As per tariff regulations, the Obligor Group determines ARR and any surplus/shortfall in recovery of the same is accounted as revenue.

2. Sale of power - Distribution

Revenue from sale of power is recognised net of cash discount over time based on output method i.e. for each unit of electricity delivered at the pre-determined rate. Sales of power under Deviation settlement mechanism is recognised at variable cost.

3. Rendering of services

Revenue from a contract to provide services is recognized over time based on output method where direct measurements of value to the customer based on surveys of performance completed to date. Revenue is recognised net of cash discount at a point in time at the contracted rate.

4. Interest on Overdue Receivables / Delay Payment Charges

Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount.

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

5. Sale of traded goods

Revenue from sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Obligor 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 Obligor Group.

There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

6. Amortisation of Service line contribution

Contributions by consumers towards items of property, plant and equipment, which require an obligation to provide electricity connectivity to the consumers, are recognised as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

7. Interest income:

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

8. Rental income:

Rental income from guest house and others are recognised as revenue in the period in which they are earned.

3.12 Regulatory deferral account

The Obligor Group determines revenue gaps (i.e. surplus/shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the guidance note on Rate Regulated Activities issued by The Institute of Chartered Accountants of India (ICAI) and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable, and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Obligor 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.

3.13 Borrowing costs

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

3.14 Employee benefits

(i) Defined contribution plan:

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

(ii) Defined benefit plans:

The Obligor Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan.

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

(iii) Compensated absences:

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

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

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

3.15 Leases

At inception of a contract, the Obligor Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Obligor Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term

Right-of-use assets

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Obligor Group by the end of the lease term or the cost of the right-of-use asset reflects that the Obligor Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Obligor Group's incremental borrowing rate. Generally, the Obligor Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

3.16 Taxation

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

i) Current Tax

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

ii) Deferred Tax

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

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

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

3.17 Provisions, and Contingent Liabilities

i) Provisions

Provisions are recognised when the Obligor Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Obligor Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised 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. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

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 Obligor 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 Liabilities

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.

4 Recent accounting pronouncements

(a) MCA has notified below amendments which were effective from 1 April, 2025.

Amendments to Ind AS 21 - Lack of exchangeability

MCA via notification dated 7 May 2025, announced amendments to Ind AS 21 "The Effects of Changes in Foreign Exchange Rates", to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the financial performance, financial position and cash flows.

The amendments do not have a material impact on the Obligor Group's Financial Statements.

Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

MCA via notification dated 13 August 2025 announced amendments to Ind AS 1 "Presentation of Financial Statements", which elaborate on guidance set out in Ind AS 1 by:

- clarifying that the right to defer settlement of a liability for at least 12 months after the reporting period must have substance and must exist at the end of the reporting period;
- stating that management's expectations around whether they will defer settlement or not do not impact the classification of the liability;
- including requirements for liabilities that can be settled using an entity's own instruments; and
- stating that at the reporting date, the entity does not consider covenants that will need to be complied with in the future when considering the classification of the debt as current or non-current
In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments do not have a material impact on the Obligor Group's Financial Statements.

Supplier Finance Arrangements - Amendments to Ind AS 7 and Ind AS 107

MCA via notification dated 13 August 2025 announced amendments to Ind AS 7 – "Statement of Cash Flows" and

Ind AS 107 "Financial Instruments: Disclosures" which introduced disclosure requirements with the objective to enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cashflows and exposure to liquidity risk.

The amendments do not have a material impact on the Obligor Group's Financial Statements.

International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

MCA via notification dated 13 August 2025 announced amendments to Ind AS 12 "Income Taxes" which includes:

- a temporary exception to the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules; and
- additional disclosure requirements targeted at a reporting entity's exposure to income taxes in periods in which the Pillar Two Model legislation is enacted or substantively enacted but not yet in effect.

The amendments do not have a material impact on the Obligor Group's Financial Statements.

- (b) Standards issued / amendments to existing standards issued but are yet not effective.

Amendments to Ind AS 1 – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

This amendment is not expected to have a significant impact on the Obligor Group's Financial Statements.

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Particulars	Freehold Land	Buildings - Residential	Buildings- Others	Plant and Equipment	Distribution Systems	Street Light	Railway Siding	Jetty	Furniture and Fixtures	Vehicles	Office Equipment	Computers	Electrical Installations	Total
Gross carrying amount As at 01 April, 2024	26,368.70	1,064.67	9,321.34	60,136.62	73,510.89	3,099.33	68.74	13.94	221.65	777.44	333.10	2,513.64	578.79	1,78,008.85
Additions	-	-	804.22	10,423.59	8,304.27	432.53	-	-	24.38	57.16	25.59	200.01	204.18	20,475.93
Transferred on capital reorganisation (refer note 34)	10,697.40	396.92	2,002.04	17,118.26	-	-	68.74	13.94	12.48	118.32	27.32	84.35	61.55	30,601.32
Disposals	-	-	-	370.69	-	36.16	-	-	0.49	14.62	1.32	-	-	423.28
Gross carrying amount as at 31 March, 2025	15,671.30	667.75	8,123.52	53,071.26	81,815.16	3,495.70	-	-	233.06	701.66	330.05	2,629.30	721.42	1,67,460.18
Accumulated depreciation As at 01 April, 2024	-	244.32	1,771.84	16,863.59	13,960.10	694.21	24.79	4.98	140.80	192.25	230.23	1,342.05	228.69	35,697.85
Depreciation charge for the year	-	24.42	223.48	2,863.47	3,367.51	165.66	1.02	0.11	8.46	41.42	36.44	450.21	46.60	7,228.80
Transferred on capital reorganisation (refer note 34)	-	169.23	888.12	6,435.87	-	-	25.81	5.09	11.41	50.66	22.79	45.79	30.89	7,685.66
Eliminated on disposal of assets	-	-	-	330.69	-	12.29	-	-	0.49	6.19	1.36	-	-	351.02
Accumulated depreciation as at 31 March, 2025	-	99.51	1,107.20	12,960.50	17,327.61	847.58	-	-	137.36	176.82	242.52	1,746.47	244.40	34,889.97
Net carrying amount as at 31 March, 2025	15,671.30	568.24	7,016.32	40,110.76	64,487.55	2,648.12	-	-	95.70	524.84	87.53	882.83	477.02	1,32,570.21
Gross carrying amount As at 01 April, 2025	15,671.30	667.75	8,123.52	53,071.26	81,815.16	3,495.70	-	-	233.06	701.66	330.05	2,629.30	721.42	1,67,460.18
Additions	-	6.90	972.00	4,929.74	8,669.94	519.50	-	-	16.10	204.90	4.10	310.70	34.80	15,668.68
Disposals	-	-	-	416.10	-	28.20	-	-	-	77.10	-	31.80	2.20	555.40
Gross carrying amount as at 31 March, 2026	15,671.30	674.65	9,095.52	57,584.90	90,485.10	3,987.00	-	-	249.16	829.46	334.15	2,908.20	754.02	1,82,573.46
Accumulated depreciation As at 01 April, 2025	-	99.51	1,107.20	12,960.50	17,327.61	847.58	-	-	137.36	176.82	242.52	1,746.47	244.40	34,889.97
Depreciation charge for the year	-	13.10	257.00	2,801.83	4,360.84	182.60	-	-	8.90	75.90	14.10	289.00	21.20	8,024.47
Eliminated on disposal of assets	-	-	-	238.00	-	9.90	-	-	-	23.60	-	31.60	2.10	305.20
Accumulated depreciation as at 31 March, 2026	-	112.61	1,364.20	15,524.33	21,688.45	1,020.28	-	-	146.26	229.12	256.62	2,003.87	263.50	42,609.24
Net carrying amount as at 31 March, 2026	15,671.30	562.04	7,731.32	42,060.57	68,796.65	2,966.72	-	-	102.90	600.34	77.53	904.33	490.52	1,39,964.22

Notes:

(i) Refer note 16 (iii) for security charges created on aforesaid assets

(ii) Refer note 31 (B) for capital commitments

(iii) Details of Immovable Properties for which title deeds / lease agreements are not in the name of Obligor Group are given below:

Relevant line item in Balance sheet	Description of Property	Gross carrying amount	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the Obligor Group
Property, Plant and Equipment	Free hold land	11,704.14	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		The title deeds in respect of land and certain residential properties are either in the erstwhile names of the Company viz: "Bombay Suburban Electric Supply Limited" (BSES) / "Reliance Energy Limited" / "Reliance Infrastructure Limited". The Company is in process of updating the same from erstwhile Company's name to the name of the Company.
Property, Plant and Equipment	Building	5,870.77	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No	28 August, 2018	
Right-of-Use Assets	Leasehold Land	75.98	BSES / Reliance Energy Limited / Reliance Infrastructure Limited	No		
Right-of-Use Assets	Leasehold Land	5,100.00	Mumbai Metropolitan Region Development Authority	No	18 September, 2021	The Company received the possession letter dated 18 September, 2021 and will enter into formal lease agreement on completion of the construction of the substation as per the applicable regulatory requirements.

Note 5a: Capital work-in-progress (CWIP)

Particulars	As at 31 March, 2026	As at 31 March, 2025
Opening Balance	4,107.73	8,268.20
Expenditure incurred during the year	15,562.85	16,509.69
Less :Transferred on sale of Dahanu Thermal Power Station (refer note 32)	-	(194.23)
Less : Capitalised during the year	(14,624.58)	(20,475.93)
Closing Balance	5,046.00	4,107.73

Refer note 16 (iii) for security charges created on aforesaid assets

(a) Capital-work-in progress ageing schedule:

Particulars	Amount for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2026					
- Projects in progress	3,544.70	165.10	804.30	531.90	5,046.00
- Projects temporarily suspended	-	-	-	-	-
Total	3,544.70	165.10	804.30	531.90	5,046.00
As at 31 March, 2025					
- Projects in progress	1,639.73	1,368.90	548.60	550.50	4,107.73
- Projects temporarily suspended	-	-	-	-	-
Total	1,639.73	1,368.90	548.60	550.50	4,107.73

(b) There are no capital-work-in progress, where completion is overdue (time overruns due to delay in statutory approvals, right of way issues and approved by the management's revised plan are not considered).

(c) There no capital-work-in progress, which have exceeded its costs compare to its plan (Cost overruns (upto (+-) 10 % are envisaged by the management's original plan, hence not considered).

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Note 5b: Right of use assets

Particulars	Land	Building	Right of Way	Total
Gross carrying amount				
As at 01 April, 2024	5,243.03	1,020.92	414.74	6,678.69
Additions	-	-	-	-
Derecognition	-	-	-	-
Gross carrying amount as at 31 March, 2025	5,243.03	1,020.92	414.74	6,678.69
Accumulated depreciation / amortisation				
As at 01 April, 2024	171.37	867.08	141.94	1,180.39
Depreciation / amortisation charge for the year	64.50	65.68	43.80	173.98
Derecognition	-	-	-	-
Accumulated depreciation / amortisation as at 31 March, 2025	235.87	932.76	185.74	1,354.37
Net carrying amount as at 31 March, 2025	5,007.16	88.16	229.00	5,324.32
Gross carrying amount				
As at 01 April, 2025	5,243.03	1,020.92	414.74	6,678.69
Additions	914.60	-	-	914.60
Derecognition	2.70	-	-	2.70
Gross carrying amount as at 31 March, 2026	6,154.93	1,020.92	414.74	7,590.59
Accumulated depreciation / amortisation				
As at 01 April, 2025	235.87	932.76	185.74	1,354.37
Depreciation / amortisation charge for the year	63.82	27.50	43.80	135.12
Derecognition	2.70	-	-	2.70
Accumulated depreciation / amortisation as at 31 March, 2026	296.99	960.26	229.54	1,486.79
Net carrying amount as at 31 March, 2026	5,857.94	60.66	185.20	6,103.80

(i) Refer note 30 for lease liabilities disclosure under Ind AS 116.

(ii) Refer note 5 (iii) for the title deeds in respect of certain lease hold land properties.

Note 5c: Intangible assets

Particulars	Computer Software	Transmission License	Total
Gross carrying amount			
As at 01 April, 2024	1,485.99	9,816.20	11,302.19
Additions	388.50	-	388.50
Transferred on sale of Dahanu Thermal Power Station (refer note 32)	15.41	-	15.41
Gross carrying amount as at 31 March, 2025	1,859.08	9,816.20	11,675.28
Accumulated amortisation			
As at 01 April, 2024	985.79	-	985.79
Amortisation charge for the year	357.10	-	357.10
Transferred on sale of Dahanu Thermal Power Station (refer note 32)	13.70	-	13.70
Accumulated amortisation as at 31 March, 2025	1,329.19	-	1,329.19
Net carrying amount as at 31 March, 2025	529.89	9,816.20	10,346.09
Gross carrying amount			
As at 01 April, 2025	1,859.08	9,816.20	11,675.28
Additions	479.10	-	479.10
Transferred on sale of Dahanu Thermal Power Station (refer note 32)	-	-	-
Gross carrying amount as at 31 March, 2026	2,338.18	9,816.20	12,154.38
Accumulated amortisation			
As at 01 April, 2025	1,329.19	-	1,329.19
Amortisation charge for the year	137.15	-	137.15
Transferred on sale of Dahanu Thermal Power Station (refer note 32)	-	-	-
Accumulated amortisation as at 31 March, 2026	1,466.34	-	1,466.34
Net carrying amount as at 31 March, 2026	871.84	9,816.20	10,688.04

Notes:

(i) The above intangible assets are other than internally generated intangible assets.

(ii) Transmission license was acquired as part of the business acquisition. The License is valid for 25 years from 16 August, 2011 to 15 August, 2036. The license is expected to be further extended at minimal cost, considering similar extensions have happened in the past. Based on an analysis of all of the relevant factors, the license is considered by the Group as having an indefinite useful life, as there is no foreseeable limit to the period over which the transmission business related assets are expected to generate net cash inflows for the Group. (refer note 29 for impairment testing)

(iii) Transmission License is pledged as security with the Lenders against borrowings. (refer note 16 (iii))

Note 5d: Intangible assets under development

Particulars	As at 31 March, 2026	As at 31 March, 2025
Opening Balance	68.75	-
Expenditure incurred during the year	84.25	425.85
Less : Capitalised during the year	(153.00)	(357.10)
Closing Balance	-	68.75

(a) Intangible assets under development ageing schedule:

Particulars	Amount for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
As at 31 March, 2026					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at 31 March, 2025					
- Projects in progress	68.75	-	-	-	68.75
- Projects temporarily suspended	-	-	-	-	-
Total	68.75	-	-	-	68.75

(b) There are no intangible assets under development, where completion is overdue (time overruns due to delay in statutory approvals, right of way issues and approved by the management's revised plan are not considered).

(c) There are no capital-intangible assets under development, which have exceeded its costs compared to its plan (cost overruns upto (+/-) 10 % are envisaged by the management's original plan, hence not considered).

Note 5e: Depreciation and amortisation expense

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Depreciation on property, plant and equipment	8,024.47	7,228.80
Amortisation on intangible assets	137.15	357.10
Depreciation / amortisation on right of use assets	135.12	173.98
Total	8,296.74	7,759.88
Less : Transferred to capital work in progress	(1.80)	(55.79)
Net depreciation and amortisation expense charged to the Statement of Profit and Loss	8,294.94	7,704.09

6 Investments	Face value in ₹ unless otherwise specified	No of shares / units	As at 31 March,	As at 31 March,
			2026	2025
6a Non-current investments				
Investment in equity shares of subsidiary fully paid up (unquoted) (cost)				
Adani Electricity Mumbai Infra Limited	Nil (10)	Nil (10,000)	-	0.10
AEML SEEPZ Limited	10 (10)	13,510,000 (13,510,000)	135.10	135.10
Pointleap Projects Private Limited	10 (10)	67,845 (67,845)	892.00	892.00
Superheight Infraspace Private Limited	10 (10)	30,000 (10,000)	4,751.50	4,751.30
Investment in equity shares carried at fair value through profit or loss (FVTPL) (unquoted) and fully paid up				
North Maharashtra Power Limited	10 (10)	10,000 (10,000)	0.10	0.10
Adani Electricity Mumbai Infra Limited (refer note 33)	10 (Nil)	10,000 (Nil)	0.10	-
Investment in Government Securities fully paid up at amortised cost				
Contingency reserve Investments (quoted)				
7.16% Government Stock - 2050	100 (100)	1,87,50,000 (1,87,50,000)	1,994.50	2,002.44
9.23% Government Stock - 2043	100 (100)	2,20,000 (2,20,000)	27.50	27.70
5.63% Government Stock - 2026	100 (100)	55,00,000 (55,00,000)	563.20	555.90
6.79% Government Stock - 2034	100 (Nil)	10,00,000 (Nil)	106.50	-
8.28% Government Stock - 2032	100 (Nil)	1,30,000 (Nil)	14.20	-
		Total	8,484.70	8,364.64
Aggregate market value of quoted investments			2,463.46	2,504.86
Aggregate carrying value of quoted investments			2,705.90	2,586.04
Aggregate carrying value of unquoted investments			5,778.80	5,778.60
Aggregate amount of impairment in the value of investments			-	-

6b Current investments	Face value in ₹ unless otherwise specified	No of Units	As at 31 March,	As at 31 March,
			2026	2025
Investment in Treasury Bill (Quoted)				
Contingency reserve investments				
Investment in treasury bills at FVTPL	Nil (100)	Nil (10,00,000)	-	99.95
Investment in mutual funds at FVTPL (quoted)				
Tata Liquid Fund Direct Growth {NAV ₹ 4,349.71 (NAV ₹ 4,092.83 p.u.)}		1,72,640 (628,077)	750.90	2,570.61
Nippon India Liquid Fund Direct Growth Plan {NAV ₹ 6,744.11 (NAV ₹ 6,346.89 p.u.)}		1,11,357 (159,095)	751.00	1,009.77
SBI Liquid Fund Direct Growth {NAV ₹ Nil (NAV ₹ 4055.9471 p.u.)}		Nil (1,24,7,018)	-	5,057.84
Aditya Birla Sun Life Money Manager Fund - Grow {NAV ₹ 392.17 p.u. (Nil)}		51,85,706 (Nil)	2,033.70	-
Aditya Birla Overnight Fund Growth - Direct Plan {NAV ₹ 1,456.73 p.u. (Nil)}		3,98,461 (Nil)	580.40	-
Kotak Money Market Fund - Direct Plan - Growth {NAV ₹ 4,744.66 p.u. (Nil)}		4,28,980 (Nil)	2,035.40	-
ICICI Prudential Liquid - Direct Plan - Growth {NAV ₹ 407.68 p.u. (Nil)}		18,41,882 (Nil)	750.90	-
ICICI Prudential Money Market Fund - Direct Plan {NAV ₹ 402.02 p.u. (Nil)}		33,40,371 (Nil)	1,342.90	-
Invesco India Liquid Fund - Direct Plan Growth {NAV ₹ 3,780.74 p.u. (Nil)}		3,83,821 (Nil)	1,451.10	-
SBI Overnight Fund Direct Growth {NAV ₹ 4,379.54 p.u. (Nil)}		2,28,508 (Nil)	1,000.80	-
		Total	10,697.10	8,738.17
Aggregate market value of quoted investments			-	99.95
Aggregate carrying value of quoted investments			-	99.95
Aggregate carrying value of unquoted investments			10,697.10	8,638.22
Aggregate amount of impairment in the value of investments			-	-

7 Loans	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Housing loans to employees, considered good - secured	65.86	88.41	18.80	19.41
Loans to related party - considered good - unsecured	115.54	315.41	-	-
Loans to employees -considered good - unsecured	37.24	66.56	26.80	32.52
Total	218.64	470.38	45.60	51.93

Details of loans to specified persons

Type of Borrowers	Amount of loan outstanding		Percentage to the total Loans	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Promoter	-	-	-	-
Director	-	-	-	-
Key Managerial Personnel	-	-	-	-
Related Party	115.54	315.41	43.73%	60.39%

Note : Loans to related party are given to:

(a) AEML SEEPZ Limited (wholly own subsidiary) ₹ 115.00 millions (31 March 2025 : ₹ 315.00 millions), are for a period of 5 years with effect from 03 November 2023, interest being the rate linked to weighted average interest rate of loan portfolio of the Company and are repayable on completion of 60 months.

(b) Pointleap Projects Private Limited (wholly own subsidiary) ₹ 0.54 millions (31 March 2025 : ₹ 0.41 millions) for a period of 3 years with effect from 13 August 2024, interest being linked to weighted average interest rate of loan portfolio of the Company and are repayable on completion of 36 months.

8 Other financial assets	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
(Unsecured, considered good unless otherwise stated)				
Security Deposits - unsecured				
Considered good	202.63	208.08	-	-
Considered doubtful	63.74	63.74	-	-
	266.37	271.82	-	-
Less : Allowance for doubtful deposits	(63.74)	(63.74)	-	-
Total	202.63	208.08	-	-
* Deposit with banks having maturity more than 12 months	5,592.55	5,592.55	-	-
Derivative instruments designated in hedge accounting relationship	10,305.12	3,627.78	5,709.60	490.50
Regulatory assets other than distribution	-	-	-	107.09
Others	-	-	24.81	14.76
Total	16,100.30	9,428.41	5,734.41	612.35

Note :

* Represents deposits towards Debt Service Reserve Account (DSRA), Capex Reserve Account (CRA), Hedge Reserve and margin money against bank guarantee. Further, deposits held have an initial term of 6 months which are generally renewed upon maturity.

9 Income tax assets (net)	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Non current tax assets (net of provision)	380.94	276.42	2.47	1.05
Total	380.94	276.42	2.47	1.05

Note : Tax provision 31 March, 2026 : ₹986.74 millions {31 March, 2025 ₹6.43 millions}

10 Other assets	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Advances to suppliers	-	-	2,325.71	2,588.89
Balances with government authorities	-	-	0.99	0.92
Prepaid expenses	9.60	0.11	175.68	190.72
Capital advances	85.70	2.29	-	-
Advance to employees	19.09	15.40	27.01	49.34
Total	114.39	17.80	2,529.39	2,829.87

11 Inventories	As at 31 March,	
	2026	2025
Fuel	0.02	0.05
Stores and spares	468.07	473.64
Total	468.09	473.69

Refer note 16 (iii) for security charges created on aforesaid assets

12 Trade receivables	As at 31 March,	
	2026	2025
Considered good, secured	1,561.30	1,477.60
Considered good, unsecured	5,566.75	3,524.03
Having significant increase in credit risk	338.60	502.20
Credit impaired	-	13.86
	7,466.65	5,517.69
Less : Loss allowance	-	(13.86)
	7,466.65	5,503.83
Unbilled Receivables	7,573.59	7,733.93
Total	15,040.24	13,237.76

Note :

- The Company holds security deposit from its customers (refer note 19) in respect of trade receivables to the extent covered by such deposits are presented as
- Above trade receivables are pledged as security with the Lenders against borrowings (refer note No 16 (iii)).
- The average credit period for the Company's receivables from its transmission and distribution (including street light maintenance) business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- In case of transmission business, regulator approved tariff is receivable from long-term transmission customers (LTTCS) and Discoms that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- Trade receivable balance mainly comprises of outstanding from consumers wherein the credit period provided to such consumers is less than 30 days. The outstanding amount beyond credit period remains insignificant. The risk of recovery in this business is reduced to the extent of security deposits already collected and held as collateral. Considering the nature of the business, the historical loss trend, the loss allowance with respect to balance dues beyond credit period are not material and in line with expected credit losses in accordance with Ind AS 109.

12.1 Trade Receivables ageing schedule

Particulars	Outstanding for following periods from due date							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2026								
(i) Undisputed Trade receivables – considered good	7,573.59	3,984.35	2,594.00	141.80	389.70	-	-	14,683.44
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	219.60	50.30	28.50	38.10	-	-	336.50
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered good	-	0.40	0.50	2.80	14.50	-	-	18.20
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	0.30	1.80	-	-	-	-	2.10
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(vii) Loss Allowance	-	-	-	-	-	-	-	-
	7,573.59	4,204.65	2,646.60	173.10	442.30	-	-	15,040.24

Particulars	Outstanding for following periods from due date							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2025								
(i) Undisputed Trade receivables – considered good	7,733.93	3,548.43	934.40	74.80	422.90	-	-	12,714.46
(ii) Undisputed Trade Receivables – which have significant increase in	-	251.60	167.20	33.90	48.30	-	-	501.00
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	13.86	-	-	13.86
(iv) Disputed Trade Receivables	-	2.90	18.00	0.10	0.10	-	-	21.10
(v) Disputed Trade Receivables - which have significant increase in	-	0.10	1.10	-	-	-	-	1.20
(vi) Disputed Trade Receivables –	-	-	-	-	-	-	-	-
(vii) Loss Allowance	-	-	-	-	(13.86)	-	-	(13.86)
	7,733.93	3,803.03	1,120.70	108.80	471.30	-	-	13,237.76
12.2 Movement in the loss allowance							As at 31 March, 2026	As at 31 March, 2025
Balance at the beginning of the year							13.86	13.86
Add : Loss allowance during the year							172.33	165.66
(Less) : Written off during the year							(186.19)	(165.66)
Balance at the end of the year							-	13.86
13 Cash and cash equivalents							As at 31 March, 2026	As at 31 March, 2025
Balances with banks								
- In current accounts							1,231.30	1,123.75
Fixed deposits (with original maturity for three months or less)							1,000.00	5,590.10
Cheques / drafts on hand							66.40	81.05
Cash on hand							15.31	10.39
						Total	2,313.01	6,805.29
Cash and cash equivalents includes balance with banks which are unrestricted for withdrawal and usage. Refer note 16 (iii) for security charges created on aforesaid assets								
14 Bank balance other than cash and cash equivalents							As at 31 March, 2026	As at 31 March, 2025
Bank Deposits with original maturity of more than 3 months but less than 12 months							6,371.64	6,401.46
						Total	6,371.64	6,401.46
Refer note 16 (iii) for security charges created on aforesaid assets								
15 Net Shareholder's Investment							As at 31 March, 2026	As at 31 March, 2025
Opening Balance							41,297.72	45,961.83
Profit / (loss) for the year							4,375.74	(5,534.62)
Other comprehensive income / (loss) for the year							1,892.45	870.51
Closing Balance						Total	47,565.91	41,297.72
16 Non-current borrowings							Non-current	Current
							As at 31 March, 2026	As at 31 March, 2025
Secured								
External Commercial Borrowings in Foreign Currency								
Senior Secured Note - 3.949%							78,430.36	74,802.67
Sustainability Linked Notes - 3.867%							24,056.28	25,453.80
Working capital loan							-	-
								2,500.00
								4,000.00
Unsecured								
External Commercial Borrowings in Foreign Currency from related party								
Shareholders Affiliated Debts - 6.365%							14,053.50	15,691.27
								-
								4,102.83
						Total	1,16,540.14	1,15,947.74
							2,500.00	8,102.83

Notes 16 (i)

During the year the Obligor Group has complied with all the covenants as required under bond agreement.

Notes 16 (ii)

During the year ended 31 March 2026, pursuant to the approval of management committee, the Company had completed partial re-purchase of its Senior Secured Notes of US\$ 49.50 million of its outstanding 3.949% US\$ 880 million due in 2030 and Sustainability Linked Notes of its US\$ 44.661 million of its outstanding 3.867% US\$ 300 million due in 2031, through cash open market repurchase.

Post re-purchase, in current year the Company has recognised one time income of ₹ 722.21 million on derecognition of liability and the Company has cancelled the aforementioned 3.949% US\$ 49.50 million Senior Secured Notes and 3.867% US\$ 44.661 million Sustainability Linked Notes.

Note 16 (iii)

Borrowings	Security	Terms of repayment of borrowings
Sustainability Linked Notes - 3.87% (and related hedging instruments)	<p>a) a first pari passu mortgage over certain identified immovable properties;</p> <p>b) a first pari passu charge on the movable assets (both present and future);</p> <p>c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion of capex in relation to existing business (both present and future);</p> <p>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);</p> <p>e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC;</p> <p>f) a pledge over 100% of the entire paid up equity and preference share capital of the Company if any;</p> <p>g) a non-disposal undertaking over immovable properties other than certain identified immovable properties;</p> <p>h) a non-disposal undertaking over the immovable and moveable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited (PDSL, the Service Company) (both present and future); and</p>	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Senior Secured Note - 3.949% (and related hedging instruments)	<p>i) a non-disposal undertaking over 100% of the equity and preference share capital of the Service Company, if any;</p> <p>In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of the Company, and such future obligors.</p>	By way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. The Company can voluntarily prepay the Bond on payment of premium.
Working capital loan	<p>Ranking of Security</p> <p>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.</p>	Working capital short term loans outstanding as on 31 March, 2026 are repayable within 03 months and the rate of interest ranges from 6.50% p.a. to 8.25% p.a. (31 March 2025: 7.57% p.a. to 9.45% p.a.)
Shareholders Affiliated Debts - 6.365%	<p>(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts</p> <p>(ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account.</p>	<p>Following the occurrence of a Cash Sweep Event*, amounts which are available for distribution or repayment of facility will be applied towards prepayment :</p> <p>(i) after one-third of the principal amount outstanding under the Facility as of the fifth anniversary of the Utilisation Date has been prepaid, the Cash Sweep shall cease to apply until the sixth anniversary of the Utilisation Date;</p> <p>(ii) the Cash Sweep will recommence if any amounts under the Facility remain outstanding on the sixth anniversary of the Utilisation Date and once two-thirds of the principal amount outstanding under the Facility as of the fifth anniversary of the Utilisation Date has been prepaid, the Cash Sweep shall cease to apply until the seventh anniversary of the Utilisation Date; and</p> <p>(iii) the Cash Sweep shall recommence if any amounts under the Facility remain outstanding upon the seventh anniversary of the Utilisation Date and shall continue until the Discharge Date.</p> <p>The amount of the Cash Sweep will be applied in accordance with the terms and conditions of the Agreement and subject to approvals required as per the then applicable ECB Guidelines.</p>

* Cash Sweep Event occurs when an amount remains outstanding after 5th anniversary of utilization date, or a failure to pay an amount which is due or breach of certain restrictions or it becoming illegal for the lender to continue with its participation.

Note 16 (iv)

(a) There are no charges or satisfaction which are to be registered with Registrar of Companies beyond the statutory period.

17 Lease liabilities	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Lease liabilities (refer note 30)	5,717.80	4,774.88	4.07	87.12
Total	5,717.80	4,774.88	4.07	87.12

18 Trade payables	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	584.85	404.34
(B) total outstanding dues of creditors other than micro enterprises and small	400.60	388.83	15,690.50	13,816.88
Total	400.60	388.83	16,275.35	14,221.22

This information as required to be disclosed under Micro, Small and Medium Enterprises Development Act 2006, to whom the Obligor Group owes dues (including interest on outstanding dues), which are outstanding as at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company.

Particulars	As at 31 March, 2026	As at 31 March, 2025
(a) the principal amount remaining unpaid to any supplier at the end of each accounting year (including payable for Property, plant & equipment)	1,733.08	1,208.51
(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.	-	-

Trade payables ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	<1 year	1-2 years	2-3 years	More than 3 years	
As at 31 March, 2026						
(a) MSME	474.20	48.90	21.20	25.80	14.80	584.90
(b) Others	13,461.20	54.55	60.70	50.20	1,543.70	15,170.35
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	920.70	920.70
Total	13,935.40	103.45	81.90	76.00	2,479.20	16,675.95
As at 31 March, 2025						
(a) MSME	314.04	20.90	38.00	13.50	17.90	404.34
(b) Others	11,120.00	246.71	65.30	787.90	1,065.10	13,285.01
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	920.70	920.70
Total	11,434.04	267.61	103.30	801.40	2,003.70	14,610.05

19 Other financial liabilities	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Interest accrued but not due on borrowings	-	-	959.29	1,089.77
Payable towards purchase of property, plant and equipment				
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-	1,148.23	804.17
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	2,449.20	2,166.85
Security deposit:				
-From consumers	-	-	6,969.26	6,207.68
-From customers / vendors	-	-	494.71	143.16
Employee benefits payable	-	-	1,843.17	2,863.71
Regulatory liabilities other than distribution	983.50	-	-	-
# Payable towards regulatory asset under approval	28,020.00	28,020.00	-	-
Others	-	-	-	79.41
Derivative instruments designated in hedge accounting relationship	25.56	864.06	-	-
Total	29,029.06	28,884.06	13,863.86	13,354.75

refer note 36

20 Provisions	Non-Current		Current	
	As at 31 March, 2026	As at 31 March, 2025	As at 31 March, 2026	As at 31 March, 2025
Provision for gratuity (refer note41)	3,374.52	2,272.94	299.12	281.71
Provision for compensated absences	3,021.52	2,811.26	227.19	359.88
Provision for other employment benefits	195.50	171.88	1,054.08	17.85
Total	6,591.54	5,256.08	1,580.39	659.44

23 Revenue from operations	For the year ended 31 March, 2026	For the year ended 31 March,2025
a) Income from sale of power and transmission charges		
* Income from sale of power and transmission charges (net)	1,13,533.56	1,14,033.01
(Less)/add: Income from transmission charges to be adjusted in future tariff determination (net)	(1,089.22)	293.34
	<u>1,12,444.34</u>	<u>1,14,326.35</u>
b) Other operating income		
Street light maintenance charges	2,909.89	1,285.62
Income in respect of services rendered	137.48	153.84
Sale of coal rejects / fly ash	-	33.35
Amortisation of service line contribution	185.00	162.32
Insurance claim received	1.83	1.29
Miscellaneous revenue	209.76	194.26
	<u>3,443.96</u>	<u>1,830.68</u>
c) Sale of traded goods		
Sale of traded goods	-	7.22
	<u>-</u>	<u>7.22</u>
Total	<u><u>1,15,888.30</u></u>	<u><u>1,16,164.25</u></u>

* Refer note 42 with respect to revenue recognised for performance obligation satisfied in previous periods.

A Details of revenue from contracts with customers (disaggregated by type and nature of product or services)

Particulars	For the year ended 31 March, 2026	For the year ended 31 March,2025
Income from sale of power	1,07,249.39	1,10,202.41
Income from transmission charges (net)	5,194.95	4,123.94
Income in respect of services rendered	137.48	153.84
Amortisation of service line contribution	185.00	162.32
Sale of coal rejects / fly ash	-	33.35
Street light maintenance charges	2,909.89	1,285.62
Sale of traded goods	-	7.22
Miscellaneous revenue	209.76	194.26
Total revenue from contract with customers	<u>1,15,886.47</u>	<u>1,16,162.96</u>
Add: Cash discount / rebates etc.	715.94	686.40
Add: Income from transmission charges to be adjusted in future tariff determination (net)	1,089.22	(293.34)
Total revenue as per contracted price	<u><u>1,17,691.63</u></u>	<u><u>1,16,556.02</u></u>

B Timing of Revenue recognition

Particulars	For the year ended 31 March, 2026	For the year ended 31 March,2025
Goods and services are transferred at a point in time.	347.24	388.67
Goods and services transferred over the time	1,15,539.23	1,15,775.58
	<u>1,15,886.47</u>	<u>1,16,164.25</u>

C Transaction Price - allocated to the remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Obligor Group expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Obligor Group has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

There are no aggregate value of performance obligations that are completely or partially unsatisfied as of 31 March, 2026, other than those meeting the exclusion criteria mentioned above.

Contract balances	For the year ended 31 March, 2026	For the year ended 31 March,2025	For the year ended 31 March,2024
Contract assets			
Recoverable from consumers			
Current	-	107.09	-
Total	<u>-</u>	<u>107.09</u>	<u>-</u>
Contract liabilities			
Liabilities towards consumers			
Current	983.50	-	193.61
Total	<u>983.50</u>	<u>-</u>	<u>193.61</u>
Net receivables			
Trade receivables (gross)	7,466.65	5,517.69	4,705.44
Unbilled receivables	7,573.59	7,733.93	6,550.45
Add / (less) : Regulatory (liabilities) / assets other than distribution	-	107.09	(193.60)
(Less): Advance from consumers	(980.79)	(923.84)	(761.18)
(Less): Allowance for doubtful debts	-	(13.86)	(13.86)
Total	<u>14,059.45</u>	<u>12,421.01</u>	<u>10,287.25</u>

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer when that right is conditioned on something other than passage of time. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Obligor Group has received consideration (or an amount of consideration is due) from the customer, If the customer pays contribution before the Obligor Group transfers goods or services to the customers, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the performance of obligation is satisfied.

Significant changes in the contract assets and the contract liabilities balances during the year are as follows :

Opening balance	For the year ended 31 March, 2026	For the year ended 31 March,2025
Assets / (liabilities) towards consumers - regulatory liabilities other than distribution	107.09	(193.61)
A	<u>107.09</u>	<u>(193.61)</u>
(Expenses) / income from transmission charges to be adjusted in future tariff determination (net)	(1,089.22)	293.34
Movement in regulatory deferral balance other comprehensive income - Transmission	(1.37)	7.36
B	<u>(1,090.59)</u>	<u>300.70</u>
Closing balance		
(Liabilities) / assets towards consumers - regulatory liabilities other than distribution	(983.50)	107.09
(A+B)	<u><u>(983.50)</u></u>	<u><u>107.09</u></u>

24	Other income	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a)	Interest income on		
	Bank deposits	839.18	1,021.16
	Overdue trade receivables	268.55	276.29
	Investment in government securities	174.75	174.46
	Loans to related party	328.43	28.84
	Other interest	35.99	248.56
	Unwinding of interest on security deposit	-	0.20
b)	Gain on investments		
	Gain on sale / fair value of current investments measured at FVTPL	445.97	309.68
c)	Other non-operating income		
	Bad debts recovery	263.13	333.82
	Sale of scrap	117.86	48.58
	Rental income	3.04	4.12
	Delayed payment charges	572.29	385.23
	Foreign exchange gain (net)	-	4.94
	Profit on sale of property, plant & equipment (net)	-	34.13
	Incentive received	-	37.81
	Sundry credit balances written back	214.38	87.35
	Miscellaneous Income	41.43	-
	Gain on partial repurchase of senior secured note	722.21	-
	Total	4,027.21	2,995.17
25	Employee benefits expenses	For the year ended 31 March, 2026	For the year ended 31 March, 2025
#	Salaries, wages & bonus	7,846.75	8,213.37
**	Contribution to gratuity	1,158.42	485.21
	Contribution to provident and other funds	466.37	513.45
	Contribution to superannuation fund	41.58	51.72
**	Compensated absences	633.27	486.39
	Staff welfare expenses	608.35	669.53
		10,754.74	10,419.67
	Less : Staff cost capitalised	(952.19)	(1,329.02)
	Total	9,802.55	9,090.65
#	In the financial year 2024-25, the Company introduced a Voluntary Retirement Scheme (VRS) 2025 for its employees, from 08 March 2025 to 29 March 2025. An amount of ₹ 572.01 millions was charged during the previous financial year, and the same was discharged in the current financial year.		
	Additionally, in the financial year 2025-26, the Company launched Voluntary Retirement Scheme (VRS-2) 2025 for its employees from 11 August 2025 to 20 August 2025 and an amount of ₹ 93.59 millions was accrued and discharged during the year.		
	Further in the financial year 2025-26, the Company has recognised a provision of ₹ 1,036.40 millions towards Voluntary Retirement Scheme (VRS), arising from a constructive obligation.		
**	The Government of India has consolidated 29 existing Labour legislations into a united framework comprising 4 Labour Codes which were made effective from 21 November 2025. The corresponding supporting rules under these codes are yet to be notified. The Company has considered the impact on the basis of the best information and estimate available and, accordingly, financial implications amounting to ₹ 877.10 millions has been recognised in the statement of profit and loss in the current financial year.		
26	Finance costs	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a)	Interest expense		
	Borrowings- amortised cost		
\$	Senior secured and sustainability linked notes	4,297.24	4,322.11
\$	Shareholders affiliated debts	958.48	1,481.77
	Working capital loans	84.11	524.97
	Interest - hedging cost	3,898.71	3,992.89
	Others		
	Security deposits from consumers	395.11	377.14
	Interest on lease liabilities	11.13	19.12
	Interest - others	0.78	1.34
		9,645.56	10,719.34
	Less : Interest cost capitalised	(4.85)	(276.96)
		9,640.71	10,442.38
b)	Other borrowing costs		
	Other finance cost	58.64	10.03
	Total	9,699.35	10,452.41
\$	In foreign currency,		
	Note :		
1	The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company's general borrowing is 9.23% p.a. (31 March 2025 : 9.27% p.a.).		
2	Shareholders affiliated debts includes ₹ 26.60 millions (31 March 2025 : ₹ 34.30 millions) towards amortisation of transaction costs.		

27	Other expenses	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Consumption of stores and spares	419.45	433.90
	Repairs and maintenance		
@	- Plant and machinery	3,874.92	3,136.12
	- Buildings	280.96	139.20
	- Others	628.33	476.09
	Expenses in respect of services rendered	45.17	58.13
	Short term lease rental of Land, Building, Plant & Machinery etc.	292.07	215.59
	Rates and taxes	144.92	95.10
	Legal and professional expenses	2,090.94	1,994.35
	Directors' sitting fees	1.27	1.24
	Bank charges	80.68	82.37
@@	Payments to auditors	23.74	22.79
	Communication expenses	146.90	111.72
	Travelling & conveyance expenses	359.63	348.66
	Insurance expenses	140.29	144.26
	License fees	96.23	58.30
	Security charges	245.47	232.42
	Seminar & training expenses	22.04	44.51
	Software expenses	362.47	345.22
	Bad debt Written off	186.19	165.66
	Bill print/collection/ distribution	151.49	140.56
	Foreign exchange fluctuation loss(net)	5.08	-
	Call centre expenses	98.51	118.39
	Loss on sale of property, plant & equipment (net)	163.35	-
	Donations	6.75	6.55
@@@	Corporate social responsibility expenses	119.70	97.60
	Electricity expenses	2.76	3.97
	Printing & stationery	9.69	7.07
	Advertisement & publicity	372.01	175.07
	Water charges	12.75	40.24
	Other miscellaneous expenses	62.95	132.94
	Total	10,446.71	8,828.02
@	In current financial year includes ₹590.10 millions towards smart prepaid metering operating and maintenance charges.		
@@	Payments to auditors	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	As auditor:		
	Statutory audit fees	18.42	17.13
	Other services	0.67	1.36
	Out of pocket expenses	1.03	0.82
	Applicable taxes	3.62	3.48
		23.74	22.79
@@@	Details of Corporate social responsibilities (CSR) under Section 135 of Companies Act, 2013	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Particulars		
	(i) Gross amount approved by the CSR committee / required to be spent by the Company during the year	119.70	98.49
	(ii) Total of previous years shortfall / (excess) amounts	-	(0.89)
	(iii) Amount spend during the year on :		
	(a) Construction or acquisition of any assets	-	-
	(b) on purpose other than (a) above	-	-
	- Donation to related party trust (not controlled by the Company)	119.70	97.50
	- Donation to others	-	0.10
	Total amount of expenditure incurred	119.70	97.60
	(iv) (Excess) / Shortfall at the end of the year	-	-
	(v) Provision made towards CSR expenditure	-	-
	(vi) Reason for shortfall : Not applicable	-	-
	(vii) Nature of CSR activities : Primary Education, Community Health and Sanitation, Sustainable Livelihood Development and Urban / Rural Infrastructure Development.		
28	Tax expenses		
1	Income taxes recognised in the statement of profit and loss	For the year ended 31 March, 2026	For the year ended 31 March, 2025
	Current tax	986.74	6.43
	Excess provision of tax pertaining to earlier years	-	(235.48)
	Deferred tax	982.50	(1,843.22)
	Total	1,969.24	(2,072.27)
2	Deferred tax on recognised in other comprehensive income	(1,016.51)	(467.59)
	Total income tax recognised in other comprehensive income	(1,016.51)	(467.59)
	The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	Profit / (loss) before tax for the year	6,344.98	(7,606.89)
	Domestic tax rate	34.94%	34.94%
	Expected tax expense	2,216.94	(2,657.85)
	Add / (less) tax effect on account of:		
	- Deferred tax asset on unutilised MAT credit in respect of earlier years	-	(2,905.80)
	- Difference between sale consideration of Dahanu Thermal Power Station as per books and income tax	-	4,067.50
	- Deferred tax asset on unabsorbed depreciation in respect of earlier years	-	(477.00)
	- Reversal of tax pertaining to earlier years	-	(235.50)
	- Others	(247.70)	136.38
	Income tax expense recognised in statement of profit and loss	1,969.24	(2,072.27)
	Current tax	986.74	6.43
	Excess provision of tax pertaining to earlier years	-	(235.48)
	Deferred tax	982.50	(1,843.22)
	Total	1,969.24	(2,072.27)

3 Deferred tax

	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Deferred tax assets	20,513.73	20,007.93
Deferred tax liabilities	23,470.87	20,966.06
Deferred tax assets / (liabilities) (net)	(2,957.14)	(958.13)

2025-26

Particulars	Opening Balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
Impact of measuring derivative financial instrument at fair value	1,454.05	-	(1,016.51)	437.54
Allowance for doubtful debts, deposits and advances	106.63	(69.54)	-	37.09
Provisions for employee benefits and others	2,339.56	703.13	-	3,042.69
MAT Credit Entitlement	2,905.76	980.26	-	3,886.02
Unabsorbed depreciation	13,201.93	(91.54)	-	13,110.39
	20,007.93	1,522.31	(1,016.51)	20,513.73
Deferred tax liabilities in relation to				
Difference between book base and tax base of property, plant and equipment	20,966.06	2,504.81	-	23,470.87
	20,966.06	2,504.81	-	23,470.87
Deferred tax (liabilities) / asset (net)	(958.13)	(982.50)	(1,016.51)	(2,957.14)

2024-25

Particulars	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing Balance
Deferred tax assets in relation to				
Impact of measuring derivative financial instrument at fair value	1,921.64	-	(467.59)	1,454.05
Allowance for doubtful debts, deposits and advances	130.60	(23.97)	-	106.63
Provisions for employee benefits and others	2,528.27	(188.71)	-	2,339.56
MAT Credit Entitlement	-	2,905.76	-	2,905.76
Unabsorbed depreciation	12,955.30	246.63	-	13,201.93
	17,535.81	2,939.71	(467.59)	20,007.93
Deferred tax liabilities in relation to				
Difference between book base and tax base of property, plant and equipment	19,869.57	1,096.49	-	20,966.06
	19,869.57	1,096.49	-	20,966.06
Deferred tax (liabilities) / asset (net)	(2,333.76)	1,843.22	(467.59)	(958.13)

29

The Transmission licence granted to AEML is an asset specific licence which includes list of existing and proposed transmission lines as well as transmission bays in a specified area.

In accordance with the requirements of Ind AS 36 "Impairment of Assets", Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License having indefinite useful life (₹ 9816.22 million), has been tested for impairment as at 31 March, 2026 wherein, recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.60% (31 March 2025: 9.60%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 7 years (31 March 2025: 7 years) and thereafter in perpetuity considering a terminal growth rate of 2% (31 March 2025: 2%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence no impairment loss is recorded (31 March 2025 - ₹ 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: 9.60% (31 March 2025: 9.60%) 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 7 years (31 March 2025: 7 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 6000 millions per annum (31 March 2025: ₹ 5500 millions per annum)
- Terminal growth rate : 2% (31 March 2025 : 2%)

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Leases

Disclosure under Ind AS 116 Leases:

- a) The following is the movement in Lease liabilities

Particulars	As at 31 March, 2026	As at 31 March, 2025
Opening balance	4,862.00	191.44
Addition during the year	892.00	-
Interest on lease liabilities	11.13	19.12
Refund on modification of leases	-	4,750.50
Payments of lease liabilities	(43.26)	(99.06)
Closing balance (refer note 17)	5,721.87	4,862.00

- b) Where the Obligor Group is a lessee :

The Company has taken office premises, warehouse and land for substation on lease. Generally leases are renewed on mutual consent and at a prevalent market price and sub lease is restricted. Further the lease agreements existing as at 31 March, 2026 does not contain any extension and termination option.

- Interest expenses on lease liabilities amounts to ₹ 11.13 millions (31 March 2025 ₹ 19.10 millions)
- 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 - ₹ 292 millions (31 March 2025 ₹ 215.6 millions)
- Total Cash outflow for leases amounts to ₹ 335.20 millions (31 March, 2025 ₹ 314.60 millions) during the year including cash outflow short term and low value leases.
- Incremental rate of borrowing considered during the year is 10% per annum (31 March, 2025 10% per annum).
- Refer note 5b for gross, addition, amortisation, depreciation and net carrying value of lease assets.

31	Contingent liabilities and commitments	As at 31 March, 2026	As at 31 March, 2025
(A) Contingent liabilities :			
Claims against the Obligor Group not probable and hence not acknowledged as debts consists of : -			
(i)	Demand disputed by the Obligor Group relating to service tax on street light maintenance, wheeling charges and cross subsidy surcharges - refer note 3 below	3,535.50	3,535.50
(ii)	Way Leave fees claims disputed by the Obligor Group relating to rates charged - refer note 3 below	284.30	284.30
(iii)	Property related disputes - refer note 3 below	25.90	25.90
(iv)	Other claims against the Obligor Group not acknowledged as debts.	21.20	21.20
(v)	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 3 below	13,812.80	13,812.80
(vi)	Demand disputed by the Obligor Group relating to standby charges payable - refer note 4 below	-	-
		17,679.70	17,679.70

Notes:

- Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- In terms of the Share Purchase Agreement entered into by the Obligor Group, AESL with RINFRA, in the event the above matters are decided against the Obligor Group and are not recoverable from the consumers, the same would be recovered from RINFRA.
- In the previous financial year 2024-25, in accordance with the directions of the Hon'ble APTEL (based on the Appeal filed by the Company), MERC has not considered any cost related to Standby charges in the Annual Revenue Requirement (ARR) in its Order dated 28 March 2025. However, the cost of Standby charges are subject to final decision of the Hon'ble Commission after due regulatory proceedings, which is yet to be received.

Hence at this stage the company is not able to make a reasonable estimate towards cost of standby charges. If any liability occurs in future, the same is recoverable from the consumers.

The Obligor 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.

(B) Commitments :	As at 31 March, 2026	As at 31 March, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	8,793.50	9,607.30
	8,793.50	9,607.30

(C) Other commitments :

- For procurement of Hybrid (Solar/Wind) power on long term basis, AEMIL has entered into a long term 25 years PPA of 700 MW per annum with a group entity (Adani Hybrid Energy Jaisalmer Four Limited) to purchase 700 MW per annum of Hybrid Renewable Power at ₹ 3.24 per unit.
- For procurement of Thermal power on long term basis, AEMIL has entered into a long term 5 years PPA of 2 x 250 MW per annum with a group entity (Adani Power Limited) to purchase 500 MW per annum of Thermal Power at rates as will be laid by Maharashtra Electricity Regulatory Commission.

- 32 In the previous financial year, the Obligor has divested Dahanu Thermal Power Plant to honour its ESG Commitment. The Obligor had approved the sale of aforesaid power plant to one of the related party for a consideration of ₹ 8,150.00 millions against the carrying value in books of ₹ 23,210.20 millions and consequently ₹ 15,060.22 millions has been charged in the statement of profit and loss as exceptional item in accordance with Ind AS 105.

Sr. No	Particulars	Amount
a	Consideration	8,150.00
b	Assets and liabilities transferred	
	Assets	
	Property plant and equipment including capital work in progress and intangible assets	23,111.60
	Loan / advances to employees	91.00
	Security Deposits	5.50
	Advances to suppliers including capital advances	772.90
	Prepaid expenses	22.30
	Inventories	1,097.70
	Trade receivable	6.90
b.1	Total Assets	25,107.90
	Liabilities	
	Security deposit received from customer / vendor	17.18
	Advance received from customers	0.30
	Trade payable	849.70
	Employee provisions (Gratuity / Compensated absences)	1,030.50
b.2	Total Liabilities	1,897.68
c	Net assets transferred (b1-b2)	23,210.22
d	Loss on sale of Dahanu Thermal Power Station (a-c)	(15,060.22)

- 33 During the year, the Company ceased to have control over Adani Electricity Mumbai Infra Limited ("AEMIL") with effect from 20 February 2026, pursuant to the conversion of compulsory convertible debentures into equity shares, which resulted in dilution of the Company's shareholding from 100% to 0.01%. Accordingly, AEMIL ceased to be a subsidiary of the Company from that date. The retained equity investment in AEMIL has been recognised at its fair value in accordance with Ind AS 27 Separate Financial Statements and Ind AS 109 Financial Instruments.

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34 Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relation with the struck off company, if any, to be disclosed
As at 31 March, 2026			
Receivables			
Sky Whisper Real Estate Private Limited	Sale of Power	0.52	Consumer
SDC Infrastructure Private Limited	Sale of Power	0.30	Consumer
Solaris Developers Private Limited	Sale of Power	0.18	Consumer
Mumbai Hotels Private Limited	Sale of Power	0.17	Consumer
Comet Plast Machinery Private Limited	Sale of Power	0.09	Consumer
Lokhandwala Premises Private Limited	Sale of Power	0.07	Consumer
Shreesai Seva Kripasra Society Limited	Sale of Power	0.06	Consumer
Virat Engineering Private Limited	Sale of Power	0.06	Consumer
Navdurga Development Private Limited.	Sale of Power	0.05	Consumer
Nendej Tieup Private Limited	Sale of Power	0.05	Consumer
Akanksha Dev Private Limited	Sale of Power	0.05	Consumer
Empire India Private Limited	Sale of Power	0.05	Consumer
Others - 656 Parties less than ₹ 50,000*	Sale of Power	1.05	Consumer
As at 31 March, 2025			
Receivables			
United Glass Works Private Limited.	Sale of Power	0.80	Consumer
Comet Plast Machinery Private Limited,	Sale of Power	0.11	Consumer
Echar Clothing Private Limited.	Sale of Power	0.07	Consumer
V. V. R. Infotech Private Limited,	Sale of Power	0.07	Consumer
Nendej Tieup Private Limited,	Sale of Power	0.12	Consumer
Akansha Dev. Private Limited,	Sale of Power	0.05	Consumer
N R Enterprises Limited.	Sale of Power	0.05	Consumer
Navdurga Development Private Limited.	Sale of Power	0.05	Consumer
Others - 662 Parties less than ₹ 50,000	Sale of Power	1.16	Consumer

35 During the previous financial year 2024-25, the Holding Company's management became aware of an indictment filed by United States Department of Justice (US DOJ) and a civil complaint by Securities and Exchange Commission (US SEC) in the United States District Court for the Eastern District of New York (EDNY) against a non-executive director of the Holding Company. The director is indicted on three counts namely (i) alleged securities fraud conspiracy (ii) alleged wire fraud conspiracy and (iii) alleged securities fraud for making false and misleading statements and as per US SEC civil complaint, director omitting material facts that rendered certain statements misleading to US investors under Securities Act of 1933 and the Securities Act of 1934. The Holding Company has not been named in these matters.

During the quarter ended 31 March, 2026, the legal counsels representing the director have agreed to accept service of US SEC on behalf of such director, without accepting the jurisdiction of EDNY and reserving all rights and defences available to them. Subsequently, the legal counsels had filed letter with EDNY court and sought pre-motion conference in the matter including grounds for dismissal of the US SEC's civil complaint based on all defences including as to jurisdiction and merits of the matters. As at reporting date, the matter is pending to be heard by EDNY court.

Having regard to the status of the above-mentioned matters as at reporting date, and the fact that the matters stated above do not pertain to the Holding Company, there were no impact to the Obligor group as at year ended 31 March, 2025. There are no changes to the above conclusions as at and for the year ended 31 March, 2026.

36 Adani Energy Solutions Limited (AESL), formerly know as Adani Transmission Limited (ATL) has acquired the control of the Company w.e.f. 29 August, 2018, through its purchase from Reliance Infrastructure Limited ("RInfra"), of the equity shares of the Company.

As per the Share Purchase Agreement (SPA), RInfra had retained positive and negative rights through an overriding title in favour of RInfra in respect of Regulatory Assets under Approval (RAUA) Matters, which were not transferred to the Holding Company, and consequently, RInfra retained the RAUA Matters. RInfra novated these at a commercially agreed consideration of ₹ 28,020.00 million to the Holding Company pursuant to the security novation agreement dated 17 September 2024. Consequently, considering the certainty of the outcome of these matters, the Company has recognised regulatory assets of ₹ 28,020.00 million with corresponding liability payable to the Holding Company.

37 The Board of Directors of the Company (or "the Transferee Company"), at its meeting held on 25 October 2025, approved a draft Scheme of Amalgamation ("the Scheme") in accordance with the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

The Scheme envisages the amalgamation of the Pointleap Projects Private Limited ("Transferor Company 1") and Superheights Infraspace Private Limited (Transferor Company 2) (together, the "Transferor Companies") with the Transferee Company.

The Scheme is subject to receipt of requisite statutory and regulatory approvals, including sanction of the Hon'ble National Company Law Tribunal ("NCLT"), and shall become effective upon filing of the certified copy of the NCLT order with the Registrar of Companies and satisfaction of all conditions precedent thereto ("Effective Date").

As at the balance sheet date, the Scheme has not become effective and accordingly, no effect of the proposed amalgamation has been given in the financial statements. The accounting impact, if any, will be recorded in the period in which the Scheme becomes effective, in accordance with applicable Ind AS.

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40 Related Party Disclosure

As per the Ind AS 24, disclosure of transactions with related parties, are given below:

Name of related parties & description of relationship

(A) Ultimate Holding Entity	S. B. Adani Family Trust (SBAFT)
(B) Holding Company	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)
(C) Subsidiary Company	Adani Electricity Mumbai Infra Limited (upto 19 February, 2026) AEML SEEPZ Limited Pointleap Projects Private Limited (w.e.f. 03 May 2024) Superheights Infraspace Private Limited (w.e.f. 12 February, 2025) North Maharashtra Power Limited (upto 28 September 2024)
(D) Key Management Personnel:	Mr. Anil Sardana, Chairman and Non Executive Director Mr. Kandarp Patel, Managing Director & CEO Mr. Sagar Adani , Non Executive Director Mr. Kenneth McLaren, Non Executive Director Mr. Quinton Choi, Non Executive Director Mr. K Jairaj, Independent Director Ms. Chandra Iyengar, Independent Director Mr. Kunjal Mehta, Chief Financial Officer Mr. Jaladhi Shukla, Company Secretary
(E) Entity having significant influence	Qatar Holding LLC
(F) Enterprises over which (A) or (B) or (D) or (E) above have significant influence : (where transactions have taken place during the year and previous year / balance outstanding)	Adani Power Limited Adani Enterprises Limited Adani Green Energy Limited Mundra Solar Pv Limited Superheights Infraspaces Private Limited (upto 11 February 2025) Adani Electricity Navi Mumbai Limited Adani Total Gas Limited Adani Hybrid Energy Jaisalmer Four Limited Adani Foundation Mumbai International Airport Limited Adani Ports And Special Economic Zone Limited Ambuja Cements Limited Adani New Industries Limited Adani Sportsline Private Limited Adani Renewable Energy Holding Twelve Limited ACC Limited Adani Skill Development Centre Adani Totalenergies E-Mobility Limited TRV (Kerala) International Airport Limited North Maharashtra Power Limited (w.e.f. 30 September 2024) Sirius Digitech International Limited Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited) Adani Electricity Nashik Limited Adani Road Transport Limited New Delhi Television Limited Maharashtra Eastern Grid Power Transmission Co. Limited Powerpulse Trading Solutions Limited Aviserve Facilities Private Limited Adani Infra (India) Limited Navbharat Mega Developers Private Limited The Dhamra Port Company Limited Alipurduar Transmission Limited Mirzapur Thermal Energy (UP) Private Limited Adani Renewable Energy Holding Four Limited Esyssoft Smart Services Private Limited Tribastion Technologies Private Limited Adani Electricity Jewar Limited Adani Renewable Energy Holding Three Limited Adani Saur Urja KA Limited Adani Green Energy Twenty Five Limited Adani Renewable Energy Forty Two Limited Adani Solar Energy Jaisalmer Two Private Limited Alwar Alluvial Resources Limited PLR Systems India Limited PLR Systems Private Limited Adani Electricity Mumbai Infra Limited (w.e.f. 20 February, 2026)
(G) Employee Benefits Funds :	AEML Gratuity Fund AEML Superannuation Fund

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Loan given	Pointleap Projects Private Limited	0.14	0.41
Repayment of loan given	AEML SEEPZ Limited	200.00	-
Investment in subsidiary (excluding transaction cost)	Superheights Infraspaces Private Limited	0.20	4,750.57
	Pointleap Projects Private Limited	-	892.03
Investment in equity shares	North Maharashtra Power Limited	-	0.10
Repayment of borrowings	Qatar Holding LLC	7,204.59	-
Interest expenses on shareholders affiliated debts (refer note 5 below)	Qatar Holding LLC	923.18	1,447.44
Interest income	AEML SEEPZ Limited	16.76	28.82
	Adani Enterprises Limited	-	196.59
	Powerpulse Trading Solutions Limited	311.62	27.71
	Pointleap Projects Private Limited	0.04	0.02
Contribution to employee benefits	AEML Gratuity Fund	7.91	8.47
	AEML Superannuation Fund	41.60	51.70
Receipt of services	Adani Enterprises Limited	1,259.91	1,209.96
	New Delhi Television Limited	0.83	-
	Mundra Solar Pv Limited	-	0.03
	Adani Power Limited	0.02	0.20
	Adani Totalenergies E-Mobility Limited	0.45	-
	Aviserve Facilities Private Limited	0.09	0.04
	Esyasoft Smart Services Private Limited	5.70	-
	Tribastion Technologies Private Limited	2.79	-
Purchase of Goods	ACC Limited	3.49	0.50
	Adani Skill Development Centre	0.26	-
	Adani Renewable Energy Holding Three Limited	322.77	-
	Ambuja Cements Limited	-	0.40
Purchase of assets	Adani Totalenergies E-Mobility Limited	12.18	4.63
Expenses incurred on behalf of wholly owned subsidiary company	AEML SEEPZ Limited	90.93	87.41
Services rendered	Adani Enterprises Limited	-	1.27
	Adani Road Transport Limited	-	0.10
	Adani Power Limited	-	1.31
	New Delhi Television Limited	-	0.03
	Ambuja Cements Limited	-	1.43
	Adani Saur Urja KA Limited	0.37	-
	ACC Limited	-	1.24
	Maharashtra Eastern Grid Power Transmission Co. Limited	-	1.24
	Powerpulse Trading Solutions Limited	0.37	0.38
	Adani Renewable Energy Holding Twelve Limited	-	0.38
Employees benefits transferred from	Ambuja Cements Limited	14.94	-
	Adani Power Limited	-	0.02
	Mumbai International Airport Limited	-	0.49
Employees benefits transferred to	Adani Airport Holdings Limited	-	0.57
	Adani Energy Solutions Limited	0.05	-
	Ambuja Cements Limited	0.78	1.58
	Adani Enterprises Limited	0.71	-
	Adani Sportslines Private Limited	0.45	-
	Adani Power Limited	4.93	0.28
	Mirzapur Thermal Energy (UP) Private Limited	0.14	-
	Adani Ports and Special Economic Zone Limited	2.83	0.23
	Adani Total Gas Limited	1.53	3.43
	Adani Infra (India) Limited	0.69	4.37
	Adani Renewable Energy Forty Two Limited	0.95	-
	Adani Green Energy Limited	-	6.54
	Maharashtra Eastern Grid Power Transmission Co. Limited	-	4.85
	Sirius Digtch International Limited	-	2.69
	Adani Electricity Mumbai Infra Limited	-	0.05
	Navbharat Mega Developers Private Limited	5.11	0.22
	PLR Systems Private Limited	0.55	-
	PLR Systems India Limited	-	0.25
	The Dhamra Port Company Limited	-	0.44
	Alipurduar Transmission Limited	0.34	-
	Alwar Alluvial Resources Ltd	5.41	-
	Mumbai International Airport Limited	0.24	-
	TRV (Kerala) International Airport Limited	-	0.24
Payment received on behalf of group companies	Adani Power Limited	89.09	0.94
	Adani Electricity Mumbai Infra Limited	0.02	-
	Ambuja Cements Limited	3.74	-
	North Maharashtra Power Limited	-	1.40

Nature of Transaction	Name of Related Party	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Payment received from wholly owned subsidiary	Adani Electricity Mumbai Infra Ltd	-	2.14
Payment made on behalf of Group Companies	Adani Electricity Navi Mumbai Limited	0.01	0.29
	Adani Electricity Mumbai Infra Limited	0.01	-
	Pointleap Projects Private Limited	0.01	-
	Adani Power Limited	-	32.87
	North Maharashtra Power Limited	-	1.40
	Adani Electricity Jewar Limited	0.01	-
	Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited)	0.01	0.00
	Adani Electricity Nashik Limited	0.01	0.00
Payment made to wholly owned subsidiary	Pointleap Projects Private Limited	-	0.01
Corporate social responsibility contribution	Adani Foundation	119.70	79.10
	Adani Skill Development Centre	-	18.40
Purchase of coal	Adani Enterprises Limited	-	360.39
Sale of coal	Adani Power Limited	-	8.07
Purchase consideration received towards sale of Dahanu Thermal Power Station (refer note 34)	North Maharashtra Power Limited	-	8,150.00
Refund on modification of lease	Superheights Infraspac Pvt Ltd	-	4,310.00
Lease of land as right of use asset	Pointleap Projects Private Limited	892.00	-
Receipt of Services (Totex expenses)	Adani Energy Solutions Limited	590.14	-
Sale of power	AEML SEEPZ Limited	19.18	42.80
Sale of material (meters)	AEML SEEPZ Limited	3.57	13.30
Purchase of power (net of discount, if any)	Adani Enterprises Limited	-	12,738.58
	Adani Power Limited	13,997.63	7,225.84
	Adani Hybrid Energy Jaisalmer Four Limited	9,458.09	12,381.01
	AEML SEEPZ Limited	74.38	8.74
	Adani Renewable Energy Holding Four Limited	205.91	-
	Adani Green Energy Twenty Five Limited	56.17	-
	Adani Solar Energy Jaisalmer Two Private Limited	0.72	-
	Powerpulse Trading Solutions Ltd	2,152.23	504.02
Rent paid	Mumbai International Airport Limited	24.78	11.42
Reimbursement of water expenses	Mumbai International Airport Limited	0.15	0.23
Earnest money deposit received	Adani Enterprises Limited	-	14.57
	Sirius Digitech International Limited	-	0.34
Earnest money deposit refunded	Adani Enterprises Limited	-	14.57

Remuneration paid to Key Management Personnel (KMP):

Nature of transaction	Name of Related party	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Compensation of Key Management Personnel	Short term employee benefits	216.40	144.70
Compensation of Key Management Personnel	Post employment benefits	9.60	8.30
Sitting fees to directors	Director Sitting Fees	1.27	1.24

Closing Balance	Name of Related Party	As at 31 March, 2026	As at 31 March, 2025
Balances payable	Mundra Solar Pv Limited	1.00	1.00
	Powerpulse Trading Solutions Limited	313.77	-
	Adani Hybrid Energy Jaisalmer Four Limited	825.77	837.21
	Adani Enterprises Limited	222.09	96.15
	Adani Green Energy Limited	-	6.54
	Navbharat Mega Developers Private Limited	5.11	0.22
	Adani Infra (India) Limited	0.69	4.37
	The Dharma Port Company Limited	-	0.44
	PLR Systems India Limited	-	0.25
	PLR Systems Private Limited	0.55	-
	Ambuja Cements Limited	-	0.17
	Adani Renewable Energy Holding Twelve Limited	0.38	0.38
	Maharashtra Eastern Grid Power Transmission Co. Limited	-	4.85
	Sirius Digitech International Limited	0.09	3.03
	Adani Energy Solutions Limited (refer note 38)	28,020.00	28,020.00
	Adani Energy Solutions Limited	263.18	-
	Adani Airport Holdings Limited	-	0.28
	Adani Total Gas Limited	1.53	3.43
	Adani Totalenergies E-Mobility Limited	11.04	4.40
	Adani Power Limited	1,349.60	1,314.38
	Mumbai International Airport Limited	0.39	-
	TRV (Kerala) International Airport Limited	-	0.24
	Adani Ports and Special Economic Zone Ltd	2.83	0.23
	Adani Electricity Mumbai Infra Limited	-	0.05
	Adani Sportsline Private Limited	0.45	-
	Alipurduar Transmission Limited	0.34	-
	Mirzapur Thermal Energy (UP) Private Limited	0.14	-
	Adani Green Energy Twenty Five Limited	56.17	-
	Adani Renewable Energy Forty Two Limited	0.95	-
	Adani Solar Energy Jaisalmer Two Private Limited	0.72	-
	Adani Renewable Energy Holding Three Limited	107.37	-
	Alwar Alluvial Resources Limited	5.41	-
	Esyasoft Smart Services Private Limited	1.67	-
	Tribastion Technologies Private Limited	0.79	-

Closing Balance	Name of Related Party	As at 31 March, 2026	As at 31 March, 2025
Balances receivable	AEML SEEPZ Limited	18.28	8.59
	Adani New Industries Limited	-	2.18
	ACC Limited	0.35	1.02
	Ambuja Cements Limited	10.42	-
	Mumbai International Airport Limited	-	0.49
	Super heights Infraspaces Private Limited	349.50	349.50
	Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited)	-	0.00
	Adani Electricity Nashik Limited	-	0.00
Loan Receivable (refer note 7)	AEML SEEPZ Limited	115.00	315.00
	Pointleap Projects Private Limited	0.54	0.41
Advances to suppliers	Powerpulse Trading Solutions Limited	2,165.72	2,440.04
Borrowings - Shareholders Affiliated Debt	Qatar Holding LLC	14,225.25	20,001.15
Interest accrued but not due on Shareholders Affiliated Debt	Qatar Holding LLC	354.63	491.55
Lease liabilities payable	Superheights Infraspaces Private Limited	5,100.00	5,100.00
	Pointleap Projects Private Limited	892.00	-

Note:

- The above disclosure does not include transaction with related parties in the nature of public utility services viz, electricity, telecommunications etc. in the normal course of business.
- Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions and represent the substance over the legal form. Balance receivable and payable are unsecured, non-interest bearing and will be settled in cash. Refer note 7 and 17 for terms and condition with respect to loan receivable and borrowings respectively. Advance to supplier is unsecured and provided at an interest of 11% p.a. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2025: ₹ Nil). This assessment is undertaken for each financial year through examining the financial position of the related party and the market in which the related party operates.
- Key Managerial Personnel are entitled to post-employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.
- Refer note 31 (C) for commitments with related parties.
- Amounts disclosed are contractual undiscounted cash flows.

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41 Disclosure under Ind AS 19 "Employee Benefits" :

1 Defined Contribution Plan

- (i) Provident fund
(ii) Superannuation fund
(iii) State defined contribution plans
- Employer's contribution to Employees' state insurance
- Employers' Contribution to Employees' Pension Scheme 1995

The provident fund and the state defined contribution plan are operated by the Regional Provident Fund Commissioner and the superannuation fund is administered by the trustees of the AEML Superannuation Scheme. Under the schemes, the Obligor Group is required to contribute a specified percentage of payroll cost to the retirement benefit schemes to fund the benefits. The Obligor Group has no obligation other than the contribution to the fund.

The Obligor Group has recognised the following amounts as expense in the statement of profit and loss for the year:

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Contribution to Provident Fund	364.03	397.27
Contribution to Employees Superannuation Fund	41.58	51.72
Contribution to Employees Pension Scheme	41.44	51.87

2 Defined Benefit Plan

Gratuity

The Obligor Group operates a funded gratuity plan in the form of a Trust, governed by Trustees appointed by the Obligor Group and administered by Life Insurance corporation. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Obligor Group scheme whichever is beneficial. The same is payable at the time of separation from the Obligor Group or retirement, whichever is earlier. The benefits vest after five years of continuous service.

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Principal assumptions in actuarial valuation		
Rate of discounting (p.a.)	6.93%	6.78%
Rate of salary increase (p.a.)	10.50%	10.50%
Rate of employee turnover (p.a.)	1.00%	1.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Change in the present value of defined benefit obligation	31 March, 2026	31 March, 2025
Present value of benefit obligation at the beginning of the year	6,173.54	6,545.71
Liability transferred in	-	2.73
Liability transferred out	-	(933.85)
Interest cost	433.99	471.95
Current service cost	355.33	374.99
Past service cost	599.94	-
Gains on Curtailment	-	(61.98)
Benefit paid from the fund	(915.52)	(358.95)
Actuarial (gain) / losses on obligation- due to change in financial assumptions	(75.17)	206.94
Actuarial losses / (gain) on obligation-due to experience	46.05	(74.00)
Present value of benefit obligation at the end of the year	6,618.16	6,173.54
Change in the fair value of plan assets		
Fair value of plan asset at the beginning of the year	3,618.89	4,157.46
Assets transferred in	7.79	-
Assets transferred out	(13.86)	(462.72)
Interest income	230.84	299.75
Benefit paid from the fund	(915.52)	(358.95)
Contribution by the employer	7.91	8.38
Return on plan assets excluding interest income	8.46	(25.03)
Fair value of plan asset at the end of the year	2,944.51	3,618.89
Amount recognised in the balance sheet		
Present value of benefit obligation at the end of the year	6,618.16	6,173.54
Fair value of plan assets at the end of the year	2,944.51	3,618.89
Net liability recognized in the balance sheet	(3,673.65)	(2,554.65)
Provisions		
Current	299.12	281.71
Non-current	3,374.53	2,272.94
Expenses recognized in the Statement of profit and loss		
Current service cost	355.33	374.99
Net interest cost	203.15	172.20
Past service cost	599.94	-
Loss / (Gains) on curtailments and settlements	-	(61.98)
Expenses recognised	1,158.42	485.21
Expenses recognised in Other comprehensive income (OCI)		
Actuarial (Gains) / losses on obligation for the year	(29.12)	132.94
Return on plan assets excluding interest income	(8.46)	25.03
Net income for the year recognised in OCI	(37.58)	157.97
Major categories of plan assets		
Government securities	79.75%	80.53%
Debt and other instruments	8.44%	9.28%
Equity instruments	11.81%	10.19%
Total	100%	100%
Expected contribution for next financial year	299.10	325.56
Expected maturity analysis of undiscounted defined benefit obligation is as follows		
Within one year	331.69	644.63
Between 2 to 5 years	2,124.75	1,532.80
Between 6 to 10 years	3,228.89	2,994.23
Beyond 10 years	7,441.35	6,775.32
The weighted average duration of the defined benefit obligation	11.00	10.00
Sensitivity analysis		
Projected benefit obligation on current assumptions	6,618.16	6,173.54
Assumptions – discount rate		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(7.68%)	(7.51%)
Impact on defined benefit obligation –in ₹ millions	(508.28)	(463.70)
Impact on defined benefit obligation –in % decrease	8.77%	8.59%
Impact on defined benefit obligation –in ₹ millions	580.30	530.50

Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
Assumptions – Future salary increase		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	8.12%	7.97%
Impact on defined benefit obligation –in ₹ millions	537.19	491.90
Impact on defined benefit obligation –in % decrease	(7.33%)	(7.11%)
Impact on defined benefit obligation –in ₹ millions	(484.88)	(439.00)
Assumptions – Employee turnover		
Sensitivity level	1.00%	1.00%
Impact on defined benefit obligation –in % increase	(1.80%)	(1.82%)
Impact on defined benefit obligation –in ₹ millions	(119.25)	(112.50)
Impact on defined benefit obligation –in % decrease	1.99%	2.02%
Impact on defined benefit obligation –in ₹ millions	131.43	124.50

2.(i) The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting year) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

2.(ii) The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

3 Risk exposure:

Through its defined benefit plans, the Obligor Group is exposed to a number of risks, the most significant of which are detailed below:

3.(i) Asset volatility:

The plan liabilities are calculated using a discount rate set with reference to government bond yield. If plan assets underperform this yield, it will result in deficit. These are subject to interest rate risk. To offset the risk, the plan assets have been deployed in high grade insurer managed funds.

3.(ii) Inflation rate risk:

Inflation higher than expected increase in salary could increase the defined benefit obligation.

3.(iii) Demographic risk:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

42 Regulatory deferral account

	As at 31st March, 2025	As at 31st March, 2025
Regulatory deferral account assets (net)	20,159.18	30,876.01
Net regulatory assets	20,159.18	30,876.01

Rate regulated activities

1 As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.

2 MERC Multi Year Tariff Regulations, 2024 (MYT Regulations), is applicable for the period beginning from 1 April, 2025 to 31 March, 2030. These regulations require MERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

3 MERC vide its Multi Year Tariff (MYT) order dated 28 March 2025, has approved the Truing-up of FY 2022-23 and FY 2023-24, Provisional Truing-up for FY 2024-25, and ARR and Tariff for 5th Control Period from FY 2025-26 to FY 2029-30 in accordance with MYT Regulations, 2024, for Transmission and Distribution Business of the Obligor group. Consequent to the above order, the Obligor group has recognised net income of ₹ 1,343.30 millions during the previous year ended 31 March 2025.

4 Pursuant to the Mid Term Review (MTR) order issued by Maharashtra Electricity Regulatory (MERC) on 28 March 2025, the Company has recovered from customers Regulatory Asset Charge (RAC) for past years. The impact thereof on the Revenue from Operations and Net Regulatory Income/(Expense) for the reporting periods is as stated below:

A.Revenue from operations

Sr. No	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a	Revenue from operations for the year	1,07,278.03	1,07,315.18
b	Recovery of RAC for past years	8,610.27	8,849.07
c	Revenue from operations (excluding past year recovery) (a-b)	1,15,888.30	1,16,164.25

B.Net Movement in Regulatory Deferral Account Balances – Income / (Expenses)

Sr. No	Particulars	For the year ended 31 March, 2026	For the year ended 31 March, 2025
a	Regulatory gap / (surplus) for current year	(2,107.94)	(4,158.76)
b	Recovery of RAC for past years	(8,610.27)	(8,849.07)
c	Regulatory (expense)(net) (a-b)	(10,718.21)	(13,007.83)

5 Reconciliation of Regulatory Assets of distribution business as per Rate Regulated Activities is as follows:

	Particulars	As at 31st March, 2025	As at 31st March, 2025
1	Opening Regulatory deferral account balances (net)	30,876.01	15,713.60
2	Movements		
2.1	Add:		
	Payable towards regulatory asset under approval (refer note 40)	-	28,020.00
2.2	Less:		
	Revenue gap for current year	(2,107.94)	(4,008.15)
	Recovery of RAC for past years	(8,610.27)	(8,849.07)
	Others	1.38	(0.37)
2.3	Net movement during the year	(10,716.83)	15,162.41
3	Closing regulatory deferral account balances (net)	20,159.18	30,876.01

Note:

(i) Risk associated with future recovery/ reversal of regulatory deferral account balances

(a) regulatory risk on account of changes in regulations.

(b) other risks including currency or other market risks, if any.

Any change in the Tariff regulations beyond the current tariff period ending on 31 March 2026 may have an impact on the recovery of Regulatory deferral account balances.

(ii) The Company will repay regulatory surplus of ₹ 5,069.50 millions (31 March, 2025 : recovery of regulatory gap of ₹ 8,610.27 millions) in FY 2026-27, out of ₹ 20,159.18 millions while balance will be recovered over the life of the projects as per existing MERC regulations.

43 Financial instruments

1 Fair value measurement

Particulars	31 March, 2026		31 March, 2025	
	Book Value	Fair Value	Book Value	Fair Value
Financial assets				
Investment				
- Investment in mutual fund at FVTPL	10,697.10	10,697.10	8,638.22	8,638.22
- Investment in treasury bills at FVTPL	-	-	99.95	99.95
- Investment in government securities at amortised cost	2,705.90	2,463.46	2,586.04	2,504.86
- Investment in equity shares carried at FVTPL	0.20	0.20	0.10	0.10
Trade receivables	15,040.24	15,040.24	13,237.76	13,237.76
Loans	264.24	264.24	522.31	522.31
Cash and cash equivalents	2,313.01	2,313.01	6,805.29	6,805.29
Bank balance other than cash and cash equivalent	6,371.64	6,371.64	6,401.46	6,401.46
Derivative instruments designated in hedge accounting relationship	16,014.72	16,014.72	4,118.28	4,118.28
Other financial assets	5,819.99	5,819.99	5,922.48	5,922.48
Total	59,227.04	58,984.60	48,331.89	48,250.71
Financial liabilities				
Borrowings (Senior secured note - 3.949% & Sustainability linked notes - 3.867%) - fixed rate	1,02,486.64	93,348.39	1,00,256.47	84,870.76
Borrowings (Shareholders affiliated debts - 6.365%) - fixed rate	14,053.50	14,053.50	19,794.10	19,794.10
Interest accrued but not due on borrowings.	957.45	957.45	1,085.90	1,085.90
Borrowings (including interest accrued & current maturities) - floating rate	2,501.84	2,501.84	4,003.87	4,003.87
Lease Liabilities	5,721.87	5,721.87	4,862.00	4,862.00
Trade Payables	16,675.95	16,675.95	14,610.05	14,610.05
Derivative instruments designated in hedge accounting relationship	25.56	25.56	864.06	864.06
Other Financial Liabilities	40,924.57	40,924.57	40,284.98	40,284.98
Total	1,83,347.38	1,74,209.13	1,85,761.43	1,70,375.72

Above excludes carrying value of investment in subsidiary accounted at cost in accordance with Ind AS 27.

The management assessed that the fair value of cash and cash equivalents, other balances with bank, trade receivables, loans, trade payables, other financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. The following methods and assumptions were used to estimate the fair values.

Fair value of the Government securities, mutual funds are based on the price quotations near the reporting date. The fair value of loans given to employees, bearing interest, approximate their carrying value.

The borrowings including Senior Secured notes and Sustainability linked notes are listed on the Singapore Stock Exchange. The fair value of these borrowings have been determined based on the prevailing market rate on the said stock exchange 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 Obligor group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the company's own non-performance risk.

2 The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels

Level 1 :

Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 :

Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 :

Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Particulars	Fair Value Hierarchy as at 31 March, 2026			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Investment in mutual fund	-	10,697.10	-	10,697.10
Investment in equity shares	-	-	0.20	0.20
Derivative financial assets	-	16,014.72	-	16,014.72
Total	-	26,711.82	0.20	26,712.02
Liabilities				
Derivative financial Liabilities	-	25.56	-	25.56
Total	-	25.56	-	25.56

Particulars	Fair Value Hierarchy as at 31 March, 2025			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
Assets				
Investment in mutual fund	-	8,638.22	-	8,638.22
Investments in treasury bills	99.95	-	-	99.95
Investment in equity shares	-	-	0.10	0.10
Derivative financial assets	-	4,118.28	-	4,118.28
Total	99.95	12,756.50	0.10	12,856.55
Liabilities				
Derivative financial Liabilities	-	864.06	-	864.06
Total	-	864.06	-	864.06

3 Capital Management & Gearing Ratio

The Obligor Group manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance. The Obligor Group's capital structure is represented by equity (comprising issued capital, retained earnings and other reserves) and debt. The Company's management reviews the capital structure of the Obligor Group on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Obligor group's objective is to ensure that the gearing ratio (debt equity ratio) is around 70 : 30.

Gearing ratio

The gearing ratio at the end of the reporting period was as follows :

	As at 31 March, 2026	As at 31 March, 2025
Debt	1,19,999.43	1,25,140.34
Less : Cash & Bank Balance	14,277.20	18,799.30
Net debt	1,05,722.23	1,06,341.04
Net Shareholder's Investment	47,565.91	41,297.72
Net Shareholder's Investment & net debt	1,53,288.14	1,47,638.76
Net debt to Total Capital plus net debt ratio (%)	69%	72%

^ Gearing ratio excluding fair valuation of foreign loan amounting to ₹ 28,344.60 millions (31 March, 2025 ₹ 19,175.50 millions) is 62% (31 March, 2025 68%)

(i) Debt includes as Non-current borrowings (including current maturities), current borrowings and interest accrued on borrowings.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no significant breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

4 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations/projects. The Company's principal financial assets include loans, investment including mutual funds, trade and other receivables, and cash and cash equivalents which is derived from its operations.

In the ordinary course of business, the Company is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks. It manages its exposure to these risks through the use of derivative financial instruments for hedging transactions. It uses derivative instruments such as Cross Currency Swaps, Interest rate swaps and foreign currency Future Option contracts to manage these risks. These derivative instruments reduce the impact of both favourable and unfavourable fluctuations.

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

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

A. Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include loans and borrowings. The sensitivity analysis in interest rate and foreign currency risk sections relate to the position as at 31 March, 2025 and 31 March, 2026.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant as at 31 March, 2025 and 31 March, 2026.

I. Foreign currency risk

The Company is exposed to foreign currency risks arising from its exposure to the USD and EURO. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee. Exposures on foreign currency loans are managed through the Company wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company's exposure with regards to foreign currency risk is given below.

The following table shows foreign currency exposures in US Dollar on financial instruments at the end of the reporting period (refer note 43(5))

Foreign Currency Exposures				
Particulars	As at 31 March, 2026		As at 31 March, 2025	
	Foreign Currency (In millions)	Amount	Foreign Currency (In millions)	Amount
In USD				
(i) Interest accrued but not due on borrowings	10.10	957.40	12.70	1,085.90
(ii) Trade payables	1.08	102.50	0.88	75.22
(iii) Bond - Senior Secured Notes	830.50	78,760.60	880.00	75,218.09
(iv) Bond - Sustainability Linked Notes	255.34	24,215.20	300.00	25,642.50
(v) Shareholders Affiliated Debts *	150.00	14,225.30	234.00	20,001.15
Derivatives				
-Cross currency swaps	(994.09)	(94,274.30)	(1,125.09)	(96,167.67)
-Coupon only swaps	(1.35)	(128.00)	(1.61)	(137.83)
-Principal only swaps	(250.50)	(23,756.20)	(300.00)	(25,642.50)
Total	1.08	102.50	0.88	74.86
In Euro				
(i) Trade Payables	0.01	1.20	0.01	0.89
Total	0.01	1.20	0.01	0.89
In GBP				
(i) Trade Payables	-	-	0.06	6.45
Total	-	-	0.06	6.45

(i) Foreign currency sensitivity analysis

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant on the Company's profit before tax and pre-tax Net Shareholder's Investment is as under:

Particulars	Effect on profit before tax and consequential impact on Equity			
	As at 31 March, 2026		As at 31 March, 2025	
	Increase	Decrease	Increase	Decrease
Rupee appreciate / (depreciate) by ₹ 1 against USD / EURO	0.11	(0.11)	0.10	(0.10)
Rupee appreciate / (depreciate) by ₹ 2 against USD / EURO	0.22	(0.22)	0.19	(0.19)
Rupee appreciate / (depreciate) by ₹ 3 against USD / EURO	0.32	(0.32)	0.28	(0.28)

II. Interest rate risk

The Company is exposed to interest rate risk on short-term and medium-term floating rate borrowings and on the refinancing of fixed rate debt. The Company's policy is to borrow long term debt with fixed interest rate. The short term borrowings of the Company are mainly floating rate rupee denominated working capital borrowings.

The long-term borrowings of the Company includes borrowings by way of Senior Secured Notes (SSN) and Shareholder's Affiliated Debts carries fixed rate of interest till maturity. During the year 2021-22, Company issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 % p.a. for SPT 1 in March 2027 and further 0.15 % p.a. for SPT 2 for March 2029.

(i) Interest rate sensitivity:

The sensitivity analysis below has been determined based on average outstanding exposure of borrowings during the year that have floating interest rates.

If the interest rates had been 50 basis points higher or lower and all the other variables were held constant, the effect on Interest expense for the respective financial years and consequent effect on Obligor Group's profit and Net Shareholder's Investment in that financial year would have been as below:

Particulars	As at 31 March, 2026		As at 31 March, 2025	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest expense on loan	5.47	(5.47)	33.11	(33.11)
Effect on profit before tax and other equity	(5.47)	5.47	(33.11)	33.11

(ii) Price risk sensitivity

The Company invests its surplus funds in various mutual funds and fixed deposits. In order to manage its price risk arising from investments, the Company diversifies its portfolio in accordance with the limits set by the risk management policies. The Company has exposure across mutual fund and money market instruments.

Due to the very short tenure of money market instruments and the underlying portfolio in liquid schemes, these do not pose any significant price risk.

B. Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and other financial assets) and from its financing activities, including loans to others, deposits with banks, financial institutions & others, foreign exchange transactions and other financial assets.

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk defined in accordance with this assessment.

Credit risk on cash and bank balances is limited as the Company generally invests in deposits with banks with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units and quoted bonds issued by government. Counterparty credit limits are reviewed by the Company's management on a regular basis. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Particulars	As at 31 March, 2026	As at 31 March, 2025
Trade receivables	15,040.24	13,237.76
Loans	264.24	522.31
Other financial assets	21,834.71	10,040.76
Total	37,139.19	23,800.83

Refer Note 12 for credit risk and other information in respect of trade receivables. Moreover, given the diverse nature of the consumer profile of the Company, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10.0% or more of revenue basis in any of the years presented. The history of trade receivables shows a negligible provision for bad and doubtful debts compared to the volume/value of sales recorded. Other receivables as stated above are due from the parties / banks under normal course of the business having sound credit worthiness, and as such the Company believes exposure to credit risk to be minimal.

The Company has not acquired any credit impaired asset.

C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company has an established liquidity risk management framework for managing its short term, medium term and long term funding and liquidity management requirements. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Company manages the liquidity risk by maintaining adequate funds in cash and cash equivalents. The Company also has adequate credit facilities agreed with banks to ensure that there is sufficient cash to meet all its normal operating commitments in a timely and cost-effective manner.

Contractual Maturities of Financial liabilities	Less than 1 year	1 to 5 years	More than 5 years	Total
As at 31 March, 2026				
Borrowings**	8,411.38	94,705.13	46,419.16	1,49,535.67
Trade payables	16,275.35	-	400.60	16,675.95
Lease liabilities***	4.10	22.80	5,695.00	5,721.90
Other financial liabilities	12,904.57	29,029.06	-	41,933.63
Total	37,595.40	1,23,756.99	52,514.76	2,13,867.15
As at 31 March, 2025				
Borrowings**	17,033.82	21,402.10	1,29,821.50	1,68,257.42
Trade payables	14,349.11	-	373.88	14,722.99
Lease liabilities***	20.70	48.50	94.90	164.10
Other financial liabilities	10,413.78	628.05	-	11,041.83
Total	41,817.41	22,078.65	1,30,290.28	1,94,186.34

** The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Company.

*** Carrying Value of lease liabilities is ₹ 5,721.90 millions (31 March, 2025 - ₹ 4,862.00 millions)

5 Derivative Financial Instrument

The Company uses derivatives instruments as part of its management of risks relating to exposure to fluctuation in foreign currency exchange rates and interest rates. The Company does not acquire derivative financial instruments for trading or speculative purposes neither does it enter into complex derivative transactions to manage the above risks. The derivative transactions are normally in the form of 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 Company's guidelines and policies.

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

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

The Company has designated derivative contracts as cash flow hedges and recognise them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the period ended 31 March, 2026 and 31 March, 2025.

The fair value of the Company's derivative positions recorded under other financial assets and other financial liabilities are as follows :-

Derivative Financials Instruments	As at 31 March, 2026		As at 31 March, 2025	
	Assets	Liabilities	Assets	Liabilities
Current				
Cashflow hedge*				
-Cross Currency Swaps	5,709.60	-	490.50	-
-Coupon Only Swaps	-	-	-	-
Total	5,709.60	-	490.50	-
Non Current				
Cashflow hedge*				
-Cross Currency Swaps	5,837.50	25.60	1,931.88	814.40
-Coupon Only Swaps	304.70	-	-	49.66
-Principal Only Swaps	4,162.90	-	1,695.90	-
Total	10,305.10	25.60	3,627.78	864.06

Derivative Contracts entered into by the company and outstanding as at Balance Sheet date :

To hedge Currency risks and interest related risks, the company has entered into various derivative Contracts. The category wise break-up of the amount outstanding as at Balance Sheet date is given below :-

Particulars	As at 31 March, 2026			As at 31 March, 2025		
	Foreign Currency (In Millions)	Amount	Purpose	Foreign Currency (In Millions)	Amount	Purpose
In USD						
-Cross Currency Swaps*	985.34	93,444.80	Hedging of foreign currency borrowing - principal & interest liability	1,114.00	95,219.15	Hedging of foreign currency borrowing principal & interest liability
-Coupon Only Swaps	250.50	23,756.20	Hedging of foreign currency borrowing - interest liability	300.00	25,642.50	Hedging of foreign currency borrowing interest liability
-Principal Only Swaps	250.50	23,756.20	Hedging of foreign currency borrowing - principal liability	300.00	25,642.50	Hedging of foreign currency borrowing principal liability
Total	1,486.34	1,40,957.20		1,714.00	1,46,504.15	

* The Company has entered into the below mentioned cross currency swap contracts for periods ranging from one year to five years, which will become effective upon the expiry of the existing cross currency swap contracts.

Type of Hedge and risk	As at 31 March, 2026			As at 31 March, 2025		
	Foreign Currency (In Millions)	Amount	Purpose	Foreign Currency (In Millions)	Amount	Purpose
-Cross currency swaps	355.34	33,698.60	Hedging of foreign currency borrowing - principal liability & interest	186.00	15,898.40	Hedging of foreign currency borrowing - principal liability & interest
Total	355.34	33,698.60		186.00	15,898.40	

Hedge Effectiveness :

There is an economic relationship between the hedged items and the hedging instruments as the terms of the hedge contracts match the terms of hedge items. The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the foreign exchange is identical to the hedged risk components. To test the hedge effectiveness, the company compares the changes in fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged Refer note 16 c for movement in cashflow hedge reserve

44 The Transmission and Distribution business has been considered as a single segment in terms of Ind AS 108, Operating Segments. Further, there is no business outside India, and the entire business has been considered as single geographic segment.

45 Statutory disclosures

(i) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(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.

(iii) The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

(iv) The Company does not have any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any relevant provisions of Income Tax Act, 1961)

(v) The Company has not been declared as wilful defaulter by any bank or financial institution or other lenders.

(vi) The quarterly returns or statements of Current assets filed by the Company with the banks or financial institutions are in agreement with the books of accounts.

(vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers)

46 The Ministry of Power, Government of India, has since issued a notification on 25 September 2025 with respect to Electricity Distribution (Accounts and Additional Disclosure) Rules, 2025 ("the Rules") in pursuance of sub-section (1) and clause(z) of sub-section (2) of section 176 of the Electricity Act, 2003 (36 of 2003) read with second proviso to sub-section (1) of section 129 of the Companies Act, 2013 (18 of 2013) and in supersession of the Electricity Distribution (Accounts and Additional Disclosure) Rules, 2024, dated the 10 October, 2024 is applicable from 01 April 2026.

The Obligor group is of the view that the above has no additional impact on the accounting followed by it and on its financial statements.

47 Significant Events after the Reporting Period

There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

As per our attached report of even date

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration Number : 001076N / N500013

Neeraj Goel
Digitally signed by Neeraj Goel
Date: 2026.05.25 19:01:31 +05'30'

Neeraj Goel

Partner

Membership No.: 99514

Place : Gurugram

Date : 25 May, 2026

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

ANIL KUMAR SARDANA
Digitally signed by ANIL KUMAR SARDANA
Date: 2026.05.25 17:22:15 +05'30'

Anil Sardana
Chairman
DIN: 00006867
Place : Mumbai

KUNJAL MAHENDRA MEHTA
Digitally signed by KUNJAL MAHENDRA MEHTA
Date: 2026.05.25 14:23:02 +05'30'

Kunjali Mehta
Chief Financial Officer

Place : Ahmedabad
Date : 25 May, 2026

KANDARP SURYAKANT PATEL
Digitally signed by KANDARP SURYAKANT PATEL
Date: 2026.05.25 18:29:04 +05'30'

Kandarp Patel
Managing Director & CEO
DIN.: 02947643
Place : Ahmedabad

JALADHI ATULCHANDRA SHUKLA
Digitally signed by JALADHI ATULCHANDRA SHUKLA
Date: 2026.05.25 14:30:41 +05'30'

Jaladhi Shukla
Company Secretary

Place : Ahmedabad