



ADANI ENERGY SOLUTIONS LIMITED

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Our Company was incorporated on December 9, 2013 as a public limited company under the Companies Act, 1956 as amended pursuant to a certificate of incorporation issued by the Registrar of Companies, Gujarat at Ahmedabad (“RoC”). Our Company received the certificate of commencement of business from the RoC on December 17, 2013. Pursuant to the approval accorded by our Shareholders on July 19, 2023, the name of our Company was changed to “Adani Energy Solutions Limited” and a fresh certificate of incorporation consequent upon change of name was issued to our Company by the RoC on July 27, 2023. For details, see “General Information” on page 652.

Issue of up to [●] equity shares of face value of ₹10 each (the “Equity Shares”) at a price of ₹ [●] per Equity Share (the “Issue Price”), including a premium of ₹ [●] per Equity Share, aggregating to approximately ₹ [●] crore (the “Issue”). For further details, see “Summary of the Issue” on page 32.

THIS ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE “COMPANIES ACT, 2013”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”) AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND RULES FRAMED THEREUNDER AND NO OFFER IS BEING MADE TO THE PUBLIC OR ANY OTHER CLASS OF INVESTORS.

Our Company’s outstanding Equity Shares are listed on BSE Limited (“BSE”) and National Stock Exchange of India Limited (“NSE”), and together with BSE, the “Stock Exchanges”). The closing price of the outstanding Equity Shares on BSE and NSE as on July 27, 2026 was ₹ 1,703.10 and ₹ 1,703.30 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “SEBI Listing Regulations”) for listing of the Equity Shares to be issued pursuant to the Issue, from BSE and NSE each dated July 27, 2026. Our Company shall make applications to the Stock Exchanges for obtaining final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 (as defined hereinafter), has been delivered to the Stock Exchanges. A copy of the Placement Document (which shall also include disclosures prescribed under Form PAS-4) shall be delivered to the Stock Exchanges. Our Company shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Stock Exchanges, the RoC or any other regulatory or listing authority, and is intended only for use by Eligible QIBs (as defined hereinafter). This Preliminary Placement Document has not been and shall not be registered as a prospectus with the RoC, shall not be circulated or distributed to the public in India or any other jurisdiction, and the Issue shall not constitute a public offer in India or any other jurisdiction.

THE ISSUE AND DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs IN RELIANCE UPON SECTION 42 OF THE COMPANIES ACT, 2013 AND THE RULES PRESCRIBED THEREUNDER, AND CHAPTER VI OF THE SEBI ICDR REGULATIONS. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION OR SOLICITATION OF AN OFFER TO THE PUBLIC OR TO ANY OTHER PROSPECTIVE INVESTOR OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED ONLY TO SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU MAY NOT AND ARE NOT AUTHORISED TO: (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT IN ANY MANNER WHATSOEVER OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILISE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE COMPANIES ACT, 2013, SEBI ICDR REGULATIONS OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENTS IN EQUITY SHARES INVOLVE A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ “RISK FACTORS” ON PAGE 35 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONSULT ITS OWN ADVISORS ABOUT THE CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT. PROSPECTIVE INVESTORS SHALL CONDUCT THEIR OWN DUE DILIGENCE ON THE EQUITY SHARES AND THE COMPANY. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORIZED FINANCIAL ADVISOR.

Invitations, offers and sales of Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document, together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined herein). For further details, see “Issue Procedure” on page 597. The distribution of this Preliminary Placement Document or the disclosure of its contents without our Company’s prior consent to any person other than Eligible QIBs and persons retained by Eligible QIBs to advise them with respect to their purchase of Equity Shares is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold by our Company (a) within the United States only to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act (“Rule 144A”) and referred to in this Preliminary Placement Document as a “U.S. QIB”) in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act, and (b) outside the United States, in “offshore transactions”, in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) and in each case in compliance with the applicable laws of the jurisdictions where those offers and sales occur. For further information, see “Distribution and Solicitation Restrictions” and “Transfer Restrictions” on pages 611 and 620, respectively. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”.

The information on our websites, any website directly or indirectly linked to our websites or on the respective websites of the Book Running Lead Managers (as defined hereinafter) or of their respective affiliates does not form part of this Preliminary Placement Document and prospective investors should not rely on any such information contained in or available through any such websites for their investment in this Issue.

This Preliminary Placement Document is dated July 27, 2026.

BOOK RUNNING LEAD MANAGERS

 Complete Investment Banking Solutions			
SBI Capital Markets Limited	ICICI Securities Limited	IIFL Capital Services Limited (Formerly known as IIFL Securities Limited)	Jefferies India Private Limited

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of its knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains all information with respect to our Company, its Subsidiaries and Joint Venture, and the Equity Shares, which we consider material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, its Subsidiaries and Joint Venture, and the Equity Shares are in all material respects, true, accurate and not misleading, and the opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, its Subsidiaries and Joint Venture, and the Equity Shares are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company. There are no other facts in relation to our Company, its Subsidiaries and Joint Venture, and the Equity Shares, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements.

SBI Capital Markets Limited, ICICI Securities Limited, IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*) and Jefferies India Private Limited (the “**Book Running Lead Managers**”) have made reasonable enquiries but have not separately verified the information contained in this Preliminary Placement Document (financial, legal, or otherwise). Accordingly, neither the Book Running Lead Managers, nor any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates make any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Book Running Lead Managers or any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with our Company, its Subsidiaries and Joint Venture, and the Issue of the Equity Shares or their distribution. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on the Book Running Lead Managers or on any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, associates or affiliates in connection with such person’s investigation of the accuracy of such information or such person’s investment decision, and each such person must rely on its own examination of our Company, its Subsidiaries and Joint Venture, and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company, or by or on behalf of the Book Running Lead Managers. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as of any time subsequent to its date.

The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs specified by the Book Running Lead Managers or their respective representatives, and those retained by Eligible QIBs to advise them with respect to their subscription of the Equity Shares is unauthorized and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and to make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted in certain jurisdictions by applicable laws. As such, this Preliminary Placement Document does not constitute, and may not be used for, or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Book Running Lead Managers which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document, nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively.

In making an investment decision, the prospective investors must rely on their own examination of our Company, its Subsidiaries and Joint Venture, as applicable and the Equity Shares and the terms of the Issue, including the merits and risks involved. The prospective investor should not construe the contents of this Preliminary Placement Document as legal, tax, accounting or investment advice. The prospective investors should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Book Running Lead Managers are making any representation to any investor, purchaser, offeree or subscriber to the Equity Shares in relation to this Issue regarding the legality or suitability of an investment in the Equity Shares by such investor, purchaser, offeree or subscriber

under applicable legal, investment or similar laws or regulations. The prospective investors of the Equity Shares should conduct their own due diligence on the Equity Shares and our Company.

Each investor, purchaser, offeree or subscriber of the Equity Shares is deemed to have acknowledged, represented and agreed that it is eligible to invest in India and in our Company as set forth in “*Representations by Investors*”, “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 6, 611 and 620, respectively, and under Indian law, including under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules and that it is not prohibited by SEBI or any other statutory, regulatory or judicial authority in India or any other jurisdiction from buying, selling or dealing in the securities including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

Neither our Company nor the Book Running Lead Managers undertake to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof.

This Preliminary Placement Document contains summaries of certain terms of documents, which summaries are qualified in their entirety by the terms and conditions of such documents.

The information on our Company’s website, www.adanienergysolutions.com, any website directly and indirectly linked to the website of our Company or on the website of the Book Running Lead Managers and of their respective affiliates, does not constitute nor form part of this Preliminary Placement Document. The prospective investors should not rely on any such information contained in, or available through, any such websites.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED STATES

The Equity Shares have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction, including the United States Securities and Exchange Commission (“SEC”), any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions.

The Equity Shares have not been recommended by any U.S. federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Preliminary Placement Document or approved or disapproved the Equity Shares. Any representation to the contrary is a criminal offence in the United States. In making an investment decision, investors must rely on their own examination of our Company and the terms of the Issue, including the merits and risks involved. The Equity Shares have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States only to U.S. QIBs in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and (b) outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and in each case in compliance with the applicable laws of the jurisdictions where those offers and sales occur. The Equity Shares are transferable only in accordance with the restrictions described under the sections “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively.

The Equity Shares are transferable only in accordance with the restrictions described under “*Distribution and Solicitation Restrictions*” in this Preliminary Placement Document. Purchasers of the Equity Shares will be deemed to make the representations, warranties, acknowledgements and agreements set forth in “*Representations by Investors*”, “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 6, 611 and 620, respectively of this Preliminary Placement Document.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. The information contained in this Preliminary Placement Document has been provided by our Company and other sources identified herein. Distribution of this Preliminary Placement Document to any person other than the offeree specified by the Lead Managers or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited.

Our Company is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the “**U.S. Securities Exchange Act**”). In order to permit compliance with Rule 144A under the U.S. Securities Act in connection with resales of the Equity Shares, our Company agrees to furnish upon request of a holder of its Equity Shares, or any prospective purchaser designated by such holder, the information required to be delivered under Rule 144A(d)(4) of the U.S. Securities Act if at the time of such request our Company is not a reporting company under Section 13 or Section 15(d) of the U.S. Securities Exchange Act, or is not exempt from reporting pursuant to Rule 12g3-2(b) thereunder.

NOTICE TO PROSPECTIVE INVESTORS IN THE EUROPEAN ECONOMIC AREA

In relation to each Member State of the European Economic Area (each a “**Relevant State**”), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares that has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of the Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers; or
- in any other circumstances falling within an Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to the Prospectus Regulation and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the Book Running Lead Manager and the Company that it is a “qualified investor” within the meaning of the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Issue have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means the communication in any form and by means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase Equity Shares, the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

Information to EEA Distributors (*as defined below*)

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, “distributors” (for the purposes of the MiFID II Product Governance Requirements) (“**EEA Distributors**”) should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Equity Shares. Each EEA Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

NOTICE TO PROSPECTIVE INVESTORS IN THE UNITED KINGDOM

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- (a) where (i) the offer is conditional on the admission of the Equity Shares to trading on the London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(a) of Schedule 1 of the POATR) or (ii) the Equity Shares being offered are at the time of the offer already admitted to trading on London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(b) of Schedule 1 of the POATR);
- (b) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 of the POATR;
- (c) to fewer than 150 natural or legal persons (other than qualified investors as defined in paragraph 15 of Schedule 1 of the POATR), subject to obtaining the prior consent of the BRLMs for any such offer; or
- (d) in any other circumstances falling within Part 1 of Schedule 1 of the POATR,

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Shares and the expression "**POATR**" means the Public Offers and Admissions to Trading Regulations 2024.

In the United Kingdom, this Preliminary Placement Document is only addressed to and directed to persons (i) who have professional experience in matters relating to investments falling within Article 19 paragraph 5 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) who are high net worth entities falling within Article 49 paragraph 2(a) through (d) of the Order, or (iii) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**Relevant Persons**"). The securities described herein are only available in the United Kingdom to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities in the United Kingdom will be engaged in only with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Preliminary Placement Document or any of its contents.

Information to UK Distributors

Solely for the purposes of the product governance requirements contained within the FCA Handbook Product Intervention and Product Governance Sourcebook ("**PROD**") (the "**UK MiFIR Product Governance Rules**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any 'manufacturer' (for the purposes of the UK Product Governance Rules) may otherwise have with respect thereto, the Equity Shares have been subject to a product approval process, which has determined that such Equity Shares are: (i) compatible with an end target market of: (a) investors who meet the criteria of professional clients as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA; (b) eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook ("**COBS**"); and (c) retail clients who do not meet the definition of professional client under (b) or eligible counterparty per (c); and (ii) eligible for distribution through all distribution channels (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors (for the purposes of the UK MiFIR Product Governance Rules) ("**UK Distributors**") should note that: the price of the Equity Shares may decline and investors could lose all or part of their investment; the Equity Shares offer no guaranteed income and no capital protection; and an investment in the Equity Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Book Running Lead Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of COBS 9A and COBS 10A respectively; or (b) a recommendation to any investor or group of investors to invest in, or purchase or take any other action whatsoever with respect to the Equity Shares. Each UK Distributor is responsible for undertaking its own target market assessment in respect of the Equity Shares and determining appropriate distribution channels.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information to investors in certain other jurisdictions, see "*Distribution and Solicitation Restrictions*" and "*Transfer Restrictions*" on pages 611 and 620, respectively.

REPRESENTATIONS BY INVESTORS

All references to “you” or “your” in this section are to the prospective investors in the Issue. By Bidding for and/or subscribing to any Equity Shares under this Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections “*Notice to Investors*”, “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 2, 611 and 620, respectively, and to have represented, warranted, acknowledged and agreed to our Company and the Book Running Lead Managers, as follows:

1. You are a “**Qualified Institutional Buyer**” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (hereinafter defined) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 and all other applicable laws; and (ii) comply with all requirements under applicable law in this relation, including reporting obligations, requirements/ making necessary filings, if any, in connection with the Issue;
2. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company, our Subsidiaries or our Joint Venture which is not set forth in this Preliminary Placement Document;
3. That you are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter), and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, statutory authority or otherwise, from buying, selling or dealing in securities or otherwise accessing capital markets in India;
4. If you are not a resident of India, but a QIB, you are an Eligible FPI (and are not an individual, corporate body or a family office) having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets. You confirm that you are not an FVCI. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws;
5. You will provide the information as required under the Companies Act, 2013 and the PAS Rules for record keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue;
6. If you are Allotted Equity Shares pursuant to the Issue, you shall not sell the Equity Shares so acquired, for a period of one year from the date of Allotment (hereinafter defined), except on the floor of the Stock Exchanges. Please note additional restrictions may apply if you are within the United States. For details, see “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively;
7. You are aware that this Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC under the Companies Act, 2013, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document has not been reviewed, verified or affirmed by SEBI, the RBI, the RoC, the Stock Exchanges or any other regulatory or listing authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has been filed (and the Placement Document shall be filed) with the Stock Exchanges for record purposes only and be displayed on the websites of our Company and the Stock Exchanges;
8. You are entitled to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions applicable to you and that you have fully observed such laws and you have all necessary capacity and have obtained all necessary consents and authorities, as may be required and complied and shall comply with all necessary formalities to enable you to participate in the Issue and to perform your obligations in relation thereto (including without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorizations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
9. Neither our Company, the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment of the Equity Shares, be a client of the Book Running Lead Managers. Neither the Book Running Lead Managers nor any of their respective shareholders, directors,

officers, employees, counsels, representatives, agents or affiliates has any duty or responsibility to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;

10. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our business), are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Preliminary Placement Document. None of our Company, the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsel, representatives, agents or affiliates assumes any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
11. You are aware that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public, or any other category of investors other than the Eligible QIBs and the Allotment shall be on a discretionary basis at the discretion of our Company in consultation with the Book Running Lead Managers;
12. You have made, or been deemed to have made, as applicable, the representations, warranties, acknowledgments and undertakings as set out under “*Issue Procedure*”, “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 597, 611 and 620, respectively;
13. You have been provided a serially numbered copy of this Preliminary Placement Document, and have read it in its entirety, including in particular the “*Risk Factors*” on page 35;
14. In making your investment decision, you have (i) relied on your own examination of our Company, its Subsidiaries and Joint Venture, as applicable, and the terms of the Issue, including the merits and risks involved, (ii) made and will continue to make your own assessment of our Company, its Subsidiaries and Joint Venture, as applicable, and the Equity Shares and the terms of the Issue based on such information as is publicly available, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, the effects of local laws (including tax laws), (iv) relied solely on the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (v) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of our Company and the Equity Shares, and (vi) relied upon your own investigation and resources in deciding to invest in the Issue;
15. Neither the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, has provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including the Issue and the use of proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the purchase, ownership and disposal of the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, either of the Book Running Lead Managers or any of their shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
16. You are a sophisticated investor and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Equity Shares and you and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to our Company and/or the Book Running Lead Managers or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, and (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares. You are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute;

17. If you are acquiring the Equity Shares for one or more managed accounts, you represent and warrant that you are authorized in writing, by each such managed account to acquire the Equity Shares for each managed account and to make (and you hereby make) the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to 'you' to include such accounts;
18. You are not a 'promoter' of our Company (as defined under the SEBI ICDR Regulations or the Companies Act, 2013), and are not a person related to any of the Promoters, either directly or indirectly and your Bid (hereinafter defined) does not directly or indirectly represent any Promoter or Promoter Group (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
19. You have no rights under a shareholders' agreement or voting agreement entered into with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board of Directors of our Company, other than the rights, if any, acquired in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoters);
20. You have no right to withdraw your Bid or revise your Bid downwards after the Issue Closing Date (as defined herein);
21. You are eligible to Bid for and hold Equity Shares so Allotted together with any Equity Shares held by you prior to the Issue. You further confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
22. The Bid made by you would not ultimately result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended ("**SEBI Takeover Regulations**");
23. To the best of your knowledge and belief, your aggregate holding, together with other Eligible QIBs in the Issue that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50% of the Issue Size. For the purposes of this representation:
 - a. Eligible QIBs "belonging to the same group" shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst an Eligible QIB, its subsidiary or holding company and any other QIB ; and
 - b. 'Control' shall have the same meaning as is assigned to it under the SEBI Takeover Regulations;
24. You shall be able to undertake trade in the Equity Shares Allotted pursuant to the Issue once such Equity Shares are credited to your beneficiary account with the Depository Participant;
25. You are aware that (i) applications for in-principle approval, in terms of Regulation 28 of the SEBI Listing Regulations, for listing and admission of the Equity Shares and for trading on the Stock Exchanges, were made and approval has been received from each of the Stock Exchanges, and (ii) final applications will be made for obtaining listing and trading approvals from the Stock Exchanges only after Allotment, and that there can be no assurance that such approvals will be obtained on time or at all. Neither our Company nor the Book Running Lead Managers nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising therefrom;
26. You shall not undertake any trade in the Equity Shares credited to your beneficiary account with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges;
27. You are aware that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Book Running Lead Managers;
28. You agree in terms of Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act, 2013;

29. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
30. You are aware that if you, together with any other Eligible QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in this Issue, our Company shall be required to disclose the name of such Allottees and the number of Equity Shares Allotted to the Stock Exchanges and the Stock Exchanges will make the same available on their website and you consent to such disclosures being made by our Company;
31. You are aware that the Equity Shares being issued pursuant to this Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association of our Company and shall rank *pari passu* in all respects with the existing Equity Shares, including the right to receive all dividends and other distributions declared, made or paid in respect of the Equity Shares after the date of issue of the Equity Shares, as applicable;
32. You are aware and understand that the Book Running Lead Managers have entered into a placement agreement with our Company, whereby the Book Running Lead Managers have, subject to the satisfaction of certain conditions set out therein, severally and not jointly, undertaken to use their reasonable efforts to seek to procure subscription for the Equity Shares on the terms and conditions set out therein;
33. The contents of this Preliminary Placement Document are exclusively the responsibility of our Company and that neither the Book Running Lead Managers nor any person acting on their behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and on which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, and you have neither received nor relied on any other information, representation, warranty or statement made by, or on behalf of, the Book Running Lead Managers or our Company or any other person and neither the Book Running Lead Managers nor our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them and the Book Running Lead Managers and their respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
34. Neither the Book Running Lead Managers nor any of their respective affiliates have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise;
35. You are a sophisticated investor who is seeking to purchase the Equity Shares for your own investment and not with a view to distribute. You acknowledge that (i) an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment, (ii) you have sufficient knowledge, sophistication and experience in financial and business matters so as to be capable of evaluating the merits and risk of the purchase of the Equity Shares, and (iii) you are experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions and have such knowledge and experience in financial, business and investments matters that you are capable of evaluating the merits and risks of your investment in the Equity Shares;
36. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in this Issue, you are not in violation of any applicable law, including but not limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act, 2013;
37. Either (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents with regard to our Company or this Issue ("**Company Presentation**"); or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Book Running Lead Managers may not have the knowledge of the statements that our Company or its agents may have made at such Company Presentations and are therefore unable to determine whether the information provided to you at such Company Presentation included any material misstatements or omissions, and, accordingly you acknowledge that Book Running Lead Managers have advised you not to rely in any way on any such information that was provided to you at such Company Presentation, and (b) you confirm that, to the best of your knowledge, you have not been provided any material or price sensitive information that was not publicly available;

38. You understand that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act and have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. For more information, see “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively;
39. If you are within the United States, you are a U.S. QIB, who is or are acquiring the Equity Shares for your own account or for the account of an institutional investor who also meets the definition of a U.S. QIB under Rule 144A of the U.S. Securities Act, for investment purposes only, and not with a view to, or for reoffer or resale in connection with, the distribution (within the meaning of any United States securities laws) thereof in whole or in part, are not an affiliate of our Company or a person acting on behalf of such an affiliate;
40. If you are outside the United States, you are subscribing for the Equity Shares in an “offshore transaction” in reliance on Regulation S under the U.S. Securities Act and in compliance with laws of all jurisdictions applicable to you, and you are not currently our Company’s affiliate or a person acting on behalf of such an affiliate;
41. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under the sections “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively. Particularly, you represent and agree that you will only reoffer, resell, pledge or otherwise transfer the Equity Shares only (A) (i) to a person whom the beneficial owner and/ or any person acting on its behalf reasonably believes is a U.S. QIB in transactions meeting the requirements of Rule 144A or another exemption from the registration requirements of the U.S. Securities Act or (ii) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act and (B) in accordance with all applicable laws, including the securities laws of the states of the United States;
42. You are not acquiring or subscribing for the Equity Shares as a result of any “general solicitation” or “general advertising” (as those terms are defined in Regulation D under the U.S. Securities Act) or “directed selling efforts” (as defined in Regulation S), and you understand and agree that offers and sales are being made in reliance on an exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A under the U.S. Securities Act or Regulation S or another available exemption from the registration under the U.S. Securities Act;
43. You understand that the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any such Equity Shares;
44. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each which case, investment can only be through the Government approval route), and that your investment is in accordance with Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the DPIIT, read with Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, and Rule 6 of the FEMA Rules;
45. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue. You agree to indemnify and hold our Company and the Book Running Lead Managers and their respective affiliates and their respective directors, officers, employees and controlling persons harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
46. Our Company, the Book Running Lead Managers, their respective affiliates, directors, officers, employees and controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, which are given to the Book Running Lead Managers on its own behalf and on behalf of our Company, and are irrevocable; and
47. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the courts in Mumbai, India shall have sole and exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (“**SEBI FPI Regulations**”), FPIs including the affiliates of the Book Running Lead Managers, who are registered as Category I FPI can issue, subscribe and deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying) (all such offshore derivative instruments are referred to herein as “**P-Notes**”) and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such P-Notes, provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. Such P-Notes can be issued post compliance with the KYC norms and such other conditions as specified by SEBI from time to time. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document or the Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

For further details relating to investment limits of FPIs, see “*Issue Procedure*” on page 597. P-Notes may be issued only in favour of those entities which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Pursuant to its circular dated June 10, 2016, SEBI has introduced additional requirements applicable to P-Notes, including (i) KYC norms for issuers of P-Notes which require identification and verification of beneficial owners of entities subscribing to the P-Note holding more than a prescribed threshold; (ii) the requirement for issuers to file suspicious transaction reports with the Indian Financial Intelligence Unit; and (iii) the requirement for the issuer to report details of intermediate transfers in the monthly reports on P-Notes submitted to SEBI. An Eligible FPI shall also ensure that no further issue or transfer of any instrument referred to above is made by or on behalf of it to any person other than such entities regulated by appropriate foreign regulatory authorities. P-Notes have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document. This Preliminary Placement Document does not contain any information concerning P-Notes or the issuer(s) of any P-notes, including, without limitation, any information regarding any risk factors relating thereto.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (multiple entities registered as foreign portfolio investors and directly or indirectly, having common ownership of more than fifty per cent or common control, shall be treated as part of the same investor group and the investment limits of all such entities shall be clubbed at the investment limit as applicable to a single foreign portfolio investor) is not permitted to be 10% or above of our post-Issue Equity Share capital. As per the SEBI circular dated November 5, 2019, these investment restrictions shall also apply to subscribers of offshore derivative instruments. Two or more subscribers of offshore derivative instruments having a common beneficial owner shall be considered together as a single subscriber of the offshore derivative instruments. In the event a prospective investor has investments as a FPI and as a subscriber of offshore derivative instruments, these investment restrictions shall apply on the aggregate of the FPI and offshore derivative instruments investments held in the underlying company.

Any P-Notes that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any P-Notes, or in the establishment of the terms of any P-Notes, or in the preparation of any disclosure related to any P-Notes. Any P-Notes that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Book Running Lead Managers do not make any recommendation as to any investment in P-Notes and do not accept any responsibility whatsoever in connection with any P-Notes. Any P-Notes that may be issued are not securities of the Book Running Lead Managers and do not constitute any obligations of or claims on the Book Running Lead Managers.

Prospective investors interested in purchasing any P-Notes have the responsibility to obtain adequate disclosures as to the issuer(s) of such P-Notes and the terms and conditions of any such P-Notes from the issuer(s) of such P-Notes. Neither SEBI nor any other regulatory authority has reviewed or approved any P-Notes or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in P-Notes, including whether P-Notes are issued in compliance with applicable laws and regulations.

Also see “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively.

DISCLAIMER CLAUSE OF THE STOCK EXCHANGES

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges. The Stock Exchanges do not in any manner:

- (1) warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document;
- (2) warrant that the Equity Shares issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
- (3) take any responsibility for the financial or other soundness of our Company, its promoters, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquire any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investors’, ‘prospective investors’ and ‘potential investor’ are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to the ‘Company’ or the ‘Issuer’ are to Adani Energy Solutions Limited and references to ‘we’, ‘us’ or ‘our’ are to Adani Energy Solutions Limited together with its Subsidiaries and Joint Venture, on a consolidated basis.

In this Preliminary Placement Document, references to ‘INR’, ‘₹’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India, and references to ‘USD’, ‘U.S. Dollars’ and ‘US\$’ are to the legal currency of the United States. All references herein to ‘India’ are to the Republic of India and its territories and possessions and the ‘Government’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, central or state, as applicable. All references herein to the ‘US’ or the ‘U.S.’ or the ‘United States’ or the ‘USA’ are to the United States of America and its territories and possessions.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in “crore” units. One crore represents 1,00,00,000, ten crore represents 10,00,00,000, hundred crore represents 1,00,00,00,000 and thousand crore represents 10,00,00,00,000. However, where any figures that may have been sourced from third-party industry sources are expressed in denominations other than crore, such figures appear in this Preliminary Placement Document in such denominations as provided in the respective sources. Our financials are prepared in crore for the for the quarter ended June 30, 2026, Fiscal 2026, Fiscal 2025 and Fiscal 2024.

In this Preliminary Placement Document, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures derived from our Financial Statements in decimals have been rounded off to the two-decimal place. All figures derived from the operational data in decimals have been rounded off to one decimal place. Due to such rounding off, in certain instances, the sum or percentage change of such numbers may not conform exactly to the total figure given. However, where any figures may have been sourced from third-party industry sources, such figures may be rounded off to such number of decimal places as provided in such respective sources. Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Financial and Other Information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the following calendar year, and, unless otherwise specified or if the context requires otherwise, all references to a particular ‘financial year’, ‘Fiscal Year’ or ‘FY’ are to the twelve month period ended on March 31 of that year and references to a particular ‘year’ are to the calendar year ending on December 31 of that year.

Our Company reports its financial statements in Indian Rupees.

Our consolidated unaudited quarterly financial results for the quarter ended June 30, 2026 along with limited review report dated July 21, 2026, audited consolidated financial statements for the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, prepared in accordance with the Ind AS and as per Ind AS Rules notified under Section 133 of the Companies Act, 2013, together with their respective reports issued by our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants have been included in this Preliminary Placement Document.

Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including IFRS and US GAAP and the reconciliation of the financial information to other accounting principles has not been provided. No attempt has been made to explain those differences or quantify their impact on the financial data included in this Preliminary Placement Document and investors should consult their own advisors regarding such differences and their impact on our Company’s financial data. The degree to which the financial information included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, Ind AS, the Companies Act, 2013 and the SEBI ICDR Regulations. Any reliance by persons not familiar with Ind AS, the Companies Act, 2013, the SEBI ICDR Regulations and practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited. For risks relating to significant differences between Ind AS and other accounting principles, see “*Risk Factors – 54. Differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations, and cash flows.*” on page 61.

Certain non-GAAP measures such as EBITDA (before exceptional items) and EBITDA margin (before exceptional items) (**“Non-GAAP Measures”**), presented in this Preliminary Placement Document are a supplemental and useful measure of our business, performance and liquidity that are not required by, or presented in accordance with, Ind AS, Indian GAAP, or IFRS. Further, these Non-GAAP Measures are not a measurement of our financial performance or liquidity under Ind AS, Indian GAAP, or IFRS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the year/ period or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, Indian GAAP, or IFRS. In addition, these Non-GAAP Measures are not standardised terms, hence a direct comparison of similarly titled Non-GAAP Measures between companies may not be possible. Other companies may calculate the Non-GAAP Measures differently from us, limiting its usefulness as a comparative measure. Although the Non-GAAP Measures are not a measure of performance calculated in accordance with applicable accounting standards, our Company’s management believes that it is useful to an investor in evaluating us because it is a widely used measure to evaluate a company’s operating performance.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, industry and market data used throughout this Preliminary Placement Document has been obtained or derived from the report titled ‘*Power transmission and distribution, and smart metering*’ dated July 2026 issued by CRISIL, appointed by our Company pursuant to an engagement letter dated July 15, 2026 and such report has been exclusively commissioned and paid for by our Company and is available on our Company’s website at www.adanienergysolutions.com, for the purpose of understanding the industry in connection with the Issue.

Information regarding market position, growth rates and other industry data pertaining to our businesses contained in this Preliminary Placement Document consists of estimates based on data and reports compiled by government bodies, professional organizations, industry publications and analysts, data from other external sources and knowledge of the markets in which we compete. The statistical information included in this Preliminary Placement Document relating to the various sectors in which we operate has been reproduced from various trade, industry and regulatory/ government publications and websites, more particularly described in “*Industry Overview*” on page 497.

This data in the CRISIL Report is subject to change and cannot be verified with complete certainty due to limits on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors – 51. Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable.*” on page 60.

Neither our Company, nor the Book Running Lead Managers have independently verified this data and make any representation regarding the accuracy or completeness of such data. Similarly, while we believe that our internal estimates are reasonable, such estimates have not been verified by any independent sources, and neither our Company nor the Book Running Lead Managers can assure potential investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Accordingly, investment decisions should not be based solely on such information.

CRISIL Intelligence has required us to include the following in connection with the CRISIL Report:

“About Crisil Intelligence

Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil’s other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence’s informed insights and opinions on the economy, industry, capital markets and companies drive impactful outcomes for clients across diverse sectors and geographies. For the preparation of this Report, Crisil Intelligence has relied on third party data and information obtained from various sources. Any forward-looking statements contained in this report are based on certain assumptions which in its opinion are true as on the date of this report and could fluctuate due to changes in underlying factors or events in future. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India.”

FORWARD-LOOKING STATEMENTS

This Preliminary Placement Document contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “are likely”, “believe”, “continue”, “can”, “could”, “expect”, “estimate”, “intend”, “may”, “likely”, “objective”, “plan”, “propose”, “project”, “seek”, “shall”, “will”, “will achieve”, “will continue”, “will likely”, “will pursue” or other words or phrases of similar import. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements that describe our strategies, objectives, plans or goals, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate. All statements regarding our Company’s expected financial conditions, results of operations, business plans and prospects are forward-looking statements. All forward-looking statements are subject to risks, uncertainties, expectations and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. All statements in this Preliminary Placement Document that are not statements of historical fact are ‘forward-looking statements’.

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to and including, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

- Risk of changes to the regulatory environment and the laws, rules, and directives of the Government of India negatively impacting the management of our operations and our ability to secure required approvals, permits, or licenses;
- Risk of failure to successfully bid for projects under the smart metering and TBCB scheme in an increasingly competitive environment, adversely impacting our future growth plans;
- Risk of changes to current tariff policies or modifications of tariff standards by regulatory authorities having a material adverse effect on our business, prospects, financial condition, and results of operations;
- Risk of delay in payments of monthly transmission charges to the CTU or an STU, or delay in recovery or non-recovery of receivables due from Government and other public bodies for our distribution business, adversely affecting our cash flows and results of operations; and
- Risk of variations in demand for electricity affecting customer usage and a consequent reduction in our electricity distribution revenues, having a material adverse effect on our business, prospects, financial condition, and results of operations.

Additional factors that could cause actual results, performance or achievements of our Company to differ materially include, but are not limited to, those discussed in “*Risk Factors*”, “*Industry Overview*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on pages 35, 497, 551 and 473, respectively. As a result, actual gains or losses could materially differ from those that have been estimated.

By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, any future gains, losses or impact on net income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections. The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of the management, as well as the assumptions made by, and information currently available to, the management of our Company. Although our Company believes that the expectations reflected in such forward-looking statements are reasonable at this time, it cannot assure the prospective investors that such expectations will prove to be correct. Given these uncertainties, the prospective investors are cautioned not to place undue reliance on such forward-looking statements. In any event, these statements speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document, and our Company or the Book Running Lead Managers undertake no obligation to update or revise any of them, whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward looking statements or otherwise. If any of these risks and uncertainties materialise, or if any of our Company’s underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed,

estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a limited liability company incorporated under the laws of India. Except for our Directors, Lisa Caroline MacCallum, who is a citizen of Australia, and Anil Satya Ahuja, who is a citizen of Singapore, all the Directors, Key Managerial Personnel and Senior Management of our Company named herein are resident citizens of India and a substantial portion of the assets of our Company and of such persons are located in India. As a result, it may be difficult or may not be possible for the prospective investors outside India to affect service of process upon our Company or such persons in India, or to enforce against them judgments of courts outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments is provided for under Section 13 and Section 44A of the Civil Procedure Code. Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or parties litigating under the same title, except:

- (a) where the judgment has not been pronounced by a court of competent jurisdiction;
- (b) where the judgment has not been given on the merits of the case;
- (c) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognise the law of India in cases in which such law is applicable;
- (d) where the proceedings in which the judgment was obtained were opposed to natural justice;
- (e) where the judgment has been obtained by fraud; and
- (f) where the judgment sustains a claim founded on a breach of any law then in force in India.

Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. Under Section 14 of the Civil Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards. The execution of a foreign decree under Section 44A of the Civil Procedure Code is also subject to the exception under Section 13 of the Civil Procedure Code as mentioned above.

Each of the United Kingdom, Singapore, United Arab Emirates and Hong Kong, amongst others has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, and any such amount may be subject to income tax in accordance with applicable laws. We cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Our Company and the Book Running Lead Managers cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth information with respect to the exchange rates between the Rupee and the U.S. dollar (in ₹ per USD). No representation is made that any Rupee amounts could have been, or could be, converted into U.S. dollars at any particular rate, the rates stated below, or at all.

On July 24, 2026, the exchange rate (the RBI reference rate) was ₹ 96.54 to USD 1. (Source: www.rbi.org.in)

	Period end ⁽¹⁾	Average ⁽²⁾	High ⁽³⁾	Low ⁽⁴⁾
Fiscal:				
2026	94.65	88.31	94.65	83.86
2025	85.58	84.57	87.59	83.07
2024	83.37	82.79	83.40	81.65
Month ended:				
June 30, 2026	94.60	94.97	95.78	94.28
May 31, 2026	95.38	95.60	96.84	94.44
April 30, 2026	95.24	93.55	95.24	92.56
March 31, 2026	94.65	92.76	94.65	91.45
February 28, 2026	90.95	90.73	91.64	90.40
January 31, 2026	91.90	90.80	91.96	89.89

(Source: www.rbi.org.in)

- (1) The price for the period end refers to the price as on the last trading day of the respective fiscal year or monthly periods;
(2) Average of the official rate for each Working Day of the relevant period;
(3) Maximum of the official rate for each Working Day of the relevant period; and
(4) Minimum of the official rate for each Working Day of the relevant period.

Notes:

- If the RBI reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day have been disclosed.
- The RBI reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

This Preliminary Placement Document uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein.

The following list of certain capitalised terms used in this Preliminary Placement Document is intended for the convenience of the reader/ prospective investor only and is not exhaustive.

Unless otherwise specified, the capitalised terms used in this Preliminary Placement Document shall have the meaning as defined hereunder. Further any references to any agreement, document, statute, rules, guidelines, regulations or policies shall include amendments made thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “Taxation”, “Industry Overview”, “Financial Information” and “Legal Proceedings” on pages 633, 497, 98 and 641, respectively, shall have the meaning given to such terms in such sections.

General Terms

Term	Description
“our Company”, “the Company”, “the Issuer”	Adani Energy Solutions Limited, a public limited company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with our Subsidiaries and Joint Venture, as applicable, to the extent required on a consolidated basis as on the date of this Preliminary Placement Document

Company Related Terms

Term	Description
AEML	Adani Electricity Mumbai Limited
“Articles” or “Articles of Association”	Articles of association of our Company, as amended from time to time
Audit Committee	Audit committee of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 580
“Auditors” or “Statutory Auditors” or “Independent Auditors”	The statutory auditors of our Company, namely, Walker Chandiok & Co LLP, Chartered Accountants
“Board of Directors” or “Board” or “our Board”	The board of directors of our Company or any duly constituted committee thereof, as the context may require
Consolidated Unaudited Quarterly Financial Results	Our consolidated unaudited quarterly financial result for the quarter ended June 30, 2026 prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (‘Ind AS 34’), prescribed under section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations.
Corporate Social Responsibility Committee	Corporate social responsibility committee of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 580
CRISIL	Crisil Intelligence, a division of Crisil Limited
CRISIL Report	Report titled “ <i>Power transmission and distribution, and smart metering</i> ” dated July 2026, issued by CRISIL, which is exclusively prepared for the purpose of the Issue and is commissioned and paid for by our Company. CRISIL was appointed pursuant to an engagement letter dated July 15, 2026. The CRISIL Report is available on the website of our Company at www.adanienergysolutions.com
Directors	The directors of our Company
Equity Shares	Equity shares having a face value of ₹10 each of our Company
Financial Statements	Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements
Fiscal 2026 Audited Consolidated Financial Statements	Our audited consolidated financial statements for Fiscal 2026 prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated April 23, 2026 issued by our Statutory Auditors
Fiscal 2025 Audited Consolidated Financial Statements	Our audited consolidated financial statements for Fiscal 2025 prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated April 24, 2025 issued by our Statutory Auditors
Fiscal 2024 Audited Consolidated Financial Statements	Our audited consolidated financial statements for Fiscal 2024 prepared in accordance with the Ind AS and Companies Act, 2013 together with the report dated April 30, 2024 issued by our Statutory Auditors

Term	Description
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Independent Director	A non-executive, independent Director appointed as per the Companies Act, 2013 and the SEBI Listing Regulations
Joint Venture	Joint venture of our Company, being Adani LCC JV
Key Management Personnel	Key managerial personnel shall have the meaning as set out under Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, see the section titled “ <i>Board of Directors and Senior Management</i> ” on page 580
QIP Committee	The QIP committee of our Company, duly constituted by the Board
Material Subsidiaries	Adani Electricity Mumbai Limited, Adani Transmission (India) Limited and Maharashtra Eastern Grid Power Transmission Company Limited
Memorandum or Memorandum of Association	Memorandum of association of our Company, as amended from time to time
Nomination and Remuneration Committee	Nomination and remuneration committee of the Board of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 580
Promoters	The promoters of our Company, namely Gautam S. Adani and Rajesh S. Adani
Promoter Group	Unless the context requires otherwise, the promoter group of our Company as determined in accordance with Regulation 2(1)(pp) of the SEBI ICDR Regulations
Registered and Corporate Office	Registered and corporate office of our Company situated at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India
Risk Management Committee	Risk management committee of the Board of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 580
Senior Management	Members of the senior management of our Company, as described in “ <i>Board of Directors and Senior Management</i> ” on page 580
Shareholder(s)	Shareholders of our Company
Stakeholders’ Relationship Committee	Stakeholders’ relationship committee of the Board of our Company as disclosed in “ <i>Board of Directors and Senior Management</i> ” on page 580
Subsidiaries	Subsidiaries of our Company, being: 1. Adani Cooling Solutions Limited 2. Adani Electricity Jewar Limited 3. Adani Electricity Kalyan Dombivli Limited 4. Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited) 5. Adani Electricity Mumbai Infra Limited (step-down subsidiary) 6. Adani Electricity Mumbai Limited 7. Adani Electricity Nashik Limited 8. Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited) 9. Adani Electricity Puducherry Limited 10. Adani Electricity Pune Limited 11. Adani Electricity Vasai-Virar Limited 12. Adani Electricity Vidharbha Limited 13. Adani Energy Solutions Mahan Limited (formerly known as Essar Transco Limited) (step-down subsidiary) 14. Adani Energy Solutions Step-Eleven Limited 15. Adani Energy Solutions Step-Fifteen Limited 16. Adani Energy Solutions Step-Fourteen Limited 17. Adani Energy Solutions Step-Sixteen Limited 18. Adani Energy Solutions Step-Twelve Limited 19. Adani Green Energy Thirty Limited (step-down subsidiary) 20. Adani Transmission (India) Limited (step-down subsidiary) 21. Adani Transmission (Rajasthan) Limited 22. Adani Transmission Bikaner Sikar Limited (formerly known as Adani Transmission Bikaner Sikar Private Limited) 23. Adani Transmission Mahan Limited (step-down subsidiary) 24. Adani Transmission Step-Eight Limited 25. Adani Transmission Step-Five Limited 26. Adani Transmission Step-Four Limited 27. Adani Transmission Step-One Limited 28. Adani Transmission Step-Seven Limited 29. Adani Transmission Step-Six Limited 30. Adani Transmission Step-Three Limited 31. Adani Transmission Step-Two Limited 32. AEML Seepz Limited (step-down subsidiary) 33. AESL Projects Limited (formerly known as Adani Energy Solutions Step-Ten Limited) 34. Alipurduar Transmission Limited 35. A-One Energy Networks Limited 36. Arasan Infra Limited (formerly known as Arasan Infra Private Limited)

Term	Description
	37. Arasan Infra Two Limited 38. Arasan Step I Limited 39. Arasan Step II Limited 40. Arasan Step III Limited 41. Arasan Step IV Limited 42. Aravali Transmission Service Company Limited 43. ATL HVDC Limited 44. ATSOL Global IFSC Limited 45. Barmer Power Transmission Service Limited 46. BEST Smart Metering Limited 47. Bikaner-Khetri Transmission Limited 48. Blush Construction (OPC) Private Limited 49. Chhattisgarh-WR Transmission Limited 50. Fatehgarh-Bhadla Transmission Limited 51. Ghatampur Transmission Limited 52. Gopalaya Build Estate Private Limited (step-down subsidiary) 53. Hadoti Power Transmission Service Limited 54. Halvad Transmission Limited 55. Jam Khambaliya Transco Limited 56. Jamnagar Transmission Limited 57. Karur Transmission Limited 58. Kharghar Vikhroli Transmission Limited 59. Khavda II-A Transmission Limited 60. Khavda IVA Power Transmission Limited 61. Khavda-Bhuj Transmission Limited 62. KPS I Transmission Limited 63. KPS III HVDC Transmission Limited 64. Lakadia Banaskantha Transco Limited 65. Leadvision Consulting Private Limited 66. Maa Gomti Nivas Private Limited 67. Mahan Transmission Limited 68. Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary) 69. Maru Transmission Service Company Limited 70. MP Power Transmission Package-II Limited 71. MPSEZ Utilities Limited 72. Mundra I Transmission Limited 73. Navinal Transmission Limited 74. NE Smart Metering Limited (formerly known as Adani Transmission Step Nine Limited) 75. Nextgen Energy Networks Limited 76. North Karanpura Transco Limited 77. Obra-C Badaun Transmission Limited 78. Pointleap Projects Private Limited (step-down subsidiary) 79. Power Distribution Services Limited 80. Powerpulse Trading Solutions Limited (formerly known as Adani Energy Solutions Step-Thirteen Limited) 81. Progressive Grid Network Limited (step-down subsidiary) (under liquidation) 82. Pune III Transmission Limited 83. Raipur-Rajnandgaon-Warora Transmission Limited 84. Rajasthan Part I Power Transmission Limited 85. Sangod Transmission Service Limited 86. Sipat Transmission Limited 87. South Kalamb Power Transmission Limited 88. Sthiravaas Estates Private Limited 89. Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited) 90. Sunrays Infra Space Two Limited 91. Sunrays Step I Limited 92. Sunrays Step II Limited 93. Sunrays Step III Limited 94. Superheights Infraspaces Private Limited 95. Subraha and Construction Private Limited 96. Thar Power Transmission Service Limited 97. Warora Kurnool Transmission Limited 98. Western Transco Power Limited 99. Western Transmission (Gujarat) Limited 100. WRNES Talegaon Power Transmission Limited 101. WRSR Power Transmission Limited 102. WRSS XXI (A) Transco Limited.

Term	Description
	The term “ <i>Subsidiary</i> ” shall be construed accordingly.

Issue Related Terms

Term	Description
“Allocated” or “Allocation”	Allocation of Equity Shares, in consultation with the Book Running Lead Managers, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
“Allotment” or “Allotted”	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB’s interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term “Bidding” shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
“Book Running Lead Managers” or “BRLMs”	SBI Capital Markets Limited, ICICI Securities Limited, IIFL Capital Services Limited (<i>formerly known as IIFL Securities Limited</i>) and Jefferies India Private Limited
“CAN” or “Confirmation of Allocation Note”	Note, advice or intimation to successful Bidders confirming the Allocation of Equity Shares to such successful Bidders after discovery of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about [●]
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees’ demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs under FEMA, the SEBI FPI Regulations and any other applicable law, other than individuals, corporate bodies and family offices
Eligible QIBs	Qualified institutional buyers that are eligible to participate in the Issue and which are not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.
Escrow Account	Special non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened with the Escrow Agent, subject to the terms of the Escrow Agreement, into which the Bid Amount shall be deposited by Eligible QIBs and refunds, if any, shall be remitted to unsuccessful Bidders
Escrow Agent	State Bank of India
Escrow Agreement	Agreement dated July 27, 2026, entered into by and amongst our Company, the Escrow Agent and the Book Running Lead Managers for collection of the Bid amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Floor Price	Floor price of ₹ 1,698.15 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the shareholders of our Company accorded through their resolution dated July 27, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Issue	Offer, issuance and Allotment of the Equity Shares to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Closing Date	[●], being the date after which our Company (or Book Running Lead Managers on behalf of our Company) shall cease acceptance of Application Forms and the Bid Amount
Issue Opening Date	July 27, 2026, being the date on which our Company (or the Book Running Lead Managers on behalf of our Company) shall commence acceptance of the Application Forms and the Bid Amount
Issue Period	Period between the Issue Opening Date and the Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Bid Amount
Issue Price	A price per Equity Share of ₹ [●], including a premium of ₹ [●] per Equity Share
Issue Size	Aggregate size of the Issue, approximately ₹ [●] crore
Monitoring Agency Agreement	Agreement dated July 27, 2026 entered into by and between our Company and the Monitoring Agency in relation to the responsibilities and obligations of the Monitoring Agency for monitoring the utilization of the Net Proceeds of the Issue, after deducting the fees, commissions, and expenses of the Issue
Monitoring Agency	CARE Ratings Limited
Mutual Fund	A mutual fund registered with the SEBI under the erstwhile Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 or Securities and Exchange Board of India (Mutual Funds) Regulations, 2026
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue

Term	Description
Placement Agreement	Placement agreement dated July 27, 2026 by and among our Company and the Book Running Lead Managers
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document cum application form, dated July 27, 2026 issued in accordance with Chapter VI of the SEBI ICDR Regulations and the provisions of the Companies Act, 2013 and the rules made thereunder
“QIBs” or “Qualified Institutional Buyers”	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the applicable rules of the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Bid Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from our Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	July 27, 2026 which is the date of the meeting in which the QIP Committee of our Board decided to open the Issue
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Bid Amount and who will be Allocated Issue shares
U.S. QIBs	“qualified institutional buyers” as defined under Rule 144A of the U.S. Securities Act.
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Business and Industry Related Terms

Term	Description
AC	Alternating current
ACS-ARR	Average cost of supply and average revenue realized
ARR	aggregate revenue requirement
ATC	Annual transmission charge
AT&C	Aggregate technical and commercial
BOOM	Build, own, operate and maintain
BOOT	Build, own, operate and transfer
BPTA	Bulk power transmission agreement
BU	Billion units
C&I	Commercial and industrial
CAGR	Compound annual growth rate
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
COD	Date of commissioning
CGUs	central generating utilities
ckms	Circuit kilometers
ckt	Circuit
CTU	Central transmission utility
CTUIL	Central Transmission Utility of India Ltd
DBFOOT	Design, build, finance, operate and transfer
DC	Direct current
DDF	Direct debit facility
Discoms	Distribution companies
DPC	Delayed payment charges
ERP	Enterprise resource planning
EVs	Electric vehicles
FAC	fuel adjustment charge
FGD	flue gas de-sulphurisation
GBS	Government budgetary support
GDP	Gross domestic product
GNA	General network access
GoI	Government of India
GSDP	Gross state domestic product
GTD	Generation, transmission and distribution
GW	gigawatts
HVDC	High voltage direct current
IOA	Interest on arrears
IPTCs	Independent power transmission companies
InSTS	Intra- state transmission system

Term	Description
ISTS	Inter-state transmission system
IT/OT	information technology/operational technology
kCal	Kilocalories
kV	Kilovolt
kWh	Kilowatt hour
LPS	Late payment surcharge
LTTC	Long Term Transmission Customers
MERC	Maharashtra Electricity Regulatory Commission
MMT	Million Metric tonne
MSETCL	Maharashtra State Electricity Transmission Company Limited
MUs	Million Units
MVA	Mega volt ampere
MW	Megawatt
NCT	National Committee on Transmission
NEP	National Electricity Plan
NLDC	National load dispatch center
NTPC	NTPC Limited (formerly known as National Thermal Power Corporation Limited)
PGCIL	Power Grid Corporation of India Limited
PoC	Point of connection
PPA	Power purchase agreement
PPP	Public Private Partnership
PSP	Pump storage projects
Raj/PPP	Rajasthan Public Private Partnership
RERC	Rajasthan Electricity Regulatory Commission
R-Infra	Reliance Infrastructure Limited
RDSS	Revamped Distribution Sector Scheme
RE	Renewable energy
RGO	Renewable generation obligations
RLDC	Regional load dispatch center
RSA	Revenue sharing agreement
RTM	Regulated tariff mechanism
SAP	System Applications and Products in Data Processing
SBD	Standard bidding documents
SCOD	Scheduled commercial operations date
SEB	State Electricity Board
SERC	State Electricity Regulatory Commission
SLDC	State load dispatch center
STU	State transmission utility
T&D	Transmission and distribution
TBCB	Tariff-based competitive bidding
TPC	Tata Power Company Limited
TSA	Transmission service agreement
TSP	Transmission service provider
TSU	Transmission system user

Conventional and General Terms/ Abbreviations

Term	Description
“₹” or “Rs.” or “Rupees” or “INR”	Indian Rupees
AGM	Annual general meeting
AIF(s)	Alternative Investment Funds as defined in, and registered under the SEBI AIF Regulations
“Bn” or “bn”	Billion
BSE	BSE Limited
CAGR	Compound annual growth rate
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I Foreign Portfolio Investors” under the SEBI FPI Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CERC	Central Electricity Regulatory Commission

Term	Description
CFO	Chief Financial Officer
CIN	Corporate Identity Number
“Companies Act” or “Companies Act, 2013”	Companies Act, 2013, as applicable, along with the relevant rules, regulations, clarifications and modifications made thereunder
Companies Act, 1956	Companies Act, 1956, along with the relevant rules framed thereunder
Companies (Significant Beneficial Owners) Rules, 2018	Companies (Significant Beneficial Owners) Rules, 2018 and any notifications and circulars related thereto
“Consolidated FDI Policy” or “FDI Policy”	Consolidated Foreign Direct Investment Policy notified by the DPIIT under DPIIT File Number 5(2)/2020-FDI Policy dated the October 15, 2020, effective from October 15, 2020, and any modifications thereto or substitutions thereof, issued from time to time
CSR	Corporate social responsibility
Depositories	Together, NSDL and CDSL
Depositories Act	Depositories Act, 1996, read with the rules, regulations, amendments and modifications notified thereunder
DIN	Director Identification Number
DP ID	Depository Participant’s Identification
“DP” or “Depository Participant”	A depository participant as defined under the Depositories Act
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (<i>formerly known as Department of Industrial Policy and Promotion</i>)
EGM	Extraordinary general meeting
EPS	Earnings per share
EBITDA	Earnings before interest, taxes, depreciation and amortisation
EU	European Union
Electricity Act	The Electricity Act, 2003
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended
“Financial Year” or “Fiscal” or “Fiscal Year” or “FY”	Unless stated otherwise, the period of 12 months commencing on April 1 of the immediately preceding calendar year and ending March 31 of that particular calendar year
FIR	First information report
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPI	Foreign portfolio investors as defined under the SEBI FPI Regulations
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
GAAR	General Anti-Avoidance Rules
Gazette	Gazette of India
GDP	Gross domestic product
“GoI” or “Government” or “Central Government”	Government of India
GST	Goods and services tax
HUF	Hindu Undivided Family
HNI	High net worth individual
IBC	Insolvency and Bankruptcy Code, 2016
ICAI	The Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Ind AS	Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, and referred to in the Companies (Indian Accounting Standards) Rules, 2015
India	Republic of India
Indian GAAP	Accounting Standards notified under Section 133 of the Companies Act and referred to in the Companies (Accounting Standards) Rules, 2014
IPC	Indian Penal Code, 1860
IST	Indian Standard Time
IT	Information Technology
IT Act	Information Technology Act, 2000
KYC	Know Your Customer
MCA	Ministry of Corporate Affairs, Government of India
MERC	Maharashtra Electricity Regulatory Commission
“Mn” or “mn”	Million
MSMEs	Small scale undertakings as per the Micro, Small and Medium Enterprises Development Act, 2006
Mutual Funds	Mutual funds registered under the SEBI Mutual Funds Regulations
NACH	National Automated Clearing House
National Investment Fund	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India
“N/A” or “N.A.”	Not applicable
NAV	Net Asset Value
NBFC	Non-Banking Financial Companies

Term	Description
NEFT	National Electronic Fund Transfer
Negotiable Instruments Act	Negotiable Instruments Act, 1881
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
“Non-Resident Indians” or “NRI(s)”	A non-resident Indian as defined under the FEMA Rules
NPCI	National Payments Corporation of India
NRE	Non- Resident External
NRE Account	Non-resident external rupee account
NRI	Non-resident Indian
NRO	Non-Resident Ordinary
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
“OCB” or “Overseas Corporate Body”	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA and which was de-recognised through the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs) Regulations, 2003. OCBs are not allowed to invest in the Issue
p.a.	Per annum
P/E	Price/earnings
P/E Ratio	Price to Earnings Ratio
PAN	Permanent Account Number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
RBI	Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
RoC	Registrar of Companies, Gujarat at Ahmedabad
RoNW	Return on Net Worth
RTGS	Real Time Gross Settlement
Rule 144A	Rule 144A under the U.S. Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SEBI BTI Regulations	Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Merchant Bankers Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
State Government	The government of a state in India
Stock Exchanges	BSE and NSE
STT	Securities Transaction Tax
“Systemically Important NBFC” or “NBFC-SI”	Systemically important non-banking financial company as defined under Regulation 2(1)(iii) of the SEBI ICDR Regulations
TAN	Tax deduction account number
U.S. Securities Act	U.S. Securities Act of 1933, as amended
“U.S.” or “USA” or “United States”	United States of America including its territories and possessions, any State of the United States, and the District of Columbia
“U.S. GAAP”	Generally Accepted Accounting Principles in the United States
“USD” or “US\$”	United States Dollars
VCFs	Venture capital funds as defined in and registered with the SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 (<i>now repealed</i>) or the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as the case may be
“Year” or “Calendar Year”	Unless the context otherwise requires, shall mean the 12 month period commencing from January 1 and ending on December 31

SUMMARY OF BUSINESS

We are part of the Adani portfolio, which had an average market capitalization of ₹14 trillion during the three months ended June 30, 2026 and is one of the largest listed business groups in India in terms of market capitalization during the same period.¹ We are an integrated pan-India energy solutions provider through our multiple businesses, including transmission, distribution, smart metering, centralized cooling and an energy solutions platform. We are one of the leading players in India's transmission and distribution sector and India's largest private sector transmission company, with a 42.1% share of the private operational network as of March 31, 2026.² Our Subsidiary, Adani Electricity Mumbai Ltd. ("AEML"), is the largest private distribution licensee in Mumbai with a customer base of 3.27 million as of March 31, 2026.³ We are one of India's leading advanced metering infrastructure service providers as of March 31, 2026 and are among the few companies to have cumulatively installed 11.40 million smart meters across discoms as of March 31, 2026.⁴ We have secured ten contracts totaling to 24.60 million smart meters, representing approximately 16.30% of the smart metering market awarded in India as of March 31, 2026.⁵ We have also recently entered the cooling solutions business to deliver centralized and energy-efficient cooling under a "cooling-as-a-service" model with approximately 76,000 tons of refrigeration ("TR") of projects under implementation as of June 30, 2026. In addition, we have established an energy solutions platform with supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of battery energy storage systems ("BESS") and an energy portfolio of over 1.00 GW across commercial and industrial ("C&I") customers, data centers and utilities.

We are contributing to India's energy transition goals with our portfolio of assets in transmission that will aid evacuation of renewable power (Green Energy Corridor), coupled with high renewable power penetration in the distribution business and expansion into the smart metering business, cooling solutions and energy solutions.

We operate five main businesses: (a) transmission; (b) distribution; (c) smart metering; (d) cooling solutions; and (e) an energy solutions platform.

As of June 30, 2026, we have 27,949 circuit kilometers ("ckms") of transmission lines across 14 states in India, of which 20,023 ckms were fully operational and 7,926 ckms were under construction. We operate 123,175 megavolt-ampere ("MVA") of power transformation capacity under our transmission business as of the same date. As of June 30, 2026, our distribution business served over 3.29 million households (representing approximately 13.00 million distribution consumers) of AEML and 113 industrial customers of MPSEZ Utilities Limited ("MUL"). The annual energy requirement was approximately 13,660 million units ("MUs") (12,245 MUs through AEML and 1,415 MUs through MUL) as of March 31, 2026. Through our power transmission business, we build, commission, operate and maintain electricity inter-state transmission systems ("ISTS") and intra-state transmission systems ("InSTS"). As of June 30, 2026, we owned 35 fully operational transmission systems across the states of Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Tamil Nadu, Telangana, West Bengal, Haryana, Jharkhand and Karnataka in India, which in aggregate have a network of power transmission lines of approximately 20,023 ckms and 82 substations having 123,175 MVA of transformation capacity. We are also developing 13 transmission systems across the states of Gujarat, Maharashtra, Rajasthan and Madhya Pradesh in India as of June 30, 2026. These transmission systems have a total network of power transmission lines of approximately 7,926 ckms and 11 substations having 73,775 MVA of transformation capacity. Our total under-construction transmission pipeline was ₹71,779 crore as of June 30, 2026. In July 2026, we were awarded an inter-state transmission project in Andhra Pradesh for certain proposed green hydrogen/ green ammonia projects as well as emerging digital infrastructure demand in the Pendurthi-Visakhapatnam region, with an estimated project value of approximately ₹8,500 crore.

The transmission systems were awarded to us under the "tariff-based competitive bidding" mechanism ("TBCB") on a "build-own-operate-maintain" ("BOOM") or "build-own-operate-transfer" ("BOOT") basis. Our ISTS transmission systems earn revenue under long-term transmission services agreements ("TSAs") and tariff orders passed by CERC, and our InSTS transmission systems earn revenue under long-term bulk power transmission agreements ("BPTAs") and tariff orders passed by the relevant state electricity regulatory authority. These transmission systems receive availability-based tariffs under the TSAs or BPTAs, as applicable, irrespective of the quantum of power transmitted through the line. The tariff for transmission systems in India is contracted for the period of the TSA, which is up to 35 years from commercial operations date ("COD"), or BPTA, which is up to 25 years and may be renewed or extended for another ten years in accordance with the provision of underlying agreement, TSA or BPTA. Tariffs under the TSAs and BPTAs are billed and collected pursuant to the "point of connection" ("PoC") mechanism, a regulatory payment pooling system. Under the PoC mechanism, payments are made to a central/state payment pool, and the proceeds are distributed proportionately to all transmission services providers, including us. The availability-based tariffs and PoC payment mechanism enable a stable and certain cash flow stream. For further details, see "Industry Overview" on page 497.

• ¹ Source: CRISIL Report
• ² Source: CRISIL Report
• ³ Source: CRISIL Report
• ⁴ Source: CRISIL Report
• ⁵ Source: CRISIL Report

We have maintained an annual average availability for our operational transmission systems in excess of 99.50% since commissioning, for which we have earned maximum incentive revenues under the respective TSAs and BPTAs. Maintaining availability of the transmission systems in excess of 95.00% for high voltage direct current (“HVDC”) systems and 98.00% for AC systems gives us the right to claim incentives on a pro-rata basis, under the TSAs and BPTAs, ensuring an adequate upside to maximize availability.

We operate our electricity distribution business through our Subsidiaries AEML, AEML SEEPZ Limited (“ASL”) (a wholly owned subsidiary of AEML) and MUL. As of June 30, 2026, our distribution systems included AEML’s 594 ckms of 220 kV transmission lines and MUL’s 254 ckms of 220, 66, 33, 11 and 0.415 kV transmission lines and seven substations having 710 MVA transformation capacity. AEML has received various recognitions for its operational performance, customer service standards and governance practices. AEML has maintained an A+ integrated rating from the Power Finance Corporation during Fiscals 2025 and 2026 and was ranked first among distribution utilities by the Ministry of Power under its Integrated Utility Ranking for Fiscal 2026.⁶ AEML has also received credit rating upgrades from domestic rating agencies, with both India Ratings and CRISIL Ratings upgrading its rating to AAA/Stable during Fiscal 2026. Additionally, CareEdge Global assigned a new international rating of BBB+ with a Stable outlook to AEML.

Leveraging our distribution and transmission platforms and expertise, we entered into the smart metering business in Fiscal 2023, which involves the installation of smart meters and providing end-to-end smart metering services under the design-build-finance-own-operate-and-transfer (“DBFOOT”) model. Smart meters can improve the operational efficiency of distribution utilities, support their financial sustainability, and enhance consumer services by enabling more accurate monitoring of electricity consumption, improving billing efficiency and reducing power theft.⁷ As of March 31, 2026, we have cumulatively installed 11.40 million smart meters, making it one of the highest smart meter installations in India as of the same date.⁸ Further, as of June 30, 2026, we have cumulatively installed 13.44 million smart meters. In addition, we have obtained an order book to install 24.60 million smart meters across five states in India as of June 30, 2026. At more than 22,000 to 23,000 installations per day, we had one of the highest installation rates in India’s smart metering industry during Fiscal 2026.⁹ Further, our proposed acquisition of IntelliSmart Infrastructure Private Limited (“IntelliSmart”), subject to regulatory and other customary approvals. This is a smart metering joint venture between National Investment and Infrastructure Fund and Energy Efficiency Services Limited and is expected to expand our smart metering portfolio and geographic presence, including in Gujarat, Uttar Pradesh and Madhya Pradesh, and further enhance the scale of our smart metering platform.

Further, we recently forayed in our cooling solutions business through our wholly owned Subsidiary, Adani Cooling Solutions Limited (“ACSL”), which constructs and operates centralized district cooling systems on a design-build-finance-own-operate (“DBFOO”) basis. As of June 30, 2026, we are developing a township project at Shantigram, Ahmedabad. We have also identified a pipeline of approximately 278,950 TR across airports, data centers, industrial estates, IT hubs, metro rail projects and real estate developments as of the same date. Separately, we operate an energy solutions platform that serves as an end-to-end energy management offering for large power consumers across sectors including cement, airports, data centers, ports, automotive, chemicals and fertilizers, FMCG, textiles, metals, infrastructure and hospitality.

We received a credit rating of BBB- and Baa3 Stable by Fitch and Moody’s, respectively, in Fiscal 2026. Further, the Japan Credit Rating Agency assigned a long-term foreign currency credit rating of BBB+ (Stable) to us in January 2026. In Fiscals 2026, 2025 and 2024, we generated a total income of ₹28,325.16 crore, ₹24,446.55 crore and ₹17,218.31 crore, respectively, an EBITDA (before exceptional items) of ₹8,725.97 crore, ₹7,745.98 crore and ₹6,322.15 crore, respectively, and a net profit after tax of ₹2,392.75 crore, ₹921.69 crore and ₹1,195.61 crore, respectively.

The following table sets out key financial metrics for the periods/years indicated on a consolidated basis:

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
	(₹ in crores, except as otherwise specified)		
Financial Metrics			
Revenue from Operations	27,588.03	23,767.09	16,607.36
Total Income	28,325.16	24,446.55	17,218.31
Total Tax Expense	771.71	178.99	580.13
Exceptional Items	Nil	(1,506.02)	Nil
Profit Before Exceptional items, Tax and Deferred Assets Recoverable/Adjustable for the Year	3,114.84	2,580.87	1,779.56
Finance Costs	3,632.90	3,259.16	2,766.51
Depreciation and Amortization Expense	1,978.23	1,905.95	1,776.08
EBITDA (before exceptional items) ¹	8,725.97	7,745.98 ⁶	6,322.15
EBITDA Margin (before exceptional items) ²	30.81%	31.69%	36.72%

- ⁶ Source: CRISIL Report
- ⁷ Source: CRISIL Report
- ⁸ Source: CRISIL Report
- ⁹ Source: CRISIL Report

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
Profit After Tax for the Year	2,392.75	1,810.00 ^{6&7}	1,195.61
Profit After Tax Margin ³	8.45%	7.40% ^{6&7}	6.94%
Cash Profit	4,700	4,292 ⁷	3,257
Total Assets	92,834.92	73,960.10	58,578.81
Net Worth (Total Equity)	26,525.64	23,011.26	13,703.13
Return on Capital Employed ⁴	8.72%	9.12%	8.98%
Return on Equity ⁵	9.66%	9.86%	9.00%
Operational Metrics			
System Availability	99.7	99.7	99.6
<i>Transmission:</i>			
Operational Assets (nos.)	35	30	28
Under Construction	13	15	9
Under Construction (circuit kilometres)	7,926	7,471	3,073
Total Transmission Network	27,949	26,696	20,509
<i>Distribution:</i>			
Regulated Asset Base - AEML	10,521	9,549	8,485
Customer Base (in million)	3.27	3.18	3.18
Units Sold (in million)	11,959	11,506	10,574
Distribution Loss	4.21	4.77	5.29
<i>Smart Metering:</i>			
Meters Portfolio (in million)	24.6	22.8	22.8
Cumulative Meters Installed (in million)	11.36	3.13	NA

Particulars	As of and for the three months ended June 30,	
	2026	2025
	(₹ in crores, except as otherwise specified)	
Financial Metrics		
Revenue from Operations	9,711.08	6,819.28
Total Income	9,852.20	7,025.49
Total Tax Expense	155.91	117.12
Profit Before Exceptional items, Tax and Deferred Assets Recoverable/Adjustable for the Period	1,441.04	658.05
Finance Costs	1,151.73	894.03
Depreciation and Amortization Expense	585.35	464.82
EBITDA (before exceptional items) ¹	3,178.12	2,016.90
EBITDA Margin (before exceptional items) ²	32.26%	28.71%
Profit After Tax for the Period	1,236.56	538.94
Profit After Tax Margin ³	12.55%	7.67%
Cash Profit	1,775.91	1,042.63
Total Assets	97,669.09	78,014.89
Net Worth (Total Equity)	27,585.61	23,610.79
Operational Metrics		
System Availability	99.63	99.83
<i>Transmission:</i>		
Operational Assets (nos.)	35	33
Under Construction	13	13
Under Construction (circuit kilometres)	7,926	7,063
Total Transmission Network	27,949	26,696
<i>Distribution:</i>		
Regulated Asset Base - AEML	10,353	9,433
Customer Base (in million)	3.29	3.24
Units Sold (in million)	3,685	3,210
Distribution Loss	5.16	4.24
<i>Smart Metering:</i>		
Meters Portfolio (in million)	24.60	22.80
Cumulative Meters Installed (in million)	13.44	5.54

Notes:

1. EBITDA (before exceptional items) is calculated as profit before tax and exceptional items for the year, plus finance costs and depreciation and amortization expenses.
2. EBITDA margin (before exceptional items) is calculated as EBITDA (before exceptional items) as a percentage of total income.
3. Profit after tax margin is calculated as profit after tax as a percentage of total income.
4. Return on capital employed is calculated as total EBIT by capital employed. Total EBIT is calculated as profit before tax, exceptional item and deferred assets recoverable / adjustable for the year plus finance cost. Capital employed is calculated as total assets minus current liabilities.
5. Return on equity is calculated as adjusted profit after tax attributable to owners for the year divided by total equity attributable to owners.

6. *Adjusted for an exceptional item due to carve out of Dahanu Plant of ₹1,506.02 crore.*
7. *Adjusted for the regulatory income of ₹148.18 crore in T&D segment and net one-time deferred tax reversal of ₹469.00 crore in AEML distribution business.*

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including in “Risk Factors”, “Objects of the Issue and Use of Issue Proceeds”, “Placement”, “Issue Procedure” and “Description of the Equity Shares” on pages 35, 79, 609, 597 and 626, respectively.

Issuer	Adani Energy Solutions Limited
Face Value	₹10 per Equity Share
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Floor Price	₹ 1,698.15 per Equity Share, calculated in accordance with Regulation 176 under Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders of our Company accorded through their resolution dated July 25, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Size	Issue of up to [●] Equity Shares, aggregating up to approximately ₹ [●] crore, at a premium of ₹ [●] each. A minimum of 10% of the Issue Size i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only and the balance [●] Equity Shares should be available for Allocation to all QIBs, including Mutual Funds. In case of under-subscription in the portion available for Allocation to Mutual Funds, such minimum portion or part thereof may be Allotted to other Eligible QIBs.
Date of Board resolution	July 1, 2026
Date of Shareholders’ resolution	July 25, 2026
Eligible Investors	Eligible QIBs, to whom this Preliminary Placement Document and the Application Form are delivered and who are eligible to bid and participate in the Issue. For further details, see “Issue Procedure”, “Distribution and Solicitation Restrictions” and “Transfer Restrictions” on pages 597, 611 and 620, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered has been determined by our Company in consultation with the BRLMs.
Dividend	See “Description of the Equity Shares” and “Dividends” on pages 626 and 97, respectively.
Indian taxation	See “Taxation” on page 633.
Equity Shares issued and outstanding immediately prior to the Issue	1,20,12,82,642 Equity Shares of face value of ₹10 each
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares of face value of ₹10 each
Listing and trading	Our Company has obtained in-principle approvals each dated July 27, 2026 in terms of Regulation 28(1)(a) of the SEBI Listing Regulations from BSE and NSE, respectively, for listing of the Equity Shares issued pursuant to the Issue. Our Company will make applications to each of the Stock Exchanges after Allotment to obtain final listing and trading approval for the Equity Shares after the Allotment and after the credit of the Equity Shares to the beneficiary account of the Depository Participant, respectively. The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges.
Lock-up	For details in relation to lock-up, see “Placement – Lock-up” on page 609 for a description of restrictions on our Company in relation to the Equity Shares.
Transferability restrictions	The Equity Shares to be issued and Allotted pursuant to this Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. For details in relation to other transfer restrictions, please see “Transfer Restrictions” on page 620.
Objects of the Issue and Use of Issue proceeds	The Gross Proceeds from the Issue will be approximately ₹ [●] crore. Subject to compliance with applicable laws, the Net Proceeds from the Issue, after deducting fees, commissions and expenses of the Issue, will be approximately ₹ [●] crore. See “Objects of the Issue and Use of Issue Proceeds” on page 79 for additional information regarding the use of net proceeds from the Issue.
Risk factors	See “Risk Factors” on page 35 for a discussion of risks you should consider before investing in the Equity Shares.
Closing Date	The Allotment of the Equity Shares pursuant to the Issue is expected to be made on or about [●].
Ranking	The Equity Shares to be issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> with the existing Equity Shares of our Company, including in respect of voting rights and dividends. The holders of Equity Shares (who hold Equity Shares as on the applicable record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, the SEBI Listing Regulations

	and other applicable laws and regulations. Equity Shareholders of our Company may attend and vote in Shareholders' meetings in accordance with the provisions of the Companies Act, 2013. For further details, see " <i>Dividends</i> " and " <i>Description of the Equity Shares</i> " on pages 97 and 626, respectively.	
Voting Rights	See " <i>Description of the Equity Shares – Voting Rights</i> " on page 629.	
Security codes for the Equity Shares	ISIN	INE931S01010
	BSE Code & Symbol	539254, ADANIENSOL
	NSE Symbol	ADANIENSOL

RELATED PARTY TRANSACTIONS

For details of the related party transactions during the (i) Fiscal 2026; (ii) Fiscal 2025; and (iii) Fiscal 2024, as per the requirements under IND AS 24 “Related Party Disclosures”, see “*Financial Information – Fiscal 2026 Audited Consolidated Financial Statements*”, “*Financial Information – Fiscal 2025 Audited Consolidated Financial Statements*” and “*Financial Information – Fiscal 2024 Audited Consolidated Financial Statements*” on pages 121, 251 and 365, respectively.

RISK FACTORS

This Preliminary Placement Document contains certain forward-looking statements that involve risks and uncertainties. Our results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. For further information, see “Forward-Looking Statements” on page 16.

An investment in Equity Shares involves a certain degree of risk. You should carefully consider the following risk factors as well as all the information contained in this Preliminary Placement Document, including the risks and uncertainties described below, before making an investment decision in relation to the Issue.

The risks described below are those that we consider to be most significant to our business, results of operations, and financial conditions as of the date of this Preliminary Placement Document. However, they are not the only risks relevant to us, the Equity Shares, or the industry in which we currently operate. The risk factors set forth below do not purport to be complete or comprehensive in terms of all the risk factors that may arise in connection with our business or any decision to purchase, own, or dispose of the Equity Shares. Unless otherwise stated in the relevant risk factors set forth below, financial or other implications of the risk factors mentioned below are not quantifiable. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business prospects, results of operations, and financial condition. As a result, the trading price of the Equity Shares could decline and investors may lose part or all of their investment. In order to obtain a complete understanding about us, you should read this section in conjunction with “Our Business”, “Industry Overview” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, on pages 551, 497 and 473, respectively, as well as the other financial and statistical information contained in this Preliminary Placement Document. In making an investment decision, prospective investors must rely on their own examination of us on a consolidated basis and the terms of the Issue, including the merits and risks involved. Investors should consult their respective tax, financial and legal advisors about the particular consequences of an investment in this Issue.

Unless otherwise stated, references in this section to “we”, “our” or “us” (including in the context of any financial information) are to the Company and our Subsidiaries, and to the extent is accompanied by financial information, such information is included on a consolidated basis. Further, unless otherwise stated, all financial numbers are presented in crores. 1 crore is equal to 10 million. To the extent applicable, financial information to the extent included from our financial statements and specifically indicated, has been included from the Audited Consolidated Financial Statements and the Consolidated Unaudited Quarterly Financial Results. For further information, see “Financial Information” on page 98.

The ordering of the risk factors is intended to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Power transmission and distribution, and smart metering” issued in July 2026 (“**CRISIL Report**”) prepared and issued by CRISIL Intelligence, appointed by us, and exclusively commissioned and paid for by us in connection with the Offer, and other publicly available information. CRISIL Intelligence has used various primary and secondary sources, including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from publicly available documents from various sources and the CRISIL Report, and may have been re-ordered by us for the purposes of presentation. There are no parts, data, or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry, and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the CRISIL Report, see “ – Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable.” on page 60.*

INTERNAL RISK FACTORS

1. Changes to the regulatory environment and the laws, rules, and directives of the Government of India (“GoI”) may negatively impact the management of our operations and our ability to secure required approvals, permits, or licenses.

Electricity laws in India have changed significantly over the years and continue to evolve. There are likely to be more changes, including to the Electricity Act, 2003 (the “**Electricity Act**”), read along with the Electricity (Amendment) Rules, 2026, National Tariff Policy, and related rules and regulations in the future. The Electricity Act governs power tariffs in India. The timing and content of any new law or regulation is not in our control and any changes to current regulatory bodies or existing rules and directives could have a material adverse effect on our business, prospects, financial condition, and results of operations. For instance, in October 2025, the Ministry of Power released the Draft Electricity (Amendment) Bill, 2025 for public comments and suggestions. The proposed amendments included, among others, the elimination of cross-subsidy for certain categories of consumers; reforms in the power distribution sector, including delicensing and open access requirements; regulation of electric lines; and measures to improve regulatory efficiency. Additionally, in January 2026, the

Ministry of Power released the Draft National Electricity Policy, 2026 (the “**Draft NEP 2026**”) for public consultation, which is intended to replace the National Electricity Policy notified in 2005 and is issued in exercise of the powers conferred under Section 3 of the Electricity Act. The Draft NEP 2026 extends to 2047, targeting a per capita electricity consumption of over 4,000 kWh, up from ~1,460 kWh in fiscal 2025. The draft pushes for nuclear energy, positioning it as the baseload backbone of a Net-Zero India, with a target of 100 GW of nuclear capacity by 2047¹⁰. As these are draft amendments and/or proposals, we cannot ascertain at this stage whether the proposed amendments and/or proposals will come into force in the form suggested or at all, or the extent to which such amendments or policies, if enacted or notified, will impact our business and operations.

For our distribution business and for some of our transmission systems that operate under a “cost-plus” basis, we submit a forecast of aggregate revenue requirements and expected revenue from the tariff and charges for each financial year for the regulator’s approval. Under current tariff regulations in India, if power purchase costs are uncontrollable, we can recover these costs from consumers through tariff and fuel adjustment charges. However, recovery of these additional costs is at the discretion of the regulator and there is no assurance that we will be able to incur costs in excess of approved costs or in excess of the indicative market rates. Tariff regulations are subject to change before the start of the next multiyear tariff control period. Any such change may have a material adverse impact on our ability to recover our costs through tariffs. For example, in February 2021, MERC notified us that it had introduced a number of new measures required to be undertaken by distribution licensees in Maharashtra under the MERC (Supply Code, Standards of Performance including Power Quality) Regulations, 2021, which may result in increased compliance costs. For more details, see “ – *Any changes to current tariff policies or modifications of tariffs standards by regulatory authorities could have a material adverse effect on our business, prospects, financial condition and results of operations*” on page 37.

We operate a majority of our transmission systems (41 out of 48 transmission systems, including systems under construction, as of June 30, 2026) under the tariff-based competitive bidding (“**TBCB**”) route. Under the TBCB scheme, tariffs for projects are not set on a cost-plus basis, but rather bidders are required to quote for tariffs over a period of 35 years from the commercial operation date of the project, for establishing transmission lines on a build, own, operate, and maintain (“**BOOM**”) basis. Further, the Ministry of Power has recently released certain guidelines and notifications for purposes of, among other things, encouraging private investment in transmission systems and changing the mode of execution of transmission projects from a BOOM basis to a build-own-operate-transfer (“**BOOT**”) basis. If we are not successful in bidding competitively against our competitors, including Indian and international companies which may have greater resources and expertise than us, for new transmission projects under the TBCB scheme, if we are awarded projects based on bids that we later determine to be unviable, or if our revenues and expense reimbursements from such projects are not on commercial terms favorable to us, our ability to complete awarded projects profitably or at all may be adversely affected, which could materially adversely affect our business, prospects, financial condition, cash flows, and results of operations.

For some of our transmission systems, we earn or expect to earn revenue from tariff determined under the TBCB route in order to encourage competition in the development of transmission projects, which would require us to place a competitive bid for schemes floated through TBCB, rather than recovering costs under the conventional “cost-plus” basis described above. Accordingly, we may face increased competition in our transmission business. For more details, see “ – *We depend on our ability to successfully bid for projects under the smart metering and TBCB scheme in an increasingly competitive environment and our failure to compete effectively may adversely impact our future growth plan.*” on page 37.

Additionally, the smart metering industry is subject to regulatory risks, including changes in policies related to governmental incentives, metering standards, data privacy, and cybersecurity. While the GoI’s push towards smart metering through initiatives like the Revamped Distribution Sector Scheme (“**RDSS**”) creates new opportunities, regulatory developments in this area could impose additional costs, require technology upgrades, or necessitate changes in our business to ensure compliance with new standards. Changes to the regulatory environment could also affect the financial models underpinning our smart metering projects.

The enactment of the Electricity Act has resulted in structural changes in the power sector in India, including the de-licensing of power generation, competition in supply, open access to distribution and transmission systems, the re-organization of the State Electricity Boards (“**SEBs**”), and the introduction of franchising in electricity distribution. Although such changes have provided us with the flexibility to sell power and explore business opportunities in electricity transmission, distribution, and trading, they have also increased competitive pressures in our distribution business and may continue to do so in the future. Further, the Electricity Act introduced parallel licensing, which allows multiple licensees to operate in the same geographic area. While parallel licensing provides us with new business opportunities, this change could lead to increased competition as new players may enter the market, potentially reducing our customer base and exerting downward pressure on tariffs. The entry of competitors with parallel licenses could also lead to a fragmented market, making it more difficult for us to achieve economies of scale and potentially impacting our profitability. In addition, the number of our competitors may increase in the future should further liberalization measures be adopted. As a result, any movement toward further liberalization of the Indian electricity sector could increase competitive pressures on us and may adversely impact our business. We also seek to expand into new regions through parallel licensing opportunities. As of June 30, 2026, we have

• ¹⁰ Source: Crisil Report

submitted parallel license applications across the states of Maharashtra, Gujarat, Uttar Pradesh and Haryana. In the future, we plan on expanding our presence to other regions of India, including the Southern and North-Eastern regions, and we continue to evaluate opportunities to pursue international projects.

However, there can be no assurance that we will be able to obtain such licenses on a timely basis or at all, or that any resulting expansion will achieve the returns, market share, or profitability we anticipate, particularly given that the same liberalization also enables the entry of new competitors into our existing service areas.

With respect to potential impacts on statutory despatch bodies, in accordance with the Electricity Act, operators of the national or state transmission grids, the national load dispatch centers (“NLDC”), the regional load dispatch centers (“RLDC”) and the state load dispatch centers (“SLDC”) operate the grids as independent operators. Any negative change in the operating statutory parameters of the NLDCs, RLDCs, or SLDCs may negatively impact the corresponding availability of our systems and in turn materially adversely impact our business, prospects, financial condition, and results of operations. Any such unfavorable changes, particularly to tariffs, payment pooling, and dispatch regulations, could have a material adverse effect on our business, prospects, financial condition, and results of operations.

2. *We depend on our ability to successfully bid for projects under the smart metering and TBCB scheme in an increasingly competitive environment and our failure to compete effectively may adversely impact our future growth plan.*

Pursuant to the GoI’s policy, all future inter-state transmission systems (“ISTS”) and smart metering projects are ordinarily required to be developed pursuant to a competitive bidding process. However, the GoI may exempt certain projects of strategic importance from competitive bidding, such as technical up-gradation or works required to be done to cater to an urgent situation, on a case-by-case basis. Competitive bidding is also ordinarily required to be used to set tariffs for intra-state transmission systems (“InSTS”) that cost above a threshold that is decided by the relevant state electricity regulator. Transmission systems which are to be developed through the competitive bidding process are implemented under the TBCB scheme. The pipeline for TBCB opportunities has also narrowed in recent times, as the GoI is increasingly looking to award projects through entering memorandums of understanding with contractors and developers. A majority of InSTS projects are currently not being awarded under the TBCB scheme.

Further, the GoI may float tenders to pre-qualified bidders based on several criteria, including experience, technological capacity and performance, reputation for quality, safety record, financial strength, bonding capacity, and size of previous contracts for similar projects. As a result, we may not be considered for projects where we do not meet such pre-qualification criteria, which may have a material adverse effect on our cash flows, business, prospects, financial condition, and results of operations.

The smart metering business is experiencing heavy competition as numerous players attempt to enter the market. Large Indian businesses and international companies, among others, including some that already have a presence in the Indian power sector, may seek to enter or expand their operations in the Indian transmission sector, including by pursuing forward integration strategies to extend their presence along the electricity supply chain. In addition to private sector competitors, we may also face competition from Central Transmission Utilities (“CTU”) or State Transmission Utilities (“STU”), which may be able to achieve better economies of scale than us. Our financial condition and operating results depend on our ability to effectively compete with other parties to win projects under the smart metering national programme and TBCB scheme and to manage their construction and operating expenses on projects awarded to them.

We spend considerable time and resources in the preparation and submission of bids. Government-conducted tender processes may be subject to change in qualification criteria, unexpected delays, and uncertainties. There can be no assurance that the projects for which we bid will be tendered within a reasonable time, or at all. If new projects which have been announced and which we plan to bid for are not put up for tender within the announced timeframe, or qualification criteria are modified in such a way that we are unable to qualify, our business, prospects, financial condition, cash flows, and results of operations could be adversely affected.

3. *Any changes to current tariff policies or modifications of tariffs standards by regulatory authorities could have a material adverse effect on our business, prospects, financial condition, and results of operations.*

The tariffs for our distribution and some of our transmission systems are approved by electricity regulators. These tariffs typically allow for a fixed return on equity and an incentive for surpassing set targets. At periodic intervals, the regulator typically reviews the costs to be recovered as per regulations and the actual costs recovered along with any under or excess recoveries are appropriately adjusted towards the tariffs set for the next year(s). For controllable costs, we are allowed to recover only one third of such costs from customers. In addition, during the tariff determination process, the regulator carries prudence checks on the costs submitted by us and there is a possibility that the regulator may disallow any cost incurred by us if it is not satisfied with our justifications for the cost incurred. We are currently operating within the prescribed expenses approved by regulators and have not had material expenses disallowed by the regulators in the past. As our assets grow older, we may face the risk of exceeding the prescribed limits which may not be allowed by regulators. Any delay by the

regulator in undertaking these tariff revisions or not allowing cost reflective tariffs could result in an impact on cashflows, a build-up of regulatory assets, and have an adverse impact on business and financial condition.

Some of our regulators have granted provisional approvals for our tariffs. For some of our projects on the “cost plus” basis, the Central Electricity Regulatory Commission (“CERC”) determines the tariff for the control period and the same will be trued up in accordance with the CERC Tariff Regulations. The Maharashtra Electricity Regulatory Commission (“MERC”) approves the tariff for the control period, subject to true up in accordance with the MERC Tariff Regulations. If the trued up tariffs are set lower than the provisional tariffs or estimated tariff, our business, prospects, financial condition, and results of operations could be materially adversely affected (including, without limitation, due to the occurrence of revenue reversals as a result of trued-up orders). Further, the final tariffs might be set at levels that would negatively impact the return on equity on our transmission projects and therefore would not provide the expected level of financial incentive or a satisfactory financial incentive that justifies the investments and costs we have made and incurred, and will need to continue to make and incur, for our transmission systems. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Significant Factors Affecting Results of Operations*” on page 475.

Further, for the purposes of determining tariff for some of our projects, the capital cost in a debt-equity ratio of 70:30 will be considered. In case the equity actually deployed is more than 30% of the capital cost, equity in excess of 30% will be treated as a normative loan which may lead to reduced profitability and return on equity.

We have in the past, and may in the future, experience revenue reversals in connection with trued-up orders from regulators. Except for Fiscal 2019, where we experienced a one-time revenue reversal as a result of a trued-up order received from the MERC, we have not experienced revenue reversals as a result of trued up orders in the past. In the event that our revenue is reversed pursuant to a trued-up order in any particular year, our financial results for that year would not be comparable with our financial results for any preceding periods.

4. *A delay in payments of monthly transmission charges to the CTU or an STU, or a delay in recovery or non-recovery of our receivables due from Government and other public bodies for our distribution business may adversely affect our cash flows and results of operations*

Tariffs are collected by the CTU under a payment pooling mechanism. The payment mechanism is structured to incentivize the customers to make timely payments through rebates, and a surcharge is levied on delayed payments. The CTU collect transmission charges from customers on a monthly basis and pay these charges in the form of tariffs to transmission licensees, such as us. Any shortfall in collection of transmission charges by the CTU or STU is shared on a pro-rata basis by all transmission service providers, including us. If there is any change in the parameters for tariff collection by the CTU or a failure or delay by the CTU or STU to make the corresponding payments to us, our counterparty risk may increase significantly and our business, prospects, financial condition, and results of operations may be materially adversely affected.

Our customers under the applicable regulations include generating stations; STU; distribution licensees, including state electricity boards or its successor companies; electricity departments of various states; bulk consumers; and any other entity directly connected to the ISTS. Some of these customers have experienced periods of financial weakness in the past. A failure or delay on the part of any customer to make timely payments to the CTU could affect the capability of the CTU to make the corresponding payments to transmission licensees, including us. The payments received by the CTU from customers are distributed proportionally to the transmission licensees based on their billing amount. A number of factors which are beyond our control and which affect the business, prospects, financial condition, results of operations, or cash flows of the customers may result in the delay or failure to receive payments of transmission charges.

Receivables for our distribution business include receivables due from municipal corporations, Government, and quasi-Government bodies. Sometimes, the settlement of dues by these entities is delayed due to either budget constraints or long bill processing schedules. Given the quasi-Government like nature of these entities, we do not terminate the supply of electricity to these entities. While we have not faced any instances of delays in revenue collection in Fiscals 2026, 2025, and 2024 that led to any material adverse impact on our business and operations, there can be no assurance that these instances will not occur in the future. Should government restrictions be imposed forcing us to shut down, or which affect our counterparties adversely and prevent them from complying with the terms of our agreements, or should the Government endorse an interpretation of force majeure clauses that excuses our counterparties from discharging their obligations under our contracts, then our business may be materially and adversely affected.

5. *Our electricity distribution revenues are exposed to variations in demand for electricity affecting customer usage. Any reduction in demand could have a material adverse effect on our business, prospects, financial condition and results of operations.*

We entered the electricity distribution business with the acquisition of Reliance Infrastructure Limited’s (“R-Infra”) integrated power generation, transmission, and distribution business for the suburban area of Mumbai city and it is operated by one of our Material Subsidiaries, Adani Electricity Mumbai Limited (“AEML”). We expanded our operations in Gujarat with the acquisition of MPSEZ Utilities Limited (“MUL”) in 2021 for distribution of electricity in the Mundra SEZ area,

Kutch, Gujarat. As of June 30, 2026, AEML catered to the electricity needs of 3.29 million households (representing approximately 13.00 million distribution consumers) in the suburbs of Mumbai and the Mira-Bhayander Municipal Corporation in Thane district, with a distribution system spanning over 400 sq. km. As of June 30, 2026, MUL had a distribution system spanning over 85 sq. km. The revenues from our distribution business are derived from the transported volume of electricity metered at the connections to our distribution networks. The volume of electricity used by our customers is subject to seasonal fluctuations and to a range of variables, including economic conditions, population growth, government policy, weather, alternative energy sources, technology, energy saving behavior, and the availability of adequate supplies of electricity. Accordingly, our revenues from our distribution business in the April to June quarter, and the post-monsoon months of September and October, are traditionally higher than those during the other months of the year. Economic recession and customer relocations out of a distribution area would also have a direct adverse effect on our distribution business. Our customers may also react negatively if we increase the price of our electricity in the future, which may result in reduced demand for our electricity and loss of customers to competitors who may charge lower prices than us.

Additionally, prior to our acquisition of R-Infra's distribution business in Mumbai, MERC issued an interim order on October 15, 2009, in Case No. 50 of 2009, which allowed distribution customers to continue with existing meters that belong to AEML's distribution network, opt for a meter from Tata Power Company Limited ("TPC"), or purchase their own meter from a third party. Subsequently, on December 6, 2017, MERC issued another order ("**Order**") which allowed our distribution customers to switch over to other distribution licensee's network and vice versa, subject to their fulfillment of certain conditions. Following this Order, MERC has also allowed continuance of the aforementioned interim order for change-over of customers. Any migration (switchover or changeover) of our customers to our competitors' distribution networks or supply could adversely affect our revenues.

6. *Our revenue from our distribution business is currently concentrated in Mumbai. There could be a material adverse effect on our revenues and results of operations if our consumers in Mumbai source their power from other suppliers.*

While we have expanded our distribution network in the state of Gujarat with the acquisition of MUL, our revenue from our distribution business is currently concentrated in the city of Mumbai. Revenue from our distribution business in Mumbai was ₹11,661.00 crore, ₹11,677.00 crore, and ₹9,782.00 crore or 93.00%, 95.00%, and 96.00% of our total distribution business in Fiscals 2026, 2025, and 2024, respectively. Further, given that the license allows us to distribute electricity only in the suburbs and surrounding areas of Mumbai, we are dependent on certain key large non-retail consumers. Following the implementation of the Electricity Act, non-retail consumers with a demand in excess of one MVA are entitled to purchase power from any preferred source. If a significant number of these consumers choose to source power from other suppliers, our revenue and results of operations could be materially and adversely affected.

7. *Failure to maintain or obtain required licenses and accreditation could have a material adverse effect on our business, prospects, financial condition, and results of operations.*

We require certain approvals, licenses, registrations, and permissions to operate our businesses. We have been granted licenses under the Electricity Act for transmission of electricity in the states in India in which we operate, being the states of Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Tamil Nadu, Telangana, West Bengal, Haryana, Jharkhand, and Karnataka for 25-year terms, as specified under the individual licenses. We also have a license granted under the Electricity Act to distribute electricity in the suburbs and surrounding areas of Mumbai, which will expire on August 15, 2036, and a license for 25 years, from the date of the notifications no. S.O 1365 (E) dated May 27, 2009 of the Department of Commerce, Ministry of Commerce and Industry, Government of India, as amended, to distribute electricity in the state of Gujarat.

We have also applied for licenses to operate parallel distribution lines in Maharashtra, Gujarat, Uttar Pradesh, and Haryana. As of the date of this Preliminary Placement Document, our petition to obtain such licenses remains pending with the regulators. There can be no assurance that we will be able to obtain such licenses and in the event that we are unable to obtain such licenses, we would not be able to operate parallel distribution lines in such areas.

Moreover, certain of our licenses contain restrictions that may impact our operational flexibility. For example, the license granted to MUL by Gujarat Electricity Regulatory Commission restricts MUL from merging its utility with the utility of any other licensee and restricts the transfer, sale, lease, or exchange of its utility with any other licensee without the prior approval of the Commission. Similarly, AEML is subject to intimation and consent requirements under the terms of its license for the creation of encumbrances and changes in shareholding patterns and management control. Non-compliance with these restrictions could result in penalties, revocation of licenses, or other regulatory actions that could have a material adverse effect on our business, prospects, financial condition, and results of operations.

Our transmission and distribution licenses may be revoked or may not be granted by the relevant regulators prior to the expiry date in certain circumstances, including a willful and prolonged default by us, for example, though our inability to satisfy our universal services obligation, our inability to make statutory payments, or our consistent failure to meet the standard of performance prescribed under the license, or any adverse findings of any independent body appointed to review our operations. In addition, regulators may revoke our license if our financial condition is such that we would be unable to

fully and efficiently discharge the duties imposed under such license. Approvals, licenses, registrations, and permits which have been issued to us could be suspended or revoked due to our non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action against us. There can be no assurance that the government may not implement new regulations which will require us to obtain approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations. While we have not faced any adverse action by the authorities in relation to such notices, there can be no assurance that no adverse action will be taken against us in relation to such non-compliances in the future.

We may fail to obtain, retain, or renew any approvals, licenses, registrations, or permissions essential to our businesses or fail to comply with the conditions prescribed therein. Further, any such approvals, licenses, registrations, or permissions could be withdrawn or subject to onerous conditions, which may require us to expend substantial capital, or any applicable regulation or method of implementation could change. If we fail to obtain, renew, or maintain, or relevant authorities suspend or revoke, the required permits or approvals at the requisite time, it may result in penalties or interruption of our operations and may have a material adverse effect on our business, prospects, financial condition, and results of operations.

8. *The operation and maintenance of our transmission and distribution systems involves significant risks that may cause injury to people or property and that may lead to significant disruption to our business and consequent decreases in our revenues.*

The operation and maintenance of our transmission lines, power substations, and distribution systems involves significant risks and a number of factors could increase our maintenance needs, reduce the availability of our systems, or result in forced outages, suspension of our operations, personal injury, loss of life, or damage to property. These factors include:

- the inability to operate our systems due to failure to meet licensing requirements or to obtain, maintain, or renew permits and licenses;
- operator error, improper installation, or mishandling of equipment;
- interruptions in the power supply;
- breakdown or failure of power generation equipment or transmission systems;
- flaws in equipment design or construction of power lines or substations;
- work stoppages or labor disturbances or disputes;
- performance of our equipment below expected levels of output or efficiency;
- environmental issues affecting the operations of our systems;
- planned or unplanned power outages; and
- force majeure and catastrophic events, including fires, explosions, landslides, storms, floods, earthquakes, and terrorist acts.

If any of the above-mentioned risks or any similar risks materialize, our ability to deliver power through our systems could be adversely affected. In particular to our transmission systems, if we are unable to maintain at least 95.00% availability thresholds for our high voltage direct current (“HVDC”) systems and 98.00% availability thresholds for our alternating current (“AC”) systems, our revenues will be reduced according to the applicable tariff regime. Further, the relevant authorities may increase the minimum availability thresholds applicable to us. We may also face reputational risks which could affect our ability to bid for future projects, and we may face potential claims for loss of business or for damages if we are unable to deliver power. Any of these circumstances could materially adversely affect our business, prospects, financial condition, and results of operations.

In addition, our business requires our employees and contractors to work under potentially dangerous circumstances, with highly flammable and explosive materials. Despite our attempted compliance with the requisite safety requirements and standards, our operations are subject to hazards associated with the handling of such dangerous materials. If improperly handled or subjected to unsuitable conditions, such dangerous materials could injure our employees, contract laborers or other persons, damage our properties and properties of others, or harm the environment. Due to the nature of these materials, we may be liable for certain costs, including costs for health-related claims, the removal or treatment of hazardous substances, or from claims and litigation from our current or former employees for injuries arising from occupational exposure to materials or other hazards at our power substations and transmission facilities. This could subject us to significant disruption in our business and to legal and regulatory actions, which could materially adversely affect our business, prospects, financial condition, and results of operations.

9. *Implementation projects based on the BOOM or BOOT models may not yield the intended benefits which may adversely impact our business, prospects, financial condition, and operations.*

We intend to continue to participate in BOOM and BOOT opportunities on the basis that this business model is not dependent on the demand and supply of power, and revenues are dependent on the availability of the transmission systems and smart-meters maintained by us. In addition, we expect our projects based on the BOOM and BOOT models to provide a certain revenue stream since the tariff amount is determined up front for a period of typically 35 years. However, the projected yield which we anticipate at the point of bidding may not materialize. Separately, we may be subject to penalty payments if our transmission systems are unable to maintain at least 95.00% availability for HVDC transmission systems and 98.00% availability for AC transmission systems. Accordingly, we may not be able to realize the anticipated benefits from such projects.

10. *Our current and future projects may be subject to cost overruns or delays. Any such cost overruns or delays may adversely affect our business, results of operations, and cash flows.*

The development of our projects is subject to substantial risks, including various planning, engineering, and construction risks. Development of projects involves multiple steps, including conducting feasibility studies (if necessary), entering into construction contracts and long-term service agreements with contractors with sufficient expertise, purchasing necessary transmission equipment, obtaining required licenses and complying with on-going requirements under such licenses, obtaining government permits and approvals, procuring sufficient equity capital and debt financing, and entering into electricity transmission agreements.

We may face unexpected delays in the development of our transmission, distribution, and smart metering projects, such as in obtaining regulatory approvals or permits; unavailability of equipment or supplies; work stoppages; labor or social unrest; adverse weather conditions; delays in construction or production; unforeseen construction or installation-related and/or operational delays and defects, such as delays in tower testing and any need to realign transmission lines that interfere with other parallel transmission lines under construction; delivery failures by contractors; increased cost of raw materials; unavailability of adequate funding; failure meet required specifications; legal actions brought by third parties; changes in government; regulatory and tax policies; and adverse trends in the electricity transmission industry or general economic conditions in India.

We are required to obtain right of way to expand transmission lines and find suitable, available land to construct substations. This can involve obtaining permission to clear forests that block our projects. We have limited control over the land acquisition process, both in terms of timing and ability to obtain the land on commercially acceptable terms, as they need to acquire land through the state governments or from private landowners. Similarly, we have limited control over the obtaining of permission to clear forests that block the projects. The construction and commissioning of our transmission systems requires obtaining Right-of-Way (“RoW”) clearances from landowners and government authorities across diverse terrains, including agricultural land, forest corridors, and eco-sensitive areas. RoW clearance challenges, compensation disputes, and related litigation can delay transmission line construction, affecting project timelines, asset commissioning schedules, and financial performance, and may result in liquidated damages due to schedule overruns.

Our transmission projects are at times connected to other developers’ upstream/downstream inter-connecting transmission projects. Delays in our project’s commissioning could affect the commissioning timelines of these inter-connecting transmission projects. In case of such delays, we may be responsible for paying the prescribed transmission charges to the non-delaying parties for the duration of the delay until our project is commissioned.

Our smart metering projects are also subject to risks of delay specific to that business, including delays attributable to the pace of site readiness and cooperation from distribution utility counterparties, delays in the disbursement of government funding under schemes, such as the RDSS, the availability of meters, communication equipment, and related infrastructure from third-party manufacturers, and the time taken to obtain requisite regulatory and technical approvals and certifications. Similarly, the construction and commissioning of our cooling solutions and energy solutions platform projects may be subject to delays in obtaining approvals, equipment supply constraints, or other factors described above, which may adversely affect our ability to generate revenue from these projects as anticipated.

In addition, there may be legal defects and irregularities of title to the land on which we intend to develop a project. Our rights in respect of such land may be compromised by improperly executed, unregistered, or insufficiently stamped conveyance instruments in the property’s chain of title, unregistered encumbrances in favor of third parties, or other defects that we may not be aware of. Any defects or irregularities of title, any inability to identify and/or rectify defects or irregularities of title, and any acquisition of land based on inaccurate, incomplete, or outdated information may result in the loss of development rights over land, causing a material adverse effect on our business, prospects, financial condition, and results of operations.

If any of these risks materialize, it could give rise to delays, cost overruns, lower or no returns on capital, erosion of capital, and reduced revenue. In case of TBCB projects, if commissioning is delayed beyond its scheduled commercial operations date (“SCOD”) due to force majeure events, commissions typically grant an extension of the SCOD and waive liquidated damages under the transmission service agreement. However, no relief or compensation for any interest during construction and incidental expenditure during construction is typically granted in such cases. For example, the Fatehgarh-Bhadla transmission system developed by Fatehgarh-Bhadla Transmission Limited (“FBTL”) had an original SCOD on September 30, 2019, but faced delays due to various issues, including the need to reroute the transmission line to avoid a breeding ground for an endangered bird species. This rerouting led to an increase in the length of the transmission line and subsequent delays in obtaining necessary clearances, including those from the Defence Department. FBTL sought an extension of the COD and compensation for the increased costs from the CERC. The CERC, in its order, recognized the imposition of the condition to reroute the transmission lines by forest authorities and the conditional clearance granted by the Defence Department as events of change in law and force majeure under FBTL’s TSA and extended the SCOD to August 1, 2021. The CERC also allowed an increase in non-escalable transmission charges due to the increase in line length and the need to comply with clearance conditions. However, the CERC rejected FBTL’s claim for loss of tariff due to the delay in achieving COD and the claim for carrying costs.

Further, we may be required to provide performance guarantees to our customers, and if we fail to complete a project as scheduled, we may be held liable for penalties in the form of liquidated damages. In addition, failure to complete a project according to its original specifications, schedule, or at all may give rise to potential liabilities under our contracts with regulators. Potential liabilities that may arise from delays or shortfalls in performance may not be covered by our insurance policies and the damages claimed from the responsible contractors may not be adequate to cover any loss of profits resulting from such delays, shortfalls, or disruptions. If any delay in completion of the projects were to occur, such delays could materially adversely affect our business, prospects, financial condition, and results of operations.

- 11. *We are dependent on Tata Power Company Limited (“TPC”) for payment of various charges due to us from them for consumers using our distribution network. Any failure by TPC to pay us, for any reason whatsoever, may adversely affect our business, results of operations and cash flows.***

MERC, in its tariff order dated March 28, 2025, approved the aggregate revenue requirement and determined the tariff for our distribution business for Fiscals 2026 to 2030. As part of the tariff order, we are permitted to charge wheeling charges toward capital and operating expenditure of the distribution network and cross-subsidy surcharge to changeover consumers (consumers supplied by TPC), so as to supply power at cheaper rates to low-end and below-poverty-line consumers. As the wheeling charges and cross-subsidy surcharge levied on changeover consumers is paid to us by TPC, any failure by TPC to pay us, for any reason whatsoever, may adversely affect our business, results of operations, and cash flows.

- 12. *Our business is capital intensive and we have substantial borrowings which requires significant cash flows to service and limits our ability to operate freely. If we were to default in the repayment of our debt or not comply with the terms of our loan agreements, our business, prospects, financial condition, and results of operations could be materially adversely affected.***

Our business, including our transmission, distribution, smart metering, cooling solutions, and energy solutions businesses, is capital intensive and requires significant upfront investment in the construction, installation, and commissioning of infrastructure well in advance of the generation of revenues from the relevant assets. We have incurred, and expect to continue to incur, substantial capital expenditure to construct, upgrade, and expand our transmission and distribution networks, install smart meters, and develop our centralized cooling infrastructure and energy solutions platform. Our capital expenditure requirements may increase further as we pursue new growth initiatives, and we may not generate sufficient cash flows from operations or be able to raise additional capital on commercially acceptable terms in a timely manner, or at all, to meet such requirements. Any shortfall in funding for our capital expenditure could delay or impair our ability to execute our projects and growth plans, which could materially and adversely affect our business, prospects, financial condition, and results of operations.

As of June 30, 2026, our total borrowings (non-current borrowing and current borrowing) were ₹50,841.67 crore. We will continue to incur significant borrowings in the future. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. We may not be able to pay our debt obligations in a timely manner or at all. Further, a default under our loans could occur due to factors beyond our control. If we fail to meet our debt service obligations or if a default otherwise occurs, our lenders could declare us in default under the terms of our borrowings and accelerate the maturity of our obligations. In the event of any such acceleration, we may not have sufficient resources to repay these borrowings. Any such default and acceleration could have a material adverse effect on our business, prospects, financial condition, and results of operations.

Our financing agreements include various conditions and covenants restricting certain activities and certain transactions. Specifically, we may require, and may be unable to obtain, lender consents to:

- declare or pay dividends;
- effect any merger, demerger, consolidation, reorganization, scheme of arrangement or compromise or amalgamation;
- incur any debt in excess of what is permitted thereunder;
- amend or modify our constitutional documents;
- change the general nature of our business; and
- create any lien or other encumbrance on any of our assets which are securities, such as shares in our Subsidiaries.

Our financing agreements also require us to maintain certain financial ratios, such as a maximum total outstanding liabilities to tangible net worth ratio, a minimum debt service coverage ratio, interest coverage ratio and a maximum debt to net fixed assets ratio. See “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Indebtedness*” on page 490.

Any failure to comply with the requirement to obtain a consent, or other condition or covenant under our financing agreements that is not waived by our lenders or is not otherwise cured by us, may lead to a termination of our credit facilities, acceleration of all amounts due under such facilities, and trigger cross-default provisions under certain of our other financing agreements. In the event of any such acceleration, we may not have sufficient resources to repay these borrowings. If we are unable to repay certain of our borrowings which are secured by our assets, the creditors may enforce liens on such assets. Failure to meet our obligations under the debt financing arrangements could have a material adverse effect on our business, prospects, financial condition, and results of operations.

- 13. *Due to long construction periods of our projects, the operation and maintenance costs of our projects may change significantly after a project is commissioned. As the terms and conditions, including the tariff structure, under the Transmission Service Agreements (“TSAs”) and Bulk Power Transmission Agreements (“BPTAs”) are generally fixed, we may not be able to offset any increase in costs, including operation and maintenance costs, solely from tariffs payable to us under the TSAs and BPTAs.***

The tariff structure for our transmission systems under the TSAs and BPTAs is largely fixed for the entire term of the TSAs or BPTAs. However, operation and maintenance costs of the portfolio assets may increase over time due to factors beyond our control, including the following:

- increase in the cost of labor, raw materials, and insurance on account of inflation;
- restoration costs in case of events such as floods, natural disasters, and accidents;
- adverse weather conditions;
- unforeseen regulatory changes, legal, tax, and accounting liabilities; and
- other unforeseen operational and maintenance costs.

We may not be able to offset increased operation and maintenance costs as the tariff is fixed under the TSAs and BPTAs, and as the escalable component forms only a small portion of the tariff payable to us, it may be insufficient to offset such cost increases. Additionally, as the escalable portion of our tariff is linked to inflation, there can be no assurance that adjustments of the escalable tariff will be sufficient to cover increased costs resulting from inflation. A significant increase in operation and maintenance costs may reduce our profits, could expose us to penalties under the TSAs, and could adversely impact our business, prospects, financial condition, results of operations, and cash flows.

- 14. *Our performance in providing uninterrupted electricity supply is dependent on various third parties. Failure to supply power to our consumers may have a significant adverse effect on our reputation, business, revenues, results of operations, and prospects.***

Unplanned outages of any of our generating stations, failure in our transmission systems, failure in inter-regional transmission as a result of inadequate inter-regional transmission capacity and consequent network congestion, or failure in distribution systems could prevent us from supplying power to our consumers. For example, on July 30 and 31, 2012, India experienced grid disturbances which caused large-scale power outages in three of India’s five interconnected power grids. The grid disturbances were caused by a combination of factors, including weakened inter-regional corridors affected by multiple outages on other transmission lines, a delay or refusal by power generators to reduce power generation at the time

of reduced demand, and overdrawing of electricity by some of the provincial utilities. Although we employ modern methods for maintenance, load dispatch, and communications systems to avoid such outcomes, disruption in our electricity supply may still occur. The occurrence of these or other similar events could have a material adverse effect on our reputation, business, financial condition, revenues, and results of operations.

Additionally, AEML, one of our Material Subsidiaries, is dependent on a continuous and adequate supply of power for its business of distribution of electricity and sources its power requirements through a mix of short-term and long-term power purchase agreements (“PPAs”) entered into with various suppliers, supplemented by purchases from power exchanges and bilateral arrangements secured through the e-bidding portal, as well as power banking arrangements with other utilities. AEML’s ability to procure power on commercially acceptable terms is subject to various risks, including regulatory changes affecting procurement terms or the operation of power exchanges, non-performance or termination of PPAs by counterparties, and force majeure events affecting power generation or supply. Any failure or inability of AEML to procure adequate power could result in AEML being unable to meet its supply obligations to consumers, exposing it to regulatory action, reputational harm, and financial penalties, which could have a material adverse effect on our business, prospects, financial condition, and results of operations.

15. *We are subject to risks associated with the engagement of third-party contractors, suppliers and manufacturers and any failure by these third parties may adversely impact our operations.*

We undertake the construction of the relevant infrastructure and substations for our projects through third-party contractors and suppliers and are dependent on the skills of these third-party contractors for the construction and installation of the transmission, distribution, and smart metering projects and the supply of most infrastructure and equipment. Our selection criteria for contractors are primarily based on their execution capability, track record, technical experience, and financial position requirements of the projects. The availability of competent construction companies may be limited due to the experience, skills, and competence required for the construction of large and complex power transmission projects and the shortage of construction companies available to undertake these types of projects.

We have limited control over the quality of services, equipment, or supplies provided by these contractors and may be exposed to risks relating to the timely delivery and the quality of the services, equipment, and supplies provided by the contractors necessitating additional investments by us to ensure the adequate performance and delivery of contracted service. We do not have full direct control over the day-to-day activities of the third-party contractors and rely on such contractors performing their tasks and services in accordance with the relevant contracts. We may not be able to claim damages for indirect losses and losses which exceed the contract price from the supplier in case of their default.

If the performance of contractors is inadequate, it could result in incremental cost and time overruns which in turn could adversely affect our future projects and expansion plans. If we are not able to outsource certain project aspects to competent contractors on a timely basis, or on terms that provide for the timely and cost-effective execution of its projects, we may be delayed in completing projects and the applicable returns on its projects may be adversely affected. Our budgeted costs for power projects are calculated on the basis of management estimates and the occurrence of any contingencies beyond our control may adversely affect the returns from the affected project.

Contractors and suppliers in the transmission business are generally subject to liquidated damages payments for performance shortfalls and they may also give limited warranties in connection with design and engineering work as well as provide guarantees and additional liabilities. However, liquidated damages provisions and guarantees are available for a limited time period from the commissioning date and may not address all losses, damages, or risks or cover the full loss or damage suffered due to construction delays or performance shortfalls.

Our smart metering business involves installing, operating, and maintaining smart meters used to provide public service on a “Design-Build-finance-Own-Operate-Transfer” (“DBFOOT”) basis. We do not manufacture our own smart meters and must rely on third-party manufacturers. We do not directly control the manufacturing processes and must rely on the quality assurance and timely delivery of smart meters from our partners. Any disruptions in the supply chain, technical issues, or financial instability of our smart meter manufacturers could lead to delays or increased costs for our smart metering projects and could have a material adverse effect on our reputation, business, financial condition, revenues, and results of operations.

Further, there is no assurance that the contractors will not violate any applicable laws and regulations, including environmental laws and regulations, in their provision of services. If our contractors are involved in any material breach of applicable laws and regulations, we may not be able to continue with the relevant contracting agreement with such contractor or be able to replace such contractors on similar terms or terms acceptable to us or at all.

16. *The completion of the proposed acquisition of the equity shares of Intellismart is subject to certain conditions, and failure to complete the acquisition may adversely affect our future business, growth prospects and consequent results of operations.*

Our Company entered into a securities purchase and subscription agreement, dated June 9, 2026, (“SPSA”) with National Investment and Infrastructure Fund (“NIIF”) and Energy Efficiency Services Limited (“EESL” and with NIIF, the “Sellers”) and Intellismart to: (i) acquire 100% of the issued and paid-up share capital of Intellismart from the Sellers; and (ii) finance the redemption of the optionally convertible debentures issued by Intellismart and held by NIIF, and certain employee incentive payments, by subscribing to or investing in Intellismart by way of optionally convertible debentures, preference shares to be issued by Intellismart or by way of inter corporate deposits, subject to regulatory and other customary approvals (“Proposed Acquisition”).

In order to effect the Proposed Acquisition, we are required to seek approval from the CCI pursuant to the provisions under the Competition Act. On July 22, 2026, we applied for an approval from the CCI, and the Proposed Acquisition will only be effective upon receipt of the relevant approval. The CCI may disapprove of the Proposed Acquisition. Further, the CCI may seek additional information, documents or clarifications from us, and we may not be able to address all queries raised by the CCI to its satisfaction. We cannot assure you that the CCI will approve of the Proposed Acquisition and failure to receive approval from the CCI may prevent us from completing the Proposed Acquisition and successfully utilizing the proceeds of the Issue. The required approvals may take longer than expected to obtain, may not be granted and/or the relevant authorities may, as a condition to granting their approval or confirmation, impose limitations or modifications.

In addition, pursuant to the terms of the SPSA, the Sellers and our Company are required to seek consent from the lenders of Intellismart, pursuant to certain financing arrangements, for a change of control, among other things. In the event such approvals or conditions are not obtained or satisfied, the Proposed Acquisition may not be successful, which may adversely affect our future business, results of operations expected cash flows.

Further, we cannot assure you that the Proposed Acquisition will be completed, even after securing the required approval from the CCI. If the Proposed Acquisition is not completed or occur within the timeframe contemplated, our Company may experience a delay in achieving its strategic objectives, which could have an adverse effect on our future business, growth prospects and results of operations. If the completion of the Proposed Acquisition does not occur, the proceeds of the Issue may be used for other objects. See “– The schedule of deployment of Net Proceeds from the Issue as set out in the section “Objects of the Issue and Use of Issue Proceeds” will be at the discretion of our management.” and “- Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency, and our management will have broad discretion over the use of the Net Proceeds. Further, the schedule of the implementation of the projects for which funds are being raised in the Issue, is subject to risk of unanticipated delays in implementation and cost overruns” on pages 62 and 63, respectively.

17. *Certain Adani portfolio entities are currently subject to regulatory and adjudication proceedings and investigation by regulatory and statutory authorities in relation to the allegations made in a short seller’s report published in January 2023. If the Adani portfolio entities are found to be in breach of applicable laws, they may be subject to penalties and regulatory action.*

A report was published on January 24, 2023 by a short seller (the “Short Seller’s Report”) addressed to the “Adani Group”. The Short Seller’s Report contained certain allegations and questions pertaining to some of the Adani portfolio entities, such as Adani Enterprises Limited (“AEL”), Adani Ports and Special Economic Zone Limited, Adani Power Limited, Adani Green Energy Limited, Adani Total Gas Limited and our Company. The allegations and questions in the Short Seller’s Report were in relation to alleged non-compliance of minimum public shareholding, non-disclosures of related party transactions and stock price manipulation, among other things. The response to various allegations levelled in the Short Seller’s Report was submitted by AEL to the Stock Exchanges on January 29, 2023, which is available on AEL’s website.

In connection with the allegations levelled in the Short Seller’s Report, certain Adani portfolio entities and individuals (including our Company, our Promoters and certain members of our Promoter Group) are under regulatory and adjudication proceedings and investigation by regulatory and statutory authorities in India. As part of the regulatory and adjudication proceedings and investigation by regulatory and statutory authorities, certain Adani portfolio entities and individuals (including our Company, our Promoters and certain members of our Promoter Group) have received show cause notices from SEBI. Our Company has received a show cause notice relating to alleged violation of certain provisions of the SEBI Listing Regulations and the erstwhile equity listing agreement with respect to validity of the peer review certificates of the statutory auditors of our Company during a previous financial year. This matter is pending. Further, a show cause notice has been issued to our Company, our Promoters, certain members of our Promoter Group, Anil Sardana, our Managing Director, and others in relation to, *inter alia*, alleged non-compliance of certain provisions of the SCRA, the SCRR, the SEBI Act and regulations thereunder and the erstwhile equity listing agreement regarding alleged wrongful categorisation of shareholding of certain entities in our Company and violation of related disclosure requirements and consequences therefrom. This matter is pending. Such Adani portfolio entities and individuals (including our Company, our Promoters and certain members of our Promoter Group) have responded to and/or are in process of responding to the regulatory and statutory authorities by providing information, responses, documents and/or clarifications or taking other necessary legal

recourse, as applicable. The regulatory and statutory authorities have broad powers to take action or issue directions in the interest of investors and the securities market, including, among others, through the imposition of monetary penalties, debarment from accessing capital markets, restrictions on undertaking certain activities, restriction on holding position as key managerial personnel in any listed company or its subsidiaries or issuing directions impacting or resulting in revisiting their financial statements. It is not possible to predict the timing or outcome of such investigation and/or legal proceedings pursuant thereto. In case any adverse findings, order or judgement is made by a court or competent authority against a relevant Adani portfolio entity and/or an individual, then such relevant Adani portfolio entity and/or an individual (including our Company, our Promoters and certain members of our Promoter Group) may have to expend resources and divert the time of its board of directors and the senior management to defend itself against such order or judgement. Any failure on behalf of the relevant Adani portfolio entities and/or individuals (including our Company, our Promoters and certain members of our Promoter Group) to successfully challenge such adverse order or judgement before a court or competent authority may have an adverse effect on the continuity of the relevant company's or Adani portfolio entities' reputation, business and operations, and may affect its financial position, including the profitability as well as the price of its securities in an adverse manner.

After the publication of the Short Seller's Report, few public interest litigations were filed before the Supreme Court in relation to the said report, pursuant to which the Supreme Court constituted an expert committee (the "**Expert Committee**") on March 2, 2023. The Expert Committee, in its report dated May 6, 2023, submitted certain updates to the Supreme Court in relation to the ongoing investigations. After hearing all the concerned parties, the Supreme Court delivered its judgement on January 3, 2024, and disposed of the said public interest litigations.

Adani portfolio entities carry out their operations and business across various jurisdictions, including in India, Australia, Singapore, and the United Arab Emirates, and have issued foreign currency bond offerings (including under Rule 144A of the Securities Act) in the past. The governmental and/or regulatory authorities (including the securities regulators in India and overseas) in certain jurisdictions are conducting inquiries or investigations as per their respective laws (whether applicable to the relevant Adani portfolio entities or not). Negative consequences following from alleged non-cooperation with, or unfavorable outcomes of, any such investigations could include penalties, both financial and non-financial (including, among others, prosecution and prohibition on accessing overseas capital markets), that could have a material adverse effect on their business, results of operations and financial condition in future periods and their reputation.

18. *There are claims made against our Company, Directors, or Promoters from time to time that can result in litigation or regulatory proceedings which could result in liability or harm our reputation.*

From time to time, we and/or our Directors and management are involved in litigation, claims, and other proceedings relating to the conduct of our business, including environmental claims, non-compliance with provisions of our various licenses, tax disputes, and proceedings involving the securities dealings of our Directors. Any claim could result in litigation against us and could also result in regulatory proceedings being brought against us by various government and state agencies that regulate our business, including the Ministry of Environment, Forest and Climate Change ("**MoEF**"), the CERC, the MERC, and SEBI. Often, these cases raise complex factual and legal issues, which are subject to risks and uncertainties and which could require significant time from our Directors and/or management or Promoters. Litigation and other claims and regulatory proceedings against us or our management could result in unexpected expenses and liabilities and could also materially adversely affect our business, prospects, financial condition, and results of operations.

Currently, there are outstanding legal proceedings against us that are incidental to our business and operations, including certain criminal proceedings against certain of our Directors, Promoters, and Material Subsidiaries. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. For further details, see "*Legal Proceedings*" on page 641.

Further, an adverse outcome in any of these proceedings may affect our reputation, standing, and future business, and could have an adverse effect on our business, prospects, financial condition, and results of operations. We cannot assure you that any of these proceedings will be decided in favor of our Company, Directors, Promoters, or Subsidiaries, or that no further liability will arise out of these proceedings. We may also be subject to inspections, investigations and fines in the future, which may materially adversely affect our business, prospects, financial condition, and results of operations.

19. *We suffer distribution losses in the delivery of the electricity which may adversely impact our operations, financial condition, and results of operations.*

Distribution losses refer to the losses incurred during the distribution of electricity through a network which is not billed by the distributor. These losses are generally caused by technical effects such as energy losses in the form of transformer loss, heat given off by cables, faulty metering, and theft. AEML's distribution losses for Fiscals 2026, 2025, and 2024 amounted to 4.21%, 4.77% and 5.29% of the total electricity delivered by us to the system, respectively. There can be no assurance that we will be able to reduce the distribution losses or prevent them from increasing in the future. Further, in the event the distribution losses exceed the thresholds prescribed by the regulators, our revenue, financial condition, and results of operations may be adversely affected.

20. The audit reports on our Audited Consolidated Financial Statements for Fiscal 2024 issued by our Statutory Auditors contain certain qualified opinions. Further, our Statutory Auditors have also included certain qualifications and adverse remarks pursuant to the Companies (Auditors Report) Order, 2020 (“CARO Order”) in our Audited Consolidated Financial Statements for Fiscal 2024.

The audit reports on our Audited Consolidated Financial Statements for Fiscal 2024 issued by our Statutory Auditors contain certain qualified opinions and basis for qualified opinions. The details of these are as follows:

March 31, 2024

Qualified Opinion

1. “We have audited the accompanying consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) (“the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.”
2. “In our opinion and to the best of our information, and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (“Ind AS”) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March, 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.”

Basis for Qualified Opinion

1. “As stated in note 64 to the accompanying consolidated financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani Group Companies, including the Holding Company and its subsidiaries. The management based on internal evaluation and an independent assessment from an external law firm has represented that the Holding Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations and therefore these consolidated financial statements do not warrant any adjustment in this regard. However, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying consolidated financial statements in respect of the above matter.

The audit report dated 29 May, 2023 issued by the predecessor auditor on the consolidated financial statements of the Group for the year ended 31 March, 2023 was also qualified in respect of this matter.”

The auditor’s report on our Audited Consolidated Financial Statements on internal financial controls over financial reporting of the Company and its subsidiary companies as at March 31, 2024 contains the following qualified opinion and basis for qualified opinion:

March 31, 2024

Qualified Opinion

1. “According to the information and explanation given to us and based on our audit, pending adjudication/outcome of the investigations by the Securities and Exchange Board of India as stated in the “Basis for Qualified Opinion” paragraph of our audit report, and the consequential impact it may have on the Group’s processes and internal controls, including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any material weakness in the Group’s internal controls as at 31 March, 2024.”
2. “A “material weakness” is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding company’s annual or interim financial statements will not be prevented or detected on a timely basis.”

3. *“In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies which are companies covered under the Act, have, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.”*
4. *“We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March, 2024, and we have issued a qualified opinion on the said consolidated financial statements of the Group.”*

The audit reports on our Audited Consolidated Financial Statements for Fiscal 2024 issued by our Statutory Auditors contains certain observations on the CARO reports. The details of these are as follows:

March 31, 2024

Following are the observations reported by the Statutory Auditors and the component auditors in the CARO Order reports of the companies included in the consolidated financial statements for the year ended March 31, 2024:

S. No.	Name	Holding Company/subsidiary	Clause number of the CARO report which has observations
1	Adani Energy Solutions Limited	Holding Company	(xi)(a)
2	Adani Electricity Mumbai Limited	Subsidiary	(vi), (xi)(a), (xiii)

Also, see “Financial Information”, “Legal Proceedings”, and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 98, 641, and 473.

The opinion of the Statutory Auditors is not modified in respect of the above matters. There can be no assurance that the audit reports for any future fiscal periods will not contain such matters or that such matters will not otherwise affect our results of operations in such future periods, as well as our financial condition and the trading price of the Equity Shares. Investors should consider these qualifications, remarks, and observations of our Statutory Auditors in evaluating our financial condition, results of operations, and cash flows.

21. We may not successfully identify and complete acquisitions or manage, integrate, and realize the anticipated benefits of the businesses, technologies, and products we acquire.

In addition to growth through our internal efforts, we intend to rely upon strategic acquisitions to provide us with access to new businesses and markets, both in our existing business as well as in new areas. For example, we acquired Ghatampur Transmission Limited from REC Transmission Projects Company Limited (“RECTPCL”) on June 19, 2018; Reliance Electric Generation and Supply Limited (which we renamed as AEML) from R-Infra on August 29, 2018; Obra-C Badaun Transmission Co Ltd. (“OBTL”) from PFC Consulting on December 21, 2018; Adani Transmission Bikaner Sikar Limited (formerly known as Adani Transmission Bikaner Sikar Private Limited) from KEC International Limited on November 3, 2018; Bikaner-Khetri Transmission Limited (“BKTL”) from PFC Consulting on September 19, 2019; Khadva II-A Transmission Limited (“KTL”) from REC Power Development and Consultancy Limited on March 28, 2023; and Sangod Transmission Service Limited (“STSL”) from Rajasthan Rajya Vidyut Prasaran Nigam Limited on October 6, 2023. We entered into a share purchase agreement to acquire 673 ckt. kms. operational inter-state transmission project owned and operated by Essar Power Transmission Limited in June 2022 and entered into a share purchase agreement with PFC consulting Limited to acquire 100% equity stake of Halvad Transmission Limited (“HTL”) on December 26, 2023. We have also executed a securities purchase and subscription agreement on June 9, 2026 to acquire a 100% equity stake in IntelliSmart Infrastructure Private Limited, a smart metering joint venture between National Investment and Infrastructure Fund and Energy Efficiency Services Limited, subject to regulatory and other customary approvals. The risks associated with such acquisitions include obtaining regulatory approval for any acquisitions and the availability of financing (on appropriate terms). There can be no assurance that we will be able to acquire it and receive the required approvals in a timely manner or at all. See “- The completion of the proposed acquisition of the equity shares of Intellismart is subject to certain conditions, and failure to complete the acquisition may adversely affect our future business, growth prospects and consequent results of operations” on page 45.

We may not be able to recover amounts in respect of any representations, warranties, and indemnities given by the sellers in connection with such acquisitions. We may pursue acquisitions in new markets in which we have limited or no experience that are subject to regulations and risks that we are unfamiliar with or are more onerous than those that we currently face. For example, we expanded our operations by entering into the electricity distribution business through our acquisition of Reliance Electric Generation and Supply Limited (which we renamed as AEML) from R-Infra on August 29, 2018. The distribution business of AEML could expose us to new or unanticipated risks and liabilities that we did not experience in operating our power transmission business. We are also subject to regulatory approval and review requirements that could preclude us from consummating or make it more difficult and costly for us to pursue acquisitions. For example, in connection with our acquisition of Reliance Electric Generation and Supply Limited, we were fined ₹1 million by the Competition Commission of India (“CCI”) *vide* its order dated July 30, 2018 for entering into a share purchase agreement with R-Infra before we had obtained the approval of CCI, which contained certain provisions requiring us to advance a loan to R-Infra which could be adjusted against consideration payable by us for the proposed acquisition. The CCI held that the provisions in the share purchase agreement violated the standstill obligation in Section 6(2) of the Competition Act read with Section 2(A) of the Competition Act because we and R-Infra had consummated our acquisition of Reliance Electric Generation and Supply Limited before we had obtained approval from the CCI.

We may fail to successfully integrate acquired businesses with our existing business, and we may incur significant expenditures and resources to integrate and manage the business, products, technologies, and personnel comprising the acquired businesses. The process of integrating an acquired company or business is risky and may create unforeseen operating difficulties and expenditures, including:

- substantial liabilities that exceed previous forecasts or unforeseen contingent risks and latent liabilities relating to acquired businesses that may only become apparent after a merger or acquisition is finalized;
- difficulties in integrating and managing the operations, technologies, services, and personnel of acquired businesses;
- ineffectiveness or incompatibility of acquired technologies or services;
- the potential loss of key employees and cultural challenges associated with integrating employees;
- the failure to coordinate sales and marketing efforts of acquired businesses with our existing initiatives;
- the need to write-off underperforming investments; and
- the diversion of management’s attention and our other operating and financial resources from other business concerns.

There is no assurance that our acquisitions will achieve the operating benefits, synergies, financial flexibility, cost savings, and other objectives we had anticipated. These expected objectives may not develop or may be materially lower than anticipated and other assumptions (including the value of the recoverable assets) upon which we have determined the terms of such acquisitions may prove to be incorrect. As such, the financial flexibility, cost savings, and other objectives anticipated by us to result from our acquisitions may not be achieved as expected, or at all, or may be delayed, which could have a material adverse effect on our business, financial condition, and results of operations. Additionally, if we are unsuccessful in effectively integrating an acquired company, our business, prospects, financial condition, and results of operations may be materially adversely affected.

22. *Certain of our Subsidiaries have incurred losses in the past. There can be no assurance that they will be profitable in the future and not continue to incur any losses. Any continued losses may materially and adversely affect our business, prospects, financial condition, cash flows, and results of operations.*

Certain of our Subsidiaries have incurred losses in the past. For instance, in Fiscal 2026, Adani Transmission Step One Limited incurred a loss of ₹284.47 crore, ATL HVDC Limited incurred a loss of ₹23.02 crore, Fatehgarh-Bhadla Transmission Limited incurred a loss of ₹8.97 crore, Karur Transmission Limited incurred a loss of ₹6.29 crore, and NE Smart Metering Limited incurred a loss of ₹3.84 crore. In addition, several other Subsidiaries, including Adani Cooling Solutions Limited, North Karanpura Transco Limited, WRSS XXI (A) Transco Limited, and Sunrays Infra Space Limited, among others, also incurred losses during Fiscal 2026. To continue their operations, these Subsidiaries may need financial support in the form of debt or equity from their shareholders, including our Company. There is no certainty that they will become profitable or be able to raise adequate capital to continue their operations or meet their obligations. If these Subsidiaries do not become profitable, and are not able to raise capital either through debt or equity, their operations may be affected. Any continued losses may materially and adversely affect our business, prospects, financial condition, cash flows, and results of operations. For more details, see “Financial Information” on page 98.

23. *Upgrading or renovation work or physical damage to our generation, transmission, distribution, smart metering, cooling solutions, or energy solutions systems may disrupt our operations.*

Our generation, transmission, distribution, smart metering, cooling solutions, and energy solutions systems may need to be upgraded or undergo renovation work from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations, natural disasters, sabotage, physical and cyber terrorist attacks, or other events that can cause service interruptions to consumers, network failures, breakdowns, or unplanned outages. Our generation, transmission, distribution, smart metering, cooling solutions, and energy solutions systems may suffer some disruptions and it may not be possible to continue operations on areas affected by such upgrading or renovation work. In addition, physical damage to our generation, transmission, distribution systems, smart meters, cooling infrastructure (including chillers, cooling towers, and piping networks), energy storage systems, and major equipment such as switchgears, transformers, cables, pillars, panels, capacitors, transmission towers, reactors, turbine, generator exciter, generator transformant, boiler, and cooling water pumps that result from fire, severe weather, or other causes may lead to a significant disruption to business and operations and, together with the foregoing, may result in unforeseen costs which may have a material adverse effect on our business, prospects, financial condition, and results of operations. Any service disruption in our generation, transmission, distribution, smart metering, cooling solutions, or energy solutions systems may cause loss or damage to our consumers, who may seek to recover damages from us, which may harm our business and reputation.

24. *Any failure to successfully develop and operate our recently forayed cooling solutions business could adversely affect our financial condition, results of operations, and prospects.*

We have recently forayed into the cooling solutions business through our Subsidiary, Adani Cooling Solutions Limited (“ACSL”), which constructs and operates centralized cooling solutions systems under a “cooling-as-a-service” (“CaaS”) model on a Design-Build-Finance-Own-Operate basis. As of June 30, 2026, we have approximately 76,000 TR of projects under implementation and a pipeline of approximately 278,950 TR across airports, data centers, industrial estates, IT hubs, metro rail projects, and real estate developments. As of June 30, 2026, we have approximately 76,000 TR of projects under implementation, including a project at Shantigram Township in Ahmedabad and a project in Chennai with Phase 1 commissioning scheduled for Fiscal 2027. This business requires significant upfront capital expenditure for the design, construction, and commissioning of centralized cooling infrastructure before we can commence generating revenue under long-term service contracts. There can be no assurance that we will be able to commission these projects within estimated timelines and budgets, or that the projects will achieve the intended energy efficiency performance targets. Any delays in construction or commissioning, cost overruns, equipment failures, or inability to achieve contracted cooling capacity or energy savings could materially and adversely affect our business, financial condition, and results of operations.

The centralized cooling systems we construct and operate are technically complex and dependent on the reliable functioning of chiller equipment, thermal energy storage systems, piping networks, and control systems. We also rely on third-party equipment suppliers, contractors, and sub-contractors for the procurement of cooling equipment and the construction and installation of our cooling systems. Any disruption in the supply of critical components, delays in delivery by contractors, or sub-standard performance by sub-contractors could adversely affect project timelines and costs. Demand for our cooling solutions is influenced by policy frameworks, such as the India Cooling Action Plan (ICAP) 2019 and District Cooling Guidelines 2023. Any delay, softening, or reversal in government policy support for district cooling or energy efficiency could dampen market demand and adversely affect our cooling solutions business. We also face competition from established HVAC companies, energy service companies (“ESCOs”), and other providers of district cooling or conventional air-conditioning solutions, who may have greater financial resources or more established customer relationships. Further, fluctuations in electricity tariffs directly affect both our operating costs and the value proposition of our CaaS model. While rising electricity tariffs may increase demand for our energy-efficient cooling solutions, they may also increase our own operational costs if we are unable to pass through such increases to our customers through appropriate contractual mechanisms.

Demand for our cooling solutions is also subject to seasonal variations, with peak demand typically occurring during the summer months, which may result in fluctuations in our utilization levels, revenues, and cash flows across the year. In addition, our centralized cooling systems, particularly those installed at data centers and other mission-critical facilities, involve the circulation of chilled water and refrigerants through extensive piping networks and any leakage, contamination, or service failure could result in damage to customer premises or equipment, disruption to customer operations, and claims for consequential or business interruption losses, which could adversely affect our reputation, business, and financial condition. As we onboard new customers under long-term service contracts for our cooling solutions and energy solutions businesses, we are also exposed to the creditworthiness and financial condition of such customers, many of whom may not have an established payment history with us, and any delay or default in payment, or early termination of contracts, by such customers could adversely affect our revenues, cash flows, and results of operations.

25. Our energy solutions platform is an emerging business and any failure to successfully scale this platform could adversely affect our financial condition, results of operations and prospects.

Our energy solutions platform is an emerging business offering integrated energy solutions with supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of battery energy storage systems and an energy portfolio of over 1.00 GW across commercial and industrial (“C&I”) customers, data centers and utilities. The success of this platform depends on our ability to source renewable energy at competitive prices, secure and retain long-term customer contracts, manage energy procurement across multiple states, and navigate the complex regulatory framework governing open access, power trading, and renewable energy supply. Further, as we transition from a merchant model to fixed-price power purchase arrangements, we may be exposed to risks relating to the timing of customer tie-ups, price commitments and supply costs. Until such arrangements are entered into, revenues from such capacity may remain subject to variable market-based realization, and once fixed-price arrangements are executed, any adverse movement in procurement costs or mismatch between contracted supply and customer demand may adversely affect our margins, cash flows and results of operations. Any adverse changes in the regulatory regime for open access power supply, including increases in cross-subsidy surcharges, wheeling charges, banking charges, or other levies imposed by state electricity regulatory commissions, could reduce the attractiveness of our energy solutions to customers and adversely affect our business. Additionally, the intermittent nature of renewable energy sources, including solar and wind energy, poses risks to the reliability and consistency of our energy supply, particularly for customers requiring round-the-clock power. Our inability to offer reliable and cost-competitive energy solutions could result in the loss of existing customers, an inability to attract new customers, and a failure to achieve the growth targets for this platform, any of which could adversely affect our business, financial condition, and results of operations. As a relatively new and evolving vertical compared to our established transmission, distribution, and smart metering businesses, the long-term commercial viability, scalability, and profitability of our C&I energy solutions platform will depend on our ability to secure customers, competitively source power and energy storage, manage supply obligations, and expand our operations across geographies, and there can be no assurance that future growth, customer adoption, margins, or returns from this business will meet our expectations. A portion of our anticipated growth is linked to emerging demand from hyperscale data centers and other power-intensive industries, and any slowdown in these sectors, or any inaccuracy in our forecasting of customer demand, energy consumption patterns and load requirements, could result in lower revenues, imbalance costs, excess contracted capacity, or inefficient deployment of capital.

26. We may have limited access to funding for the development and execution of our capital expenditure, which may limit the expansion of our business, and financing at non-competitive rates, higher costs of borrowing, and the use of certain financing structures could adversely affect our financial performance, condition, results of operations, and prospects.

We intend to continue to rapidly increase our businesses by adding to our existing network of transmission and distribution assets (by bidding for assets by way of government tenders or inorganic acquisitions) and by venturing into new businesses, such as cooling solutions and energy solutions platforms. The acquisition, construction, and expansion of new facilities, in addition to the ongoing improvements required to maintain or upgrade existing assets, are capital intensive. Such costs are usually funded from a mixture of operating cash flow and third-party financing. Given our growth plans, we have incurred and may continue to incur substantial borrowings in the future. There can be no assurance that future financings in the form of debt or equity will be available, whether on acceptable terms, in sufficient amounts or at all.

Further, the lack of adequate funding at competitive terms or at all could delay the development and execution of our projects, which in turn may adversely affect our business, financial condition, and results of its operations. Our ability to raise funds at competitive rates depends on our credit rating, the regulatory environment in India, global and economic conditions in India, general liquidity conditions, and the financing terms offered. Changes in economic and financial conditions could make it difficult for us to access funds at competitive rates. Any continued experience of net negative cash flows could further impact our creditworthiness and raise concerns among potential financiers regarding our ability to service new debt, which may lead to more restrictive borrowing terms. We may also face certain restrictions when raising money from international markets, which may further constrain our ability to raise funds at competitive rates.

27. We have experienced negative cash flows in prior years.

We have experienced negative cash flows in Fiscals 2026, 2025, and 2024. Our consolidated cash flow for Fiscals 2026, 2025, and 2024 are set forth in the table below:

	Fiscal		
	2026	2025	2024
	(₹ in crores)		
Net cash generated from operating activities (A)	10,996.68	9,044.51	6,037.62
Net cash flow used in investing activities (B)	(14,082.88)	(15,227.59)	(4,943.03)
Net cash flow generated from/(used in) financing activities (C)	2,630.32	7,625.93	(543.24)
Net increase/(decrease) in cash and cash equivalent (A+B+C)	(455.88)	1,442.85	551.35

For further details, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 473.

While we reported net cash generated from operating activities in Fiscal 2026, 2025, and 2024, we had a net decrease in cash and cash equivalents in Fiscal 2026 of ₹455.88 crore. This was primarily due to significant cash outflows from investing activities, which included substantial investments in property, plant, and equipment.

If we are unable to generate sufficient revenue and manage our expenses and cash flows, we may experience losses or negative cash flows in the future, which could adversely affect our ability to, among other things, fund our operations, pay debts in a timely manner, or finance proposed business expansions or investments. Any of the foregoing could adversely affect our business, cash flows, financial condition, and results of operations.

28. *Opposition from local communities and other parties may adversely affect our results of operations and financial condition.*

The construction and operation within our transmission, distribution, smart metering, cooling solutions, and energy solutions businesses may have significant consequences on grazing, logging, agricultural activities, mining, and land development, as well as on the ecosystem of the affected areas. The environmental impact of a particular transmission project typically depends on the location of the project and the surrounding ecosystem. Further, the construction and operation of our transmission and distribution systems and smart metering projects may require the displacement or relocation of local communities or may otherwise disrupt their activities and livelihoods, especially during the project construction period. Additionally, we have in the past, and may in the future, received complaints from customers of our distribution business regarding our billing practices.

We could be subject to opposition, such as through litigation or by other means, from public interest groups, local communities, or non-governmental organizations, in relation to the environmental impact of our transmission projects or in relation to land acquisition, acquisition and use of rights of way and construction activities for our projects, and the consequent displacement and rehabilitation of affected communities.

Several of the parcels of land on which our existing substations are situated were acquired by the GoI or the relevant state governments and were thereafter awarded to us. Land so acquired may remain subject to disputes after it is transferred to us. Moreover, we may not be able to obtain clear title to the land on which our projects are located and we do not have title insurance for any of our land.

29. *Our operations are subject to environmental, health, and safety laws and regulations.*

Our operations are subject to various environmental laws and regulations in the various locations in India where we operate. For example, we are required to obtain approval from the Ministry of Environment, Forest and Climate Change (“**MoEF&CC**”) of the GoI under the Forest (Conservation) Act, 1980 if a transmission project involves the clearance of forestland, and the specific clearance from the Supreme Court of India if our projects involve the construction of transmission lines in areas designated as reserved forests, wildlife sanctuaries, national parks, or biosphere reserves. In addition, compliance with such environmental laws and regulations may result in a curtailment of our activities or a material increase in transmission costs or otherwise have a material adverse effect on our business, prospects, financial condition, and results of operations. Environmental laws and regulations in India have been, and may continue to become, increasingly more stringent.

The personnel working on our power transmission projects are exposed to risks. If safety procedures are not followed or certain materials used in power substations and transmission equipment are improperly handled, it could lead to injuries or fatalities, property damage, or environmental harm. Such incidents could result in significant business disruptions and legal and regulatory actions, which could materially and adversely affect our business, prospects, financial condition, results of operations, and cash flows.

As central and local governments may implement more stringent environmental, health, and safety regulations, there can be no assurance that we will at all times be in compliance with these regulatory requirements. Any change in the environmental, health, and safety regulations to which we are subject may cause us to incur substantial capital expenditures to comply with such new regulations. The costs of complying with current and future environmental, health and safety laws and the liabilities arising from failure to comply with applicable regulatory requirements may adversely affect our business, financial condition, cash flows, and results of operations.

30. Our success depends largely upon our management team and skilled personnel and our ability to attract and retain such persons. The loss of key personnel may have an adverse effect on our business, results of operations, financial condition, and growth prospects.

Our performance depends on the continued service of our management team and skilled personnel. We also face a continuous challenge to recruit and retain a sufficient number of suitably skilled personnel, particularly as we implement our growth and expansion strategy. Generally, there is significant competition for management and other skilled personnel in India and in the businesses in which we operate, and it may be difficult to attract and retain the skilled personnel we need. In particular, even if we were to increase our pay structures to attract and retain such personnel, we may be unable to compete with other companies for suitably skilled personnel to the extent they are able to provide more competitive compensation and benefits. Further, we may not be able to redeploy and retrain our employees to keep pace with continuing changes, evolving standards, and changing customer preferences. The loss of key personnel may have a material adverse effect on our business, prospects, financial condition, and results of operations. For further details, see “Board of Directors and Senior Management” on page 580.

31. We have certain contingent liabilities and subordinate debt and our financial condition may be adversely affected if these contingent liabilities materialize.

We have contingent liabilities, which could adversely affect our business and results of operations. The following table sets forth the principal components of our contingent liabilities as of March 31, 2026, 2025, and 2024:

Particulars	As of March 31,		
	2026	2025	2024
	(₹ in crores)		
Direct tax & indirect tax	31.24	27.08	41.95
Demand disputed by the group relating to service tax on street light maintenance, wheeling charges and cross subsidy surcharge ⁽¹⁾	353.55	353.55	353.55
Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels ⁽⁴⁾	-	-	127.65
Claims raised by Vidarbha Industries Power Limited (“VIPL”) in respect of increase in fuel cost for the financial year ended March 31, 2019 ⁽¹⁾	1,381.28	1,381.28	1,381.28
Way leave fees claims disputed by the group relating to rates charged ⁽¹⁾	28.43	28.43	28.43
Other claims not acknowledged by the group as debts	2.12	2.12	33.43
Property related disputes ⁽¹⁾	2.59	2.59	2.59
Demand disputed by the company relating to standby charges including interest payable ⁽⁵⁾	-	-	398.68
Liability in respect of termination of power purchase lease agreement ⁽⁶⁾	-	-	@@
Total	1,799.21	1,795.05	2,367.56

Notes:

- (1) In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.
- (2) Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- (3) Future cash flows in respect of above matters are determinable only on receipt of judgments/decisions pending at various forums/authorities.
- (4) Pursuant to the order dated October 14, 2024 passed by Hon'ble Revenue Minister, in revision petition no 2624 of 2024, it has been held that unearned income is not leviable in cases where land is transferred pursuant to a scheme of demerger sanctioned by the Hon'ble High court.
- (5) In previous financial year 2023-24, an Appeal has been filed by Adani Electricity Mumbai Limited at APTEL under Section 111 of the Electricity Act, 2003, challenging the Order dated March 31, 2023 passed by the Maharashtra Electricity Regulatory Commission (MERC) directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited. In the current financial year 2024-25, in accordance with the directions of the Hon'ble APTEL, MERC has not considered any cost related to Standby charges in the Annual Revenue Requirement (ARR) in its Order dated March 28, 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.
- (6) AEML had terminated long term Power Purchase Agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity (ATE). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by ATE. In the current financial year, the appellant has withdrawn said appeal.

@@ Amount not determinable.

In the event that any of these contingent liabilities materialize, our results of operations, cash flows, and financial condition may be adversely affected. The contingent liability amounts disclosed in our audited financial statements represent estimates and assumptions of our management based on advice received. The contingent liabilities have arisen in the normal course of our business. For further details see “Financial Information” on page 98.

32. If we are unsuccessful in implementing our strategies, particularly our growth strategy, our business, financial condition, results of operations, and cash flows may be adversely affected.

The success of our business depends greatly on our ability to effectively implement our strategies, particularly our growth strategy; please refer to “Our Business—Our Strategies” on page 558. Even though we have successfully executed our

business strategies in Fiscals 2026, 2025, and 2024, we cannot assure you that we will be able to execute our strategies on time and within the estimated budget, or that we will achieve expected results. We expect our strategies to place significant demands on our management and other resources and require us to continue developing and improving our operational, financial, and other internal controls as well as technology systems. We may be unable to sustain such growth in revenues and profits or maintain a similar rate of growth in the future. Further, as we grow and diversify, we may be unable to execute our projects efficiently, which could result in delays, increased costs, and diminished quality and may adversely affect our reputation. If we are unable to implement our growth strategy effectively, our business, financial condition, results of operations, and cash flows may be adversely affected.

33. *We do not own the “Adani” trademark, name, or logo and our ability to use the trademark, name, or logo may be impaired. Further, our inability to protect our intellectual property or any claims that we infringe on the intellectual property rights of others could have a material adverse effect on us.*

We do not own the intellectual property in the name “Adani”, the logo , and the associated trademarks and trade names used by us. The intellectual property in “Adani” and associated trademarks and trade names is owned by and registered in the favor of S.B. Adani Family Trust (“SBAFT”). SBAFT, pursuant to their letter dated May 27, 2024, has

granted our Company non-exclusive rights to use the  trademark and trade name “Adani”. Accordingly, we have limited ability to prevent any infringement of such intellectual property and a passing-off action may not provide sufficient protection or may not provide us with a cause of action to file a suit before the relevant authorities. We may not be able to maintain our arrangements with SBAFT to use the trade name and logo on commercially viable terms or at all. We would not be able to use the trade name and logo if we fail to enter renew our agreement with SBAFT for the use of the name

“Adani” and the Adani logo . Further, as the “Adani” trademark, name, or logo is not registered in our Company’s name, we cannot assure you that we will continue to have the rights to use the same in the future. If we are no longer able to use these trademarks, names, or the Adani logo in connection with our business, we may not be able to capitalize on our brand recognition, which may have an adverse effect on our business and operations. Moreover, the use of our brand name or logo by third parties could adversely affect our reputation, which could in turn adversely affect our financial performance. Notwithstanding the precautions we take to protect our intellectual property rights, third parties may copy or otherwise infringe on our rights, which may have a material adverse effect on our business, prospects, financial condition, and results of operations. That could result in costly litigation, divert management’s attention and resources, impair our ability to use

the name “Adani” and the Adani logo , and potentially subject us to significant liabilities, or require us to enter into expensive royalty or licensing agreements. Further, necessary licenses may not be available to us on satisfactory terms or at all.

We were assigned the patents that have been awarded in the name of R-Infra, for patents such as a theft proof feeder pillar, power distribution unit with a theft detecting mechanism, and testing kit for digital control system cards. Our inability to use such intellectual property will adversely affect our business, prospects, financial condition, and results of operations.

Our success depends, at least in part, on our ability to protect our technology and technical know-how. We own various information that includes, without limitation, financial, business, scientific, technical, economic and engineering information, formulas, designs, methods, techniques, processes, and procedures, which we consider confidential and proprietary information. We therefore rely on a combination of trade secrets and other intellectual property laws, confidentiality agreements, and license agreements to establish and protect our intellectual property rights. Nonetheless, the steps we take to obtain, maintain, protect, and enforce our intellectual property and other proprietary rights may be inadequate. Despite our efforts to protect these rights, unauthorized third parties, including our competitors, may duplicate, mimic, reverse engineer, access, obtain, or use the proprietary aspects of our technology or processes without our permission. We cannot assure that any future patent, trademark, or service mark registrations will be issued for our future applications or that any of our future patents, copyrights, trademarks, or service marks (whether registered or unregistered) will be valid, enforceable, sufficiently broad in scope, provide adequate protection of our intellectual property or other proprietary rights, or provide us with any competitive advantage. We may be unable to prevent competitors or other third parties from acquiring or using trademarks, service marks, or other intellectual property or other proprietary rights that are similar to, infringe upon, misappropriate, dilute, or otherwise violate or diminish the value of our trademarks and service marks and our other intellectual property and proprietary rights.

Any of the foregoing could materially adversely affect our business, prospects, financial condition, and results of operations. While we take care to ensure that we do not infringe the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights.

34. ***We have limited experience in certain business operations and activities recently undertaken by us, including our cooling solutions business and energy solutions platform which may adversely impact our business, revenues, results of operations, and prospects.***

We recently entered the cooling solutions business through our Subsidiary, ACSL, which constructs and operates centralised cooling systems under a DBFOO model, and have also established an energy solutions platform offering integrated renewable and round-the-clock power solutions to commercial and industrial customers, data centers, and utilities. Our energy solutions platform requires expertise in managing energy procurement across multiple states, navigating the complex regulatory framework governing open access and power trading, and delivering reliable round-the-clock energy supply from intermittent renewable sources. We cannot assure you that the lack of such adequate experience will not have any adverse impact on our ability to successfully execute and scale these businesses, which could materially and adversely affect our business, prospects, financial condition, and results of operations. The markets for centralized cooling and integrated energy solutions in India also remain at a relatively early stage of development¹¹, with low levels of market penetration relative to their addressable market opportunity, and there can be no assurance that these markets will develop as anticipated or that our cooling solutions and energy solutions businesses will achieve the level of customer adoption, scale or profitability that we currently expect.

35. ***Certain entities within the Adani portfolio are involved in various legal, regulatory and other proceedings which could have an adverse impact on our business and reputation.***

Certain entities and individuals within the Adani portfolio (“**Relevant Entities**”) are, from time to time, involved in litigation, claims, enquiries, investigations and other proceedings, including tax disputes, criminal and civil matters, and regulatory and adjudication proceedings by the Government of India or abroad, including regulatory, statutory and other agencies, against the Relevant Entities. If any of these litigation, claims, enquiries, investigations and other proceedings are adversely determined, it could have an adverse impact on the Relevant Entities, including our Company. For details of some of the notices received and outstanding legal proceedings in this regard, please also see “- *Certain Adani portfolio entities are currently subject to regulatory and adjudication proceedings and investigation by regulatory and statutory authorities in relation to the allegations made in a short seller’s report published in January 2023. If the Adani portfolio entities are found to be in breach of applicable laws, they may be subject to penalties and regulatory action.*”, “- *We are subject to anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoters to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.*” and “*Legal Proceedings*” on pages 45, 70 and 641, respectively. Any adverse decision in any of these proceedings may have an adverse effect on our business, results of operations and financial condition of such Adani portfolio entities, including our Company.

36. ***We have in the past entered into certain related-party transactions, and we may continue to do so in the future, which may potentially involve conflicts of interest.***

We have entered into transactions with other Adani portfolio entities in the ordinary course of our business. While we believe that all such transactions (which have included (unsecured) inter-corporate deposits and guarantees given on behalf of our Subsidiaries) during Fiscals 2026, 2025, and 2024 have been conducted on an arm’s length basis, we might have achieved more favorable terms had such transactions not been entered into with related parties. Further, we may enter into additional related party transactions in the ordinary course of our business in accordance with the provisions of the Common Terms Deed. Such transactions, individually or in the aggregate, could have a material adverse effect on our business, prospects, financial condition, and results of operations. See “*Related Party Transactions*” on page 34.

While we believe that all of our related party transactions have been conducted on an arm’s length basis and all such transactions are adequately disclosed in “*Related Party Transactions*” on page 34 and are also approved by the Audit Committee of our Board (including whether such transactions are on an arm’s length basis), we cannot assure you that in all such transactions, we could not have achieved more favorable terms than the existing ones.

While we shall endeavor to conduct all our related party transactions subject to the Board’s or Shareholders’ approval, as applicable, and in compliance with the applicable accounting standards, provisions of Companies Act, 2013, as amended, provisions of the SEBI Listing Regulations, and other applicable laws, such related party transactions may potentially involve conflicts of interest. While the Company will endeavor to duly address such conflicts of interest as and when they may arise, we cannot assure that these arrangements in the future, or any future related party transactions that we may enter into, individually or in the aggregate, will not have an adverse effect on our business, financial condition, results of operations, cash flows, and prospects or may potentially involve any conflict of interest.

¹¹ Source: CRISIL Report

37. *The Promoter Group does not include certain immediate relatives of the spouses of our Promoters.*

We have identified the promoter group in accordance with the SEBI ICDR Regulations, except certain immediate relatives of spouses of our Promoters (i.e., certain immediate relatives of Priti G. Adani and Shilin R. Adani) as Promoter Group and body corporate / firms / HUFs connected thereto (which is in line with our historical practice). The relevant information pertaining to such persons is not available with us in our records, as such persons have not been considered as members of our Promoter Group by us and they do not exercise any control over us. Accordingly, based on and limited only to the extent of information publicly available from the websites such as “Watchout Investors” website (accessible at <https://www.watchoutinvestors.com/>), the website of TransUnion CIBIL Limited (accessible at <https://www.cibil.com/>), website of SEBI (accessible at <https://www.sebi.gov.in/index.html>), website of BSE (accessible at <https://www.bseindia.com/>) and website of NSE (accessible at <https://www.nseindia.com/>), we believe that these individuals are not debarred from accessing capital markets by SEBI and have not settled any alleged violations of securities laws through the settlement mechanism of SEBI in the immediately preceding three years. Given that the above statement is based only on information publicly available from the websites mentioned above, there can be no assurance that such statement is true and complete in all respects or at all.

38. *Certain of our Directors and Senior Management may have interests in us other than reimbursement of expenses incurred and normal remuneration or benefits. We cannot assure you that our Directors and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company.*

Certain of our Directors and Senior Management may be regarded as having an interest in our Company other than reimbursement of expenses incurred and normal remuneration or benefits. Certain Directors and Senior Management, as applicable, may be deemed to be interested to the extent of Equity Shares held by them, as well as to the extent of any dividends, bonuses, or other distributions on such Equity Shares and employee stock options held by them. We cannot assure you that our Directors and Senior Management will exercise their rights as shareholders to the benefit and best interest of our Company. For further details, see “Capital Structure” and “Board of Directors and Senior Management” on pages 95 and 580, respectively.

39. *Our ability to ensure that our power transmission and smart metering projects and distribution networks are fully operational at all times may be subject to the limitations of existing equipment, civil structure, or any industrial accident.*

The operation of power transmission projects and distribution networks involves many operational risks, some of which are outside our control, including explosions, fires, earthquakes, and other natural disasters, the breakdown or failure of transmission, distribution, or smart metering networks or equipment or other equipment or processes, labor disputes, and operating below expected levels.

Power transmission projects and distribution networks are complex and are susceptible to industrial accidents. Accidents or malfunctions involving our substations can disrupt the transmission and distribution of electricity and result in performance being below expected levels. For example, there could be failure in the transmission towers, distribution lines, power conductors, or insulators. In addition, power transmission projects rely on sophisticated and complex machinery that is built by third parties and is susceptible to malfunction. Similarly, smart meters also depend on the reliability and performance of software and hardware provided by third parties, which could be subject to defects, disruptions, and failures. The occurrence of any of the above events could have a material adverse effect on our business, prospects, financial condition, and results of operations.

40. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

We strive to keep our technology up to date with the latest international technological standards. Our success will depend in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. In particular, our transmission and distribution operations rely on various technology systems including SCADA systems. Rising technology obsolescence risks in these technology systems can disrupt operations, reduce asset availability, and impact financial performance. As OEM support for legacy systems diminishes and spare parts become unavailable, we may face operational inefficiencies, increased downtime, and the risk of stranded assets.

We need to continue to invest in new and more advanced technologies and equipment to enable us to respond to emerging power transmission, distribution, smart metering, cooling solutions, and energy solutions industry standards and practices in a cost-effective and timely manner that is competitive with other transmission, distribution, substation, smart metering, cooling solutions, and energy solutions projects. The development and implementation of such technology entails significant technical and business risks. Additionally, maintaining the confidentiality of our technical knowledge is crucial to retaining our competitive edge. Unauthorized disclosure or theft of our proprietary information could undermine our competitive position and may cause us to incur substantial costs. We may not be able to successfully implement new technologies effectively or adapt our processing systems to customer requirements or emerging industry standards. If we are unable, for technical, legal, financial, or other reasons, to adapt in a timely manner to changing market conditions, customer

requirements or technological changes, our business, prospects, financial condition, and results of operations could be materially adversely affected.

The power transmission distribution equipment and smart meters, design, and other technologies that we use may become obsolete and the technology in which we invest may not perform as expected or may be superseded by competing technologies before our investment costs have been recouped. Our ability to adopt and/or implement new technology in a timely manner may also be adversely impacted by government policy and bureaucracy. In addition, the cost of implementing new technologies, upgrading networks, or expanding network capacity to effectively respond to technological changes may be substantial. Our ability to meet such costs will, in turn, depend upon our ability to obtain additional financing on commercially acceptable terms. Moreover, new technologies may not develop according to anticipated schedules or perform according to expectations or be commercially accepted. Failure to keep pace with technological advancements in smart metering could result in an inability to provide the level of service expected by customers or required by regulators. If we fail to adopt and successfully implement new technologies in a cost-effective manner, our results of operations, and financial condition could be negatively affected.

41. *We expend extensive resources to improve and maintain our information systems. Failure to successfully do so may result in a negative impact on our results of operations, financial condition, cash flow, and reputation with our customers and/or regulators.*

Our operations rely heavily on the quality of our information systems and the employees that are responsible to manage them. If any of our system improvement projects are unsuccessful, or if our processes for managing and maintaining our information systems are inadequate, we could be subjected to:

- inaccurate forecasts of expected costs for developing our transmission or distribution systems;
- inaccurate or untimely financial accounting and reporting information;
- inaccurate or untimely customer billing information;
- customer complaints;
- increased regulatory scrutiny; or
- inaccurate forecasts of expected customer consumption requirements, potentially resulting in the need to purchase power from the open market to meet increased demand, which may impact our gross profits.

We cannot guarantee that we will be able to maintain or successfully develop our information systems. Interruptions and/or failures of our information systems could disrupt our operations and ability to provide or bill for our services, retain or attract customers, and negatively impact overall customer experience.

42. *Our results of operations could be adversely affected by strikes, work stoppages, or increased wage demands by our employees or other disputes with our employees.*

As of March 31, 2026, we had 8,127 employees. We have faced no instances of strikes or labor unrest during Fiscals 2026, 2025, and 2024. Further, a large number of our employees are members of labor unions. Although these unions are not affiliated to national labor organizations, any actions by these labor unions may divert management's attention and result in an adverse impact on consumer service, thereby creating a brand risk as well as increased costs. We may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes. The occurrence of such events could materially adversely affect our business, prospects, financial condition, and results of operations.

We enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labor that is necessary to complete such assignments. Although we do not engage these laborers directly, under Indian law, we may be held responsible for wage payments to laborers engaged by contractors, should the contractors default on wage payments or provide certain amenities, such as rest rooms and first aid facilities, should the contractors fail to provide such amenities. Any requirement to fund such payments or provide amenities may materially adversely affect our business, prospects, financial condition, and results of operations.

India has a stringent labor legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal, imposes financial obligations on employers upon employee layoffs, and regulates contract labor. These laws may restrict our or our affiliates' ability to have human resource policies that would allow us to react swiftly to the needs of our business, discharge employees, or downsize. We may also experience labor unrest in the future, which may disrupt our operations. If such delays or disruptions occur or continue for a prolonged period of time, our overall profitability could be negatively affected. We also depend on third-party contract labor. It is possible under Indian law that we may be held responsible for wage payments to these laborers if their contractors default

on payment. We may be held liable for any non-payment by contractors and any such order or direction from a court or any other regulatory authority may harm our business, prospects, financial condition, results of our operations, and cash flows.

43. *Potential cybersecurity breaches could adversely affect our businesses and financial results.*

We operate in a highly regulated industry that requires the continued operation of sophisticated systems and network infrastructure at our transmission, distribution, and other facilities. These systems and facilities are vulnerable to unauthorized access due to hacking, viruses, other cybersecurity attacks, and other causes. Further, all our stations are unmanned and controlled centrally and electronically. In particular, given the importance of energy and the electric grid, there is the possibility that our systems and facilities could be targets of terrorism or acts of war. We have implemented measures to help prevent unauthorized access to our systems and facilities, including network and system monitoring, identification and deployment of secure technologies, and certain other measures to comply with mandatory regulatory reliability standards. We routinely test our systems and facilities against these regulatory requirements in order to measure compliance, assess potential security risks, and identify areas for improvement. In addition, we provide cybersecurity training for our employees and perform exercises designed to raise employee awareness of cyber risks on a regular basis. To date, cyber-attacks on our business and operations have not had a material impact on our operations or financial results. Despite these efforts, if our systems or facilities were to be breached or disabled, we may be unable to recover them in a timely manner to fulfill critical business functions, including the supply of electric services to our customers, and we could experience decreases in revenues and increases in costs that could have a material adverse effect on our results of operations, financial condition, and cash flows.

44. *Utilization of monies in charged accounts upon enforcement can be appropriated for secured creditors only after payment of statutory dues and operating expenses that are then due and payable.*

Certain of our Subsidiaries, including ATIL and MEGPTCL own certain transmission systems which are subject to MERC regulations which restrict the creation of any encumbrance on the assets of the Licensed Business, except where such encumbrance is created for the purpose of the Licensed Business. “Licensed Business” is defined in the MERC (Transmission License Conditions) Regulations, 2004 to mean the “business of establishing or operating transmission lines.” The term “assets of the Licensed Business” appears to be wide enough to include all assets of the transmission utility, including bank accounts, escrow accounts, and monies in the accounts, etc., which are utilized for establishing and operating transmission lines.

However, it can be reasonably argued that the receivables, bank accounts, escrow accounts, and monies in the accounts which are not required for establishing and operating transmission lines do not fall within the definition of “assets of Licensed Business.” Therefore, upon enforcement of security over such secured bank accounts and monies in the accounts to the extent that the monies in such accounts over which security has been created are to be utilized for meeting the statutory dues and operating and maintenance expenses (including operating expenses payable to our Company, if any), that are then due and payable, such security interest would be effective against the monies standing to the credit of such accounts after payment of such statutory dues and operating expenses.

45. *Past results will not necessarily be indicative of future results due to the changing regulatory environment in the Indian electricity industry.*

Our current profitability depends on any impact the standards set by electricity regulators have on our operational efficiency. There is no assurance that more stringent standards will not be set by regulators in the future or that the current efficiency will be maintained in our future operations. Additionally, tried up orders from regulators may lead to revenue reversals or adjustments that could render past financial results not indicative of future performance. Therefore, our future results will be more significantly influenced by our operating performance than our past results. In addition, to the extent that we enter into non-tariff regulated businesses, the revenues and profits from these businesses may not be predictable in the same way as the revenues and profits generated from our tariff-regulated business. Moreover, we are subject to the general risk of the regulatory framework being changed from time to time, and in a manner that has an adverse impact on our business and financial condition.

46. *We may not have adequate insurance to cover all losses we may incur in our business operations or otherwise.*

Our operations are subject to a number of risks generally associated with the transmission and distribution of electricity, as well as our cooling solutions and energy solutions businesses. These risks include explosions, fires, earthquakes and other natural disasters and calamities, breakdowns, failures or substandard performance of equipment, improper installation or operation of equipment, accidents, acts of terrorism, operational problems, human error, transportation interruptions, and labor disturbances. These risks can cause personal injury and loss of life and damage to, or the destruction of, property and equipment (including infrastructure developed by us) and may result in the limitation or interruption of our business operations and the imposition of civil or criminal liabilities. While we have insurance coverage for contingencies and amounts which we believe is in accordance with industry practices, our insurance arrangements may not be sufficient to cover any material losses that we may incur in the future. If our losses significantly exceed our insurance coverage or cannot

be recovered through insurance, our business, prospects, financial condition, and results of operations could be materially adversely affected.

In addition, we may not be able to maintain insurance of the types or at levels which we deem necessary, adequate, or at rates which we consider reasonable, in particular, in case of significant increases in premium levels at the time of renewing our insurance policies. If we are unable to pass increased insurance costs onto our customers, the costs of higher insurance premiums could have a material adverse effect on our business, prospects, financial condition, and results of operations. Further, the occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have a material adverse effect on our business, prospects, financial condition and results of operations.

The following table details the amount and percentage of coverage of insurance vis-à-vis the total assets of our Company as on the end of the below mentioned financial years:

As of March 31,	Book value of assets (in ₹ crore)	Insurance coverage (in ₹ crore)	Percentage of insurance coverage to net value of assets (in %)
2026	73,064.46	73,064.46	100.00%
2025	59,808.69	59,808.69	100.00%
2024	50,077.4	50,077.4	100.00%

47. *The non-payment of inter-corporate deposits could adversely affect our results of operations. If borrowers under these inter-corporate deposits do not fulfill their obligations to us as expected, or at all, we will have no access to any security.*

Inter-corporate deposits, on which interest is received, are a means of investing unused cash. While as of March 31, 2026, we do not have inter-corporate deposits, we had utilized inter-corporate deposits in the past and may do so in the future. Inter-corporate deposits are generally unsecured, and if borrowers under these inter-corporate deposits do not fulfill their obligations to us as expected, or at all, we will have no access to any security. The non-payment of these inter-corporate deposits could materially adversely affect our results of business, prospects, financial condition, and results of operations.

48. *We have received unsecured loans from Adani portfolio entities in the past and may continue to receive such loans in the future. Any inability to repay, refinance or comply with the terms of such arrangements could adversely affect our business, financial condition and results of operations.*

We have received unsecured loans from Adani portfolio entities from time to time in the past and may continue to avail such financing in the future. Any such borrowings would be subject to the terms of the relevant financing arrangements, including repayment obligations, interest payments, tenor requirements and other contractual covenants. Further, repayment of such borrowings may be subject to restrictions and subordination arrangements under our existing financing documents, including compliance with relevant restricted payment conditions and intercreditor arrangements.

If we are unable to repay or refinance any such borrowings when due, obtain additional permitted indebtedness to retire such loans, or otherwise comply with the terms of such arrangements, we could be in default under the relevant financing arrangements and such loans may become due and payable. Any demand for repayment, or our inability to access alternative sources of funding on commercially acceptable terms, could adversely affect our liquidity, cash flows, business, financial condition and results of operations. In addition, any future borrowings from Adani portfolio entities may increase our indebtedness and financing obligations, which could adversely affect our business, financial condition and results of operations.

49. *We may be required to record significant charges to earnings in the future when we review our power transmission, distribution, cooling solutions, and energy solutions assets for potential impairment.*

Under IndAS, we are required to review our power transmission, distribution, cooling solutions, and energy solutions infrastructure assets for impairment whenever circumstances indicate the carrying value may not be recoverable. In addition, this review of impairment must be performed at least annually. Various uncertainties, including deterioration in the global economic condition that result in upward changes in cost of capital, increases in cost of completion of such power transmission and distribution infrastructure assets, and the occurrence of natural disasters that impact our power transmission and distribution infrastructure assets, could impact expected cash flows to be generated by such assets, and may result in impairment of these power transmission and distribution infrastructure assets in the future.

We may be required in the future to record additional significant charge to earnings in our financial statements during the period in which any impairment of our power transmission and distribution infrastructure assets is determined. Notwithstanding that any such impairment would be a non-cash expense, any such charges will likely have a material adverse effect on our results of operations.

50. *Our continuing success depends on the reputation of our Promoters and the Adani portfolio entities, and any damage to their reputation could adversely affect our business, reputation, results of operations and future prospects.*

As on the date of this Preliminary Placement Document, our Promoters hold a majority of our paid up share capital. If our Promoters cease to exercise majority control over our Company, as a result of any substantial transfer of Equity Shares or otherwise, our ability to benefit from the brand name “Adani” and our goodwill as a part of the Adani portfolio entities may be adversely affected, which in turn could adversely affect our business and results of operations. Further, we believe our success largely depends on the reputation of our Promoters as well as the Adani portfolio entities. However, the reputation of our Promoters and/or the Adani portfolio may be damaged by adverse publicity, negative campaigns or movements targeting our Promoters and Adani portfolios’ brands, customers’ dissatisfaction over their services, allegations of misconduct or negligence, accidents at their facilities, or other events. For example, there have been several protests and negative media campaigns in the past against our Company and our Promoters, namely, Gautam S. Adani and Rajesh S. Adani and the other Adani portfolio entities, including, *inter alia*, in relation to a coal mine in Carmichael, Australia, owned by AEL, the Short Seller’s Report or such short seller’s report thereafter, criminal indictment filed by the United States Department of Justice against Gautam S. Adani and others and the civil complaint filed by the United States Securities and Exchange Commission against Gautam S. Adani and another, and alleged import of liquefied petroleum gas by certain Adani portfolio entities in contravention of the United States of America’s sanctions regulations. For details, see “- *We are subject to anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoters to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation*” and “- *The business operations of Adani portfolio entities may be affected by sanctions, export controls and similar measures targeting Russia, Iran and other countries*” on pages 70 and 71, respectively. Any adverse publicity, even if unfounded, has and could in the future have an adverse effect on our business and reputation. Damage to our reputation or the reputation of our Promoters and the other Adani portfolio entities may reduce our customers’ confidence in our services and could result in adverse impact to our business, reputation, financial condition, results of operations and future prospects.

51. *Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable.*

This document includes information that is derived from the report titled “*Power transmission and distribution, and smart metering*” issued in July 2026, prepared by Crisil Intelligence (“**CRISIL Report**”). The CRISIL Report is not in any manner related to us, our Directors, or Promoters, or Book Running Lead Managers. The CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amount may differ materially from those included in this Preliminary Placement Document.

Industry sources and publications are also prepared based on information as of specific dates. Industry sources and publications may also base their information on estimates, projections, forecasts, and assumptions that may prove to be incorrect. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced for other economies and should not be unduly relied upon. Further, we cannot assure you that they are stated or compiled on the same basis or with the same degree of accuracy as may be the case elsewhere. Statements from third parties that involve estimates are subject to change, and actual amounts may differ significantly from those included in this Preliminary Placement Document. Accordingly, investors should not place undue reliance on or base their investment decision solely on this information. For further details, please refer to “*Industry Overview*” on page 497.

52. *Some of our offices are held by us on lease or leave and license or tenancy agreements which subject us to certain risks.*

Some of our offices, including our Registered and Corporate Office, are on premises that have been leased by us from third parties for fixed terms. Periodic renewals of short-term leases may increase our costs as they are subject to rent renegotiations. Further, if we are required to relocate any of our premises as a result of any termination or non-renewal of our leases, we may incur additional costs as a result of such relocation, and our ability to operate at such new locations may also be adversely impacted. Further, some of our lease agreements require us to obtain consent from the lessors before undertaking certain actions, such as altering the leased facilities or changing our use of the leased premises. Failure to obtain consent from the lessors could result in the termination of the lease agreements. We cannot assure that we will be able to renew these agreements on commercially reasonable terms in a timely manner or at all. In the event that these existing leases are terminated, or they are not renewed on commercially acceptable terms or at all, it may have a limited impact on our operational activities for the time being.

- 53. *We have in this Preliminary Placement Document included certain non-GAAP financial measures and certain other selected statistical information related to our operations, cash flows, and financial condition. These operational metrics, non-GAAP measures, and industry measures may not be comparable with financial or industry related statistical information of similar nomenclature computed and presented by other companies.***

We track certain operational metrics, including our client counts and key business and non-GAAP/operational metrics such as EBITDA (before exceptional items), EBITDA margin (before exceptional items), profit after tax margin, cash profit, net worth, return on capital employed and return on equity (the “**Operational and Non- GAAP Metrics**”). The Operational and Non-GAAP Metrics are supplemental measures of our operations and financial performance and are not required by, or presented in accordance with, Ind AS, IFRS, or U.S. GAAP, and are prepared with internal systems and tools that are not independently verified by any third party and which may differ from estimates or similar metrics published by third parties due to differences in sources, methodologies, or the assumptions on which we rely. These Operational and non-GAAP Metrics should not be considered in isolation or construed as an alternative to cash flows, profit/(loss) for the years/period, or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or cash flows generated by operating, investing or financing activities derived in accordance with Ind AS, IFRS, or U.S. GAAP.

Our internal systems and tools have a number of limitations and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our metrics, including the metrics we publicly disclose. If the internal systems and tools we use to track these metrics undercount or overcount performance or contain algorithmic or other technical errors, the data we report may not be accurate. Limitations or errors with respect to how we measure data or with respect to the data that we measure may affect our understanding of certain details of our business, which could affect our long-term strategies. If our operating metrics are not accurate representations of our business, investors do not perceive our operating metrics to be accurate, or we discover material inaccuracies with respect to these figures, we expect that our business, reputation, financial condition, and results of operations would be adversely affected.

- 54. *Differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors’ assessments of our financial condition, result of operations, and cash flows.***

Our Audited Consolidated Financial Statements for Fiscals 2026, 2025, and 2024 and Consolidated Unaudited Quarterly Financial Results for the three months ended June 30, 2026, included in this Preliminary Placement Document are prepared under the Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar, such as IFRS and U.S. GAAP. If our audited financial statements were to be prepared in accordance with such other accounting principles, our results of operations, cash flows, and financial position may be substantially different. Accordingly, the degree to which the Audited Consolidated Financial Statements and the Consolidated Unaudited Quarterly Financial Results included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Investors should review the accounting policies applied in the preparation of our audited financial statements, and consult their own professional advisers for an understanding of the differences between these accounting principles and those with which they may be more familiar. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Preliminary Placement Document.

- 55. *We may not be able to fully comply with insider trading rules and regulations, which could result in criminal and regulatory fines and severe reputational damage. Further, we may fail to detect illegal or improper activities in our business operations on a timely basis, which may have an adverse effect on our reputation, business operations, financial condition, cash flows, and results of operation.***

We are required to comply with applicable insider trading laws and regulations, including the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. These laws and regulations require us to establish sound internal control policies and reporting procedures with respect to insider trading. Such policies and procedures require us to, among other things, establish or designate a policy for prohibition of insider trading which imposes reporting obligations on connected persons who are in possession of undisclosed price sensitive information in relation to the securities of our Company. Since we experience large volumes of transactions in our securities, the policies and procedures implemented by us may not always comprehensively detect or eliminate instances of insider trading.

Further, we are subject to various laws relating to the prevention of other conflicts of interest. Conflicts of interest may exist between (a) our departments; (b) us and our vendors; (c) different customers serviced by us; (d) our employees and us; or between (e) our customers and our employees. Although we have internal controls and measures in place, there is no assurance that we will always manage such conflicts of interest, including compliance with various applicable laws and regulations.

If the controls and measures implemented for detecting or eliminating insider trading or other improper or illegal trading activities which result in conflicts of interest are considered inadequate under applicable laws and regulations by any regulatory, governmental, or judicial authority, we may be subject to penal action, freezing or attachment of our assets, imposition of fines, or both. There is no assurance that the controls and measures implemented by us are adequate to detect

or eliminate every instance of insider trading in a timely manner or at all. Any such lapse may adversely affect our reputation, business operations, financial condition, cash flows, and results of operations.

56. *Power transmission and distribution companies are subject to adverse publicity and reputational risks, which make them vulnerable to negative customer perception and could lead to increased regulatory oversight or other sanctions.*

Transmission and distribution companies are important to transmitting and distributing electricity that is critical to end use customers and as a result have been the subject of public criticism focused on the reliability of their distribution services, the speed with which they are able to respond to outages, and their billing practices. From time to time, our customers express dissatisfaction with our services, including, among other things, dissatisfaction with our customer support, our billing policies, and the way our solutions operate. If we do not handle customer complaints effectively, our brand and reputation may suffer, we may lose our customers' confidence, and they may choose not to renew their contracts with us. Adverse publicity of this nature may render legislatures, public service commissions and other regulatory authorities and government officials less likely to view private utilities companies such as our Company in a favorable light, and may cause it to be susceptible to less favorable legislative and regulatory outcomes or increased regulatory oversight. Unfavorable regulatory outcomes can include more stringent laws and regulations governing our operations, as well as fines, penalties, or other sanctions or requirements, such as orders to issue refunds to our customers. The imposition of any of the foregoing would likely increase the compliance costs borne by us and could have a negative impact on our reputation, business, results of operations, cash flow, and financial condition.

57. *We are exposed to variations in foreign exchange rates. If we are unable to adequately hedge our foreign currency exposure, our financial condition may be affected.*

While our principal revenues are in Rupees, we borrow funds from outside India in foreign currencies. As of June 30, 2026, we had ₹50,841.67 crore of total borrowings (non-current borrowing and current borrowing). ₹28,097.03 crore, or approximately 55.26% of our total borrowings (non-current borrowing and current borrowing) as of June 30, 2026 were denominated in U.S. dollars and Euros, and no outstanding borrowings were denominated in other foreign currencies. Further, we also purchase equipment from suppliers located outside India and payment for such equipment is typically denominated in U.S. dollars. In recent years, the Rupee has depreciated against the U.S. dollar owing to various factors. Accordingly, such depreciation of the Rupee against the U.S. dollar or other foreign currencies will increase the Rupee cost for us for servicing and repaying our foreign currency borrowings. Currently, any transmission or distribution-related financial expense that we incur as a result of foreign currency borrowing is passed on to our customers as part of our tariff arrangements. Were this to change, volatility in foreign exchange rates could adversely affect our business. In addition, in the event of disputes under any of our foreign currency borrowings, we may be required by the terms of those borrowings to defend ourselves in foreign courts or arbitration proceedings, which could result in additional costs to us. A depreciation of the Rupee would also increase the costs of imports by us and may have a material adverse effect on our business, prospects, financial condition, and results of operations. In addition, our hedging policy and arrangements with respect to our foreign currency exposure may not, when implemented, fully protect us from foreign exchange rate fluctuations.

58. *The schedule of deployment of Net Proceeds from the Issue as set out in the section "Objects of the Issue and Use of Issue Proceeds" will be at the discretion of our management.*

The section "*Objects of the Issue and Use of Issue Proceeds*" sets out the proposed utilization of Net Proceeds of the Issue and the schedule within which the Net Proceeds of the Issue are proposed to be utilized. We have appointed CARE Ratings Limited as a monitoring agency for the purpose of the Issue and the Monitoring Agency will be required to review the utilization of Gross Proceeds. However, the schedule of deployment indicated in "*Objects of the Issue and Use of Issue Proceeds*," beginning on page 79, are based on our current business plan, management estimates, circumstances of our business, and other commercial and technical factors. Our funding requirements and deployment schedule may vary on account of a variety of factors such as our financial and market conditions, business and strategy, competition, price fluctuations, and other external factors, such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule, and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with the applicable laws. Further, the fund requirements are basis our estimates and our Company may use the Net Proceeds specified against one Object towards meeting the requirements under another Object, in accordance with the applicable laws. Additionally, in the event that the estimated utilization of the Net Proceeds is not completely met as per the timelines, the remaining Net Proceeds shall be utilized in subsequent periods as may be determined by our Company in accordance with applicable laws.

59. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency, and our management will have broad discretion over the use of the Net Proceeds. Further, the schedule of the implementation of the projects for which funds are being raised in the Issue, is subject to risk of unanticipated delays in implementation and cost overruns.*

We intend to utilize a portion of the Net Proceeds for (a) funding capital expenditure requirements of some of our Subsidiaries in relation to setting up transmission systems; (b) repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company and some of our Subsidiaries, including the interest accrued thereon; (c) proposed acquisition of 100% equity shares of Intellismart Infrastructure Private Limited (“**Intellismart**”); and (d) general corporate purposes. For details, see “*Objects of the Issue and Use of Issue Proceeds*,” beginning on page 79. We have appointed CARE Ratings Limited as a monitoring agency for the purpose of the Issue pursuant to the Monitoring Agency Agreement and the Monitoring Agency will be required to review the utilization of Gross Proceeds by our Company. However, the schedule of implementation and deployment indicated in “*Objects of the Issue and Use of Issue Proceeds*,” beginning on page 79, are based on our Company’s current business plan, management estimates, circumstances of our business, and other commercial and technical factors. Our Company’s funding requirements and deployment schedule may vary on account of a variety of factors such as our financial and market conditions, business and strategy, competition, price fluctuations, and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule, and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with the applicable laws. Further, the fund requirements are basis our estimates and our Company may use the Net Proceeds specified against one Object towards meeting the requirements under another Object, in accordance with the applicable laws.

In the event that the estimated utilization of the Net Proceeds is not completely met (in full or in part) as per the timelines set out in “*Objects of the Issue and Use of Issue Proceeds*,” beginning on page 79, due to factors stated above and other factors such as (a) economic and business conditions; (b) the timing of completion of the Issue; (c) market conditions outside the control of our Company; and (d) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. Further, our Board retains the right to change the above schedule of implementation and deployment of Net Proceeds, including the manner, method, and timing of deployment of Net Proceeds, in case of change in our business requirements and other commercial considerations, subject to compliance with the applicable laws.

We may also have to revise our funding estimates, future projects, and the estimated commencement and completion date of our project depending on future contingencies and events, including, among others: changes in laws and regulations; competition; receipt of statutory and regulatory approvals and permits; the ability of third parties to complete their services on schedule and on budget; delays, cost overruns or modifications to our future projects; commencement of new projects and new initiatives; and changes in our business plans due to prevailing economic conditions. Accordingly, the schedule of the implementation of the project for which funds are being raised in the Issue, is subject to risk of unanticipated delays in implementation and cost overruns. Accordingly, the schedule of the implementation of the projects for which funds are being raised by way of the Issue, is subject to risk of unanticipated delays in implementation and cost overruns.

EXTERNAL RISK FACTORS

1. *Our performance and growth is dependent on the factors affecting the Indian economy.*

We derive and expect to continue to derive in the foreseeable future most of our revenues and operating profits from India. Accordingly, the performance and the growth of our business is dependent on the performance of the Indian economy which, in turn, depends on various factors. The Indian economy has been affected by the recent global economic uncertainties, volatility in interest rates, currency exchange rates, commodity and electricity prices, adverse conditions affecting agriculture, and various other macroeconomic factors. The Indian economy is undergoing many changes and it is difficult to predict the impact of certain fundamental economic changes upon the Indian economy, the power industry, and, consequently, our business.

Conditions outside India, such as a slowdown or recession in the economic growth of other major countries and regions or volatility in international securities markets, especially in the United States, Europe, and China, have an impact on the growth of the Indian economy and GoI policy may change in response to such conditions. Financial turmoil in Asia (including recent tensions in the Middle East), Russia, and elsewhere in the world in recent years has adversely affected the Indian economy. Any such financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries, may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general. While recent Indian governments have been focused on encouraging private participation in the industrial sector, any adverse change in policy could result in a further slowdown of the Indian economy. In addition, these policies will need continued support from stable regulatory regimes that stimulate and encourage the investment of private capital into

industrial development. Additionally, an increase in trade deficit, a downgrading in India's sovereign debt rating, or a decline in India's foreign exchange reserves could negatively impact interest rates and liquidity, which could adversely impact the Indian economy and our business. Any downturn in the macroeconomic environment in India could materially adversely affect our business, prospects, financial condition, and results of operations.

2. *Changes in macroeconomic factors and government policies may impact the power industry and power transmission and distribution and smart metering, which could negatively impact our business.*

We derive and expect to continue to derive in the foreseeable future most of our revenues and operating profits from India. Changes in macroeconomic conditions generally impact the power sector and could negatively impact our business. Accordingly, our business is highly dependent on the state of development of the Indian economy and the macroeconomic environment prevailing in India. Changes in government policies that favor the development of power generation, including large-scale power projects of over 1,000 MW that generally require increased transmission facilities for evacuating the electricity they generate, may have an adverse impact on demand for transmission facilities. Similarly, changes in government policies concerning distribution business, such as the Draft Electricity (Amendment) Bill, 2025, which, *inter alia*, proposes to introduce a shared distribution network model whereby multiple distribution licensees may be permitted to operate within the same geographical area through their own or through a shared distribution system, may adversely impact our revenues. In relation to our smart metering business, changes in government policies, such as those affecting regulatory incentives, implementation timelines, funding mechanisms, or technical standards for smart meters, could impact our operations and growth plans, as well as lead to increased costs. Since the use of our transmission and distribution assets and our expansion plans depend or will depend on the operation of power generation projects, macroeconomic factors that may negatively impact demand for electricity or, more generally, the development of power generation projects in India, or the timely commencement of their operations (such as fuel price fluctuations, volatility, and other market conditions that may adversely impact power generation projects) could in turn have a material adverse effect on our growth prospects, business, and cash flows. In addition, access to financing may be more expensive or not available on commercially acceptable terms during economic downturns. Any of these factors and other factors beyond our control could have a material adverse effect on our business, prospects, financial condition, and results of operations.

3. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act prohibits any anti-competition agreement or arrangement, understanding, or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition ("AAEC") in India. Any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment, or provision of services, shares the market or source of production or provision of services in any manner by way of allocation of geographical area, type of goods or services or number of consumers in the relevant market or in any other similar way or directly or indirectly results in bid-rigging or collusive bidding is presumed to have AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. The combination regulation (merger control) provisions under the Competition Act require acquisitions of shares, voting rights, assets, or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India ("CCI"). Any breach of the provisions of the Competition Act may attract substantial monetary penalties.

In addition to these thresholds, the Competition (Amendment) Act, 2023 ("**Competition Amendment Act**") was notified on April 11, 2023, which amends the Competition Act and introduced a deal value threshold, wherein transactions with a deal value of ₹2,000 crore or more and having substantial business operations in India requires to be notified to the CCI, even if asset or turnover based thresholds are not met. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine appreciable adverse effect on competition ("AAEC"), reduces the overall time limit for the assessment of combinations by the CCI. If we pursue acquisitions in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, any enforcement proceedings initiated by the CCI, adverse publicity that may be generated due to scrutiny or prosecution by the CCI, or prohibition or substantial penalties levied under the Competition Act, which would adversely affect our business, financial condition, results of operations, cash flows, and prospects.

We have applied for the approval of the CCI for the acquisition of Intellismart and are awaiting such approval. For further details, please see "*- The completion of the proposed acquisition of the equity shares of Intellismart is subject to certain conditions, and failure to complete the acquisition may adversely affect our future business, growth prospects and consequent results of operations.*" on page 45.

4. *Natural disasters, fires, epidemics, pandemics, acts of war, terrorist attacks, civil unrest, and other events could materially and adversely affect our business.*

Natural disasters (such as typhoons, floods, and earthquakes), epidemics, pandemics and man-made disasters, including acts of war, terrorist attacks, religious or communal tensions, and other acts of violence or war such as the ongoing United States-Israel-Iran, Ukraine-Russia, Israel-Hamas conflict, or India's ongoing geopolitical tensions with its neighboring state, Pakistan, many of which are beyond our control, may lead to economic instability, including in India or globally, which may in turn materially and adversely affect our business, financial condition, cash flows, and results of operations.

Our operations may be adversely affected by fires, natural disasters, and/or severe weather, which can result in damage to our property or inventory and generally reduce our productivity and may require us to evacuate personnel and suspend operations. In particular, our transmission and distribution infrastructure is spread across multiple states in India and is exposed to adverse climate conditions and extreme weather events, including cyclones, floods, heatwaves, and bushfires, which can damage transmission lines, substations, transformers, and distribution networks. Such events can reduce asset availability, increase operations and maintenance costs, cause project delays, and place pressure on our margins and financial performance. Any failure to adequately design, upgrade, and maintain our infrastructure to withstand such climate-related events, or to restore operations rapidly following such disruptions, could have a material adverse effect on our business, financial condition, and results of operations. Any terrorist attacks or civil unrest as well as other adverse social, economic, and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and trading price of the Equity Shares.

In addition, any deterioration in international relations, especially between India and its neighboring countries, may result in investor concern regarding regional stability which could adversely affect the investor's sentiments and availability of capital. In addition, India has witnessed local civil disturbances in recent years and it is possible that future civil unrest as well as other adverse social, economic, or political events in India could have an adverse effect on our business. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and trading price of the Equity Shares.

A number of countries in Asia, including India, as well as countries in other parts of the world, are susceptible to contagious diseases and have had confirmed cases of diseases such as the highly pathogenic H7N9, H5N1, and H1N1 strains of influenza in birds and swine, and the COVID-19 virus. Certain countries in Southeast Asia have reported cases of bird-to-human transmission of avian and swine influenza, resulting in numerous human deaths. Any future outbreaks of COVID-19 virus, avian or swine influenza, or a similar contagious disease could adversely affect the Indian economy and economic activity in the region and in turn have a material adverse effect on our business and trading price of the Equity Shares.

5. *An economic downturn in India could cause our business to suffer.*

Slowdown in the growth of the Indian economy could adversely affect our business, lenders, and contractual counterparties, especially if such a slowdown were to be prolonged. The growth rate of India's GDP was 7.2%, 7.1%, and 7.7% during Fiscals 2024, 2025, and 2026, respectively. The performance and growth of our business are necessarily dependent on economic conditions prevalent in India, which may be adversely affected by such economic slowdown. Notwithstanding the RBI's policy initiatives, the course of market interest rates continues to be uncertain due to the high inflation, the increase in the fiscal deficit, and the GoI's borrowing program. Any continued or future inflation because of increases in prices of commodities, such as crude oil or otherwise, may result in a tightening of monetary policy and could materially and adversely affect our business, financial condition, and results of operations. Any increase in interest rates or reduction in liquidity could adversely impact our business.

6. *Changing laws, rules, and regulations and legal uncertainties may adversely affect our business and financial performance.*

Our business and operations are governed by various laws and regulations. Our business and financial performance could be materially adversely affected by any change in laws or interpretations of existing laws, or the promulgation of new laws, rules and regulations applicable to the business.

For instance, the Government of India introduced new laws relating to social security, occupational safety, industrial relations, and wages, namely the Code on Social Security, 2020 ("**Social Security Code**"); the Occupational Safety, Health and Working Conditions Code, 2020; the Industrial Relations Code, 2020; and the Code on Wages, 2019, which consolidate, subsume, and replace numerous existing central labor legislations (collectively, the "**Labour Codes**"). The Labour Codes came into force from November 21, 2025. Subsequently, the Government has notified the Industrial Relations (Central) Rules, 2026; the Occupational Safety, Health and Working Conditions (Central) Rules, 2026; the Social Security (Central) Rules, 2026; and the Code on Wages (Central) Rules, 2026 on May 8, 2026. As an immediate consequence, the coming into force of these codes may increase the financial burden on our Company, which may adversely affect our profitability. For instance, under the Social Security Code, a new concept of deemed remuneration has been introduced, such that where an

employee receives more than half (or such other percentage as may be notified by the Central Government) of their total remuneration in the form of allowances and other amounts that are not included within the definition of wages under the Social Security Code, the excess amount received shall be deemed as remuneration and accordingly be added to wages for the purposes of the Social Security Code and the compulsory contribution to be made towards the employees' provident fund.

The GoI or state governments could implement new regulations and policies, which could require us to obtain approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, prospects, financial condition, and results of operations.

7. *We face significant competition as a result of deregulation in the Indian power sector, which could result in an adverse effect on our business prospects, financial condition, and results of operations.*

We operate in an increasingly competitive environment. This is particularly the case because of the deregulation of the Indian power sector and increased private sector investment. The Electricity Act provides for open access to transmission and distribution networks. This reform provides opportunities for increased private sector participation in power transmission and distribution.

Competitive bidding for power transmission and distribution infrastructure projects further increases competition. Our competitors may have greater resources than we do and may be able to achieve better economies of scale, allowing them to bid at more competitive rates. We may face the pressure of decreased margins due to such competition. As more private sector players enter the market, we may not be able to retain our existing customers or attract new customers. Also, we may not be able to compete effectively, and our failure to do so could result in a material adverse effect on our business prospects, financial condition, and results of operations.

8. *We are subject to regulatory, economic, and social and political uncertainties and other factors beyond our control.*

We are incorporated in India, and we conduct our corporate affairs and our business in India. Consequently, our business, operations and financial performance may be affected by various factors that are beyond our control. Such factors include changes in investment patterns, budget announcements, policy announcements, political changes, changes in interest rates, inadequate monsoons, health pandemics, terrorist attacks, natural calamities, and other acts of violence or war, which may adversely affect worldwide financial and Indian markets. These could potentially lead to an economic recession, which could adversely affect our business, results of operations, financial condition, and cash flows, and more generally, any of these events could lower confidence in India's economy. The regulatory and policy environment in which we operate is evolving and is subject to change.

Further, India has, from time to time, experienced instances of civil unrest and terrorist attacks, regional or international hostilities, and other acts of violence as well as other adverse social, political, and economic events. India has also experienced natural calamities such as earthquakes, tsunamis, floods, and droughts in the past. If any such events occur and lead to overall political and economic instability, it could have a materially adverse effect on our business, financial condition, cash flows, and results of operations. Further, any such events that affect the functioning of our operations and IT systems could lead to a shutdown of certain of our operations, which could result in a material adverse effect on our business, financial condition, cash flows, and results of operations.

Other factors that may adversely affect the Indian economy, and hence our results of operations may include:

- any exchange rate fluctuations, the imposition of currency controls, and restrictions on the right to convert or repatriate currency or export assets;
- the impact of international trade wars or uncertain or unfavorable policies on international trade or (whether or not directly involving the Government of India);
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighboring countries;
- macroeconomic factors and central bank regulations, including in relation to interest rates movements which may in turn adversely impact our access to capital markets and increase our borrowing costs;

- volatility and actual or perceived trends in trading activity on India's principal stock exchanges, that is, on the National Stock Exchange of India Limited and the BSE Limited;
- decline in India's foreign exchange reserves which may affect liquidity in the Indian economy;
- political instability resulting from a change in governmental or economic and fiscal policies, may adversely affect economic conditions in India. In recent years, reforms in relation to land acquisition policies and trade barriers have led to increased incidents of social unrest in India over which we have no control;
- terrorism or military conflict in India or in countries in the region or globally, including in India's various neighboring countries;
- civil unrest, acts of violence, regional conflicts or situations, or war may adversely affect the financial markets;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- logistical and communication challenges;
- downgrading of India's sovereign debt rating;
- changes in government policies, including taxation policies, economic and deregulation social and civil unrest and other political, social, and economic developments in or affecting India;
- occurrence of natural calamities and force majeure events;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis;
- being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so; and
- levy of tariff and anti-dumping duties by other geographies.

Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could materially adversely affect our business, financial condition, results of operations, cash flows, and prospects.

9. *Any downgrading of India's sovereign debt rating by rating agencies could have a negative impact on our business.*

India's sovereign rating is Baa3 with a "stable" outlook by Moody's Investors Service Limited, BBB with a "stable" outlook by S&P, and BBB with a "stable" outlook by Fitch. Any adverse revisions to India's credit ratings by rating agencies may adversely affect our ability to raise additional financing and the interest rates and other terms at which such additional financing is available. This could materially adversely affect our ability to obtain financing for capital expenditure, which could in turn materially adversely affect our business, prospects, financial condition, and results of operations.

10. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe, and particularly in emerging market countries located in Asia. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss of investor confidence in the financial systems of other emerging markets may cause increased volatility in Indian financial markets and, indirectly, in the Indian economy in general. Any worldwide financial instability could also have a negative impact on the Indian economy. Financial disruptions may occur again and could harm our business and our future financial performance.

Further, economic developments globally can have a significant impact on India. Concerns related to a trade war between large economies may lead to increased risk aversion and volatility in global capital markets and consequently have an impact on the Indian economy. Ongoing geopolitical instability in the Middle East, including recent military conflict involving Iran, Israel, and the United States, could adversely affect global economic conditions, financial markets, and investor sentiment. In February 2026, military strikes by the United States and Israel against Iranian targets, followed by retaliatory actions by Iran, significantly increased geopolitical tensions in the Middle East. The situation remains volatile and unpredictable and any further escalation could adversely affect global markets, commodity prices, supply chains, and investor confidence.

The global credit and equity markets have experienced substantial dislocations, liquidity disruptions, and market corrections in recent years. Liquidity and credit concerns and volatility in the global credit and financial markets have increased significantly with the bankruptcy or acquisition of, and government assistance extended to, several major U.S. and European financial institutions. These and other related events have had a significant impact on the global credit and financial markets as a whole, including reduced liquidity, greater volatility, widening of credit spreads, and a lack of price transparency in global credit and financial markets. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, have implemented a number of policy measures designed to add stability to the financial markets. However, the overall impact of these and other legislative and regulatory efforts on the global financial markets is uncertain and they may not have the intended stabilizing effects. In the event that the current difficult conditions in the global credit markets continue or if there is any significant financial disruption, such conditions could have an adverse effect on our business, future financial performance, and the trading price of the Equity Shares.

In addition, China is one of India's major trading partners and there are rising concerns of a possible slowdown in the Chinese economy as well as a strained relationship with India, which could have an adverse impact on the trade relations between the two countries. These developments, or the perception that any related developments could occur, have and may continue to have a material adverse effect on global economic conditions and financial markets, and may significantly reduce global market liquidity, restrict the ability of key market participants to operate in certain financial markets, or restrict our access to capital. This could have a material adverse effect on our business, financial condition and results of operation, and reduce the price of the Equity Shares.

11. *If inflation rises in India, we may not be able to increase the prices of our services in order to pass costs on to our customers and our profits may decline.*

Inflation rates could be volatile, and we may face high inflation in the future as India had witnessed in the past. Increased inflation can contribute to an increase in interest rates and increased costs of borrowings, resulting in increased cost to our business, including increased costs of transportation, wages, raw materials, and other expenses relevant to our business. Further, high inflation leading to higher interest rates may also lead to a slowdown in the economy and adversely impact credit growth. Consequently, we may also be affected and fall short of business growth and profitability. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our operating expenses, which we may not be able to pass on to our customers by increasing tariff rates, and the same may adversely affect our business, cash flows, and financial condition. While the Government of India through the RBI continuously take economic measures to combat high inflation rates, it is unclear whether these measures will remain in effect, and there can be no assurance that Indian inflation levels will not worsen and rise in the future.

12. *Changes in the taxation system in India could adversely affect our business.*

Any change in Indian tax laws could have an effect on our operations. For instance, the Government of India has implemented two major reforms in Indian tax laws, namely the Goods and Services Tax ("GST"), and provisions relating to general anti-avoidance rules ("GAAR"). The indirect tax regime in India has undergone a complete overhaul. The indirect taxes on goods and services, such as central excise duty, service tax, central sales tax, state value added tax, surcharge, and excise have been replaced by GST with effect from July 1, 2017. The GST regime is subject to evolving amendments and its interpretation by the relevant regulatory authorities. GAAR became effective from April 1, 2017 under the erstwhile Income Tax Act, 1961, and is now retained under the Income-Tax Act, 2025 ("Income Tax Act, 2025") (effective April 1, 2026). The tax consequences of the GAAR provisions being applied to an arrangement may result in, among other things, a denial of tax benefit to us and our business. If the GAAR provisions are made applicable to us, it may have an adverse tax impact on us. Further, if the tax costs associated with certain of our transactions are greater than anticipated because of a particular tax risk materializing on account of new tax regulations and policies, it could affect our profitability from such transactions.

Further, the Government of India has introduced various tax reforms through Finance Act, 2026 for the Financial Year 2027. Additionally, the Government of India has enacted the Income Tax Act, 2025, and Income Tax Rules, 2026, to repeal and replace the Income-tax Act, 1961 and Income Tax Rules, 1962, respectively with effect from April 1, 2026. While the Government of India has stated that Income Tax Act, 2025 does not introduce any policy changes and has primarily been enacted as a simplified, concise, and reader-friendly legislation, we cannot predict whether such transition may create interpretive uncertainty and require changes to our systems, controls, contracts, and processes in India. Failure to implement timely changes or accurately comply with these requirements could result in higher tax liabilities, cash flow timing impacts from withholding, interest and penalties, increased administrative costs, and disputes. We have not fully determined the impact of these recent laws and regulations on our business. There is no certainty on the impact of the Finance Act, 2026 on tax laws or other regulations, which may adversely affect our Company's business, financial condition and results of operations, or on the industry in which we operate. With several proposals to introduce further regulatory compliances, additional conditions to be met to receive benefits under existing regimes being introduced, upon any such proposals being notified, we may also become subject to, *inter alia*, additional compliances and increased associated costs.

13. *Severe weather conditions in India may have an adverse effect on our operations.*

Our operations may be adversely affected by severe weather conditions in India, which may require the evacuation of personnel, suspension, or curtailment of operations, result in damage to construction sites or delays in the delivery of our products or supply of raw materials. Collectively, the effect may cause delays to our contract schedules and generally reduce our productivity. In addition, the implementation of our power transmission projects or expansion of our distribution lines may also be adversely affected during the monsoon seasons, which may lead to floods and restrict our ability to carry on construction activities and fully utilize our resources. There could also be damage to our power transmission and distribution infrastructure following any severe weather conditions, including floods or cyclones. Extreme weather events linked to climate change may increase in frequency and intensity, further exacerbating these risks and requiring additional capital expenditure to strengthen the resilience of our infrastructure assets.

14. *Our ability to raise foreign capital may be constrained by Indian law.*

Under foreign exchange regulations which are currently in force in India, the transfer of shares between non-residents and residents are freely permitted (subject to sectoral norms and certain other restrictions), if they comply with the valuation and reporting requirements specified under applicable law. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions, then prior approval of the relevant regulatory authority is required.

Further, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The RBI and the ministries concerned, and/or departments, are responsible for granting approval for foreign investment (where required). Further, this is subject to the shares having been held on a repatriation basis and either the security having been sold in compliance with the pricing guidelines or the relevant regulatory approval having been obtained for the sale of shares and corresponding remittance of the sale proceeds. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained with or without any particular terms or conditions. In addition, pursuant to Press Note No. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, which have been incorporated as a proviso to Rule 6(a) of the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 (NDI Rules), investments made by an entity or a citizen of a country, which shares land border with India, or investments where the beneficial owner of the investment is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy. Subsequently, vide Press Note No. 2 (2026 Series), dated March 15, 2026, issued by the DPIIT, the FDI Policy and NDI Rules has been further amended to, *inter alia*, define the expression “beneficial ownership of an investment” and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, independently or collectively, with any other citizen or entity of a land bordering country, more than 10% of the shares, capital, or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. In the event of transfer of ownership of any existing or future foreign direct investment in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the aforesaid restriction/purview, such subsequent change in the beneficial ownership will also require approval of the Government of India. Further, investments into India from an investor entity: (a) having any direct or indirect ownership by a citizen or an entity of a land bordering country; and (b) not requiring prior Government approval, shall be subject to certain reporting by the Company. The amendments under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026.

Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure investors that any required approval from the RBI or any other governmental agency can be obtained on any particular terms.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources and could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition, and results of operations. Accordingly, our ability to raise any foreign capital under the FDI route is therefore constrained by Indian law, which may adversely affect our business, financial condition, cash flows, results of operations, and prospects.

15. *Investors in the Equity Shares may not be able to enforce a judgment of a foreign court against our Company, our Directors key managerial personnel, or senior management personnel, except by way of a suit in India on such judgment.*

Our Company is a limited liability public company incorporated under the laws of India. Except for our Directors, Lisa Caroline MacCallum, who is a citizen of Australia and Anil Ahuja, who is a citizen of Singapore, all of the Directors of our Company, Key Managerial Personnel, and Senior Management Personnel, named in this Preliminary Placement Document

are residents of India. Further, all of our assets are located in India. As a result, it may be difficult for investors to effect service of process upon our Company or such persons or to enforce judgments obtained against such parties outside of India.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, including the UK, Singapore, UAE, and Hong Kong. The U.S. has not been notified as a reciprocating territory. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Code of Civil Procedure, 1908, as amended ("**Civil Procedure Code**"). Under the Civil Procedure Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record, such presumption may be displaced by proving want of jurisdiction. The Civil Procedure Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, or other charges of a like nature or in respect of a fine or other penalty and does not provide for the enforcement of arbitration awards even if such awards are enforceable as a decree or judgment. A foreign judgment rendered by a superior court (as defined under the Civil Procedure Code) in any jurisdiction outside India which the Government of India has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a competent court in India. judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India.

Even if an investor obtained a judgment in such a jurisdiction against us, our officers, or Directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the U.S. or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action were brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with public policy in India. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable. Such amount may also be subject to income tax in accordance with applicable law. Consequently, it may not be possible to enforce in an Indian court any judgment obtained in a foreign court, or effect service of process outside of India, against Indian companies, entities, their Directors and executive officers, and any other parties resident in India. Additionally, there is no assurance that a suit brought in an Indian court in relation to a foreign judgment will be disposed of in a timely manner.

16. *We are subject to anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoters to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.*

We have operations and projects in India. Those operations and projects often involve interactions with governmental authorities and officials at the Indian federal, state and local level. We are subject to anti-corruption and anti-bribery laws in India that prohibit improper payments or offers of improper payments to governments and their officials and political parties for the purpose of obtaining or retaining business or securing an improper advantage and require the maintenance of internal controls to prevent such payments. Although, we maintain an anti-bribery compliance program and train our employees in respect of such matters, our employees might take actions that could expose us to liability under anti-bribery laws. In certain circumstances, we may be held liable for actions taken by our partners and agents, even though they are not subject to our control. Further, a criminal indictment has been filed before the United States District Court for the Eastern District of New York by the United States Department of Justice in the case of *United States v. Gautam S. Adani, et al.* (Cr. No. 24-CR-433), against one of our Promoters, namely, Gautam S. Adani and seven others ("**Defendants**"). Under this indictment, Gautam S. Adani and two others have been charged with alleged securities fraud conspiracy, alleged wire fraud conspiracy and alleged securities fraud, but have not been charged with any violation of the United States Foreign Corrupt Practices Act. There are no charges against any Adani portfolio entities, including our Company, in the abovementioned criminal indictment. The United States Department of Justice has since filed a motion seeking dismissal with prejudice of the charges in the indictment. The United States Department of Justice has decided in its prosecutorial discretion, to dismiss the charges under the indictment against all the Defendants (i.e. a complete dismissal that bars any prosecution against the Defendants for the same allegations and the case cannot be re-opened). The final order of the United States District Court for the Eastern District of New York is awaited in this regard. Separately, a civil complaint has been filed before the United States District Court for the Eastern District of New York by the United States Securities and Exchange Commission against Gautam S. Adani and another (1:24 Civ. 8080). In this civil complaint, Gautam S. Adani and another have been alleged (i) to have violated certain sections of the Securities Act of 1933 and the Securities Exchange Act of 1934, and (ii) to have aided and abetted Adani Green Energy Limited's violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. The complaint does not make any claims for relief for any alleged violation of the United States Foreign Corrupt Practices Act. Further, no claims for relief are sought against any Adani portfolio entities, including our Company in the

civil complaint. The United States Securities and Exchange Commission, Gautam Adani and another have since filed their request for entry of final judgment along with the proposed final judgment, on consent, before the United States District Court for the Eastern District of New York. Gautam Adani and another have consented to *inter alia* entry of the final judgment without admitting or denying the allegations made in the civil complaint and payment of a civil penalty of USD 6.00 million and USD 12.00 million, respectively, by Gautam Adani and another. Further, the United States District Court for the Eastern District of New York had raised queries to certain parties including Gautam S. Adani, and such parties have submitted their responses to such queries. The final judgment of the United States District Court for the Eastern District of New York is awaited. The outcome of such proceedings against Gautam S. Adani could result in the proposed penalty of USD 6.00 million being imposed which may have a material adverse effect on our reputation and our business. Any finding of violation of anti-corruption laws by us or our Promoters could result in action or penalties, both financial and non-financial, that could have a material adverse effect on our business, results of operations and financial condition in future periods and reputation.

17. *The business operations of Adani portfolio entities may be affected by sanctions, export controls and similar measures targeting Russia, Iran and other countries.*

As a result of Russia's invasion of Ukraine, governmental authorities in the U.S., the EU and the UK, among others, implemented coordinated sanctions and export control measures, including:

- blocking sanctions on some of the largest state-owned and private Russian financial institutions (and their subsequent removal from the Society for Worldwide Interbank Financial Telecommunication payment system);
- blocking sanctions against Russian and Belarusian individuals, including the Russian President, other politicians and those with government connections or involved in Russian military activities;
- blocking sanctions against certain Russian businessmen and their businesses, some of which have financial and trade ties to the EU;
- blocking of Russia's foreign currency reserves and prohibition on secondary trading in Russian sovereign debt and certain transactions with the Russian Central Bank, National Wealth Fund and the Ministry of Finance of the Russian Federation;
- expansion of sectoral sanctions in various sectors of the Russian and Belarusian economies and the defence sector;
- U.K sanctions introducing restrictions on providing loans to, and dealing in securities issued by, persons connected with Russia;
- restrictions on access to the financial and capital markets in the EU, as well as prohibitions on aircraft leasing operations;
- sanctions prohibiting most commercial activities of U.S. and EU persons in Crimea and Sevastopol;
- enhanced export controls and trade sanctions targeting Russia's imports of technological goods as a whole, including tighter controls on exports and re-exports of dual-use items, stricter licensing policy with respect to issuing export licenses, and/or increased use of "end-use" controls to block or impose licensing requirements on exports, as well as higher import tariffs and a prohibition on exporting luxury goods to Russia and Belarus;
- closure of airspace to Russian aircraft;
- ban on imports of Russian oil, liquefied natural gas and coal to the U.S., and Russian oil and oil products into the UK; and
- price cap measures on seaborne oil and petroleum products from Russia and restrictions on services provided by persons in the U.S., the EU and the UK and other relevant countries.

As the conflict in Ukraine continues, there can be no certainty regarding whether these countries or other countries will impose additional sanctions, export controls or other measures targeting Russia, Belarus or other territories. Furthermore, in retaliation against new international sanctions and as part of measures to stabilize and support the volatile Russian financial and currency markets, the Russian authorities also imposed currency control measures aimed at restricting the outflow of foreign currency and capital from Russia, imposed various restrictions on transacting with non-Russian parties, banned exports of various products and imposed other economic and financial restrictions.

The business of the Adani portfolio entities (including our Company) must be conducted in compliance with applicable economic and trade sanctions laws and regulations, including those administered and enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council and other relevant governmental authorities. Adani portfolio entities (including our Company) must comply with existing and any other potential applicable sanctions imposed in connection with Russia, Ukraine, Iran, and other geopolitical issues. The imposition of such measures could adversely impact business of the Adani portfolio entities (including our Company), including preventing them (including our Company) from performing existing contracts, recognizing revenue, pursuing new business opportunities or receiving payment. Adani portfolio entities (including our Company) continue to enhance their sanctions compliance procedures to minimize relevant risk exposure as developments occur. Separately, there have been news reports in June 2025 about an investigation by authorities in the United States in relation to import of liquefied petroleum gas ("LPG") by certain Adani portfolio entities (including AEL and a subsidiary of AEL) allegedly in contravention of Iran-sanctions imposed by the U.S. AEL has responded to an article dated June 2, 2025, on this subject in its disclosure to the Stock Exchanges on June 2, 2025 ("**Article**"), which is available on AEL's website. AEL has since proactively and voluntarily initiated discussions and engagement with the U.S. Office of Foreign Assets Control ("**OFAC**") concerning the allegations raised in the Article; and had, through its Counsel, proactively made a presentation to OFAC and cooperated in its investigations. AEL thereafter entered into a settlement agreement dated May 14, 2026 with the OFAC (the "**Settlement Agreement**"), as announced by the OFAC on May 18, 2026. From November 2023 to June 2025, AEL had purchased shipments of LPG from a Dubai-based trader and its affiliates purporting to supply Omani and Iraqi gas. During this time period, AEL caused U.S. financial institutions to process 32 U.S. dollar denominated payments totalling approximately USD 192,104,044 for the shipments. OFAC determined that red flags should have put AEL on notice that the LPG actually originated from Iran, and that AEL did not voluntarily self-disclose the apparent violations of Iran-related sanctions and that the apparent violations constitute an egregious case. Pursuant to the Settlement Agreement, AEL has, *inter alia*, paid the settlement amount of USD 275.00 million to OFAC (mitigated from the maximum statutory penalty of USD 384.21 million on account of (i) AEL not having received a penalty notice or Finding of Violation from OFAC in the five years preceding the earliest date of the relevant transactions underlying this settlement; (ii) AEL's nascent LPG business being only a small percentage of AEL's overall revenue, representing less than 1.5% of our Company's consolidated revenue for 2025, (iii) AEL providing substantial cooperation to OFAC, and (iv) AEL's remedial measures and implementation of certain additional compliance commitments). This settlement is without admitting the allegations made by OFAC. AEL denies any deliberate engagement in sanctions evasion or trade involving Iranian-origin LPG. AEL has undertaken and will take steps to enhance its policies, procedures, and associated documentation relating to sanctions compliance.

We do not currently have contracts directly with entities or businesses on the sanctions list or in comprehensively sanctioned countries, and we currently do not have operations in Russia, Belarus, the Crimea Region of Ukraine, the so-called Donetsk People's Republic or the so-called Luhansk People's Republic and Iran. In accordance with our procedures and diligence checks, we continuously review and monitor our contractual relationships with suppliers and customers to determine whether any are target of the applicable sanctions. In the unlikely event that we identify a party with which we have a business relationship that is the target of applicable sanctions, we will immediately review what gives rise to the business relationship, including any contract, and seek legal advice on the most appropriate course of action to comply with the sanction regulations, together with the impact of a contractual termination according to the applicable law, and then proceed as advised and as required by the regulatory authorities. However, given the range of possible outcomes, the full costs, burdens, and limitations on our and our customers' and partners' businesses are currently unknown and may become significant.

RISKS RELATED TO THE EQUITY SHARES AND THE ISSUE

1. ***Investors will be subject to market risks until the Equity Shares credited to the investor's demat account are listed and permitted to trade.***

Investors can start trading the Equity Shares allotted to them only after they have been credited to an investor's demat account, are listed, and permitted to trade. In accordance with Indian law and practice, final approval for listing and trading of our Equity Shares will not be granted until after the Equity Shares have been issued and allotted. Such approval will require the submission of all other relevant documents authorizing the issuance of the Equity Shares. Accordingly, there could be a failure or delay in listing the Equity Shares on NSE and BSE, which would adversely affect your ability to sell the Equity Shares. Since the Equity Shares are currently traded on the BSE and the NSE, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same. Further, there can be no assurance that the Equity Shares allocated to an investor will be credited to the investor's demat account in a timely manner or that trading in the Equity Shares will commence in a timely manner.

2. ***The trading volume and market price of the Equity Shares may be volatile following the Issue, and you may not be able to sell your Equity Shares at or above the Issue Price.***

The market price of the Equity Shares may fluctuate as a result of, among other things, the following factors, some of which are beyond our control: actual or anticipated variations in our results of operations, including compared to

expectations of securities analysts and investors and those of our competitors; changes in expectations as to our future financial performance, including financial estimates by analysts and investors; announcements about our earnings that are not in line with analyst expectations; announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations, or capital commitments; complaints from our customers, shortages or interruptions in the availability of raw materials, or reports of incidents of tampering of raw materials; announcements by third parties or governmental entities of significant claims or proceedings against us; new laws and governmental regulations applicable to our industry; additions or departures of senior management; changes in our shareholder base; changes in our dividend policy; changes in accounting standards, policies, guidance, interpretations, or principles; the public's reaction to our press releases, other public announcements, and filings with the regulator; adverse media reports about us or our industry; changes/volatility in exchange rates; changes in the regulatory and legal environment in which we operate; fluctuations in stock market prices and volume; and general economic and stock market conditions. Any of these factors listed above could result in large and sudden changes in the volume and trading price of the Equity Shares and adversely affect the price of the Equity Shares. The market price of the Equity Shares could be subject to significant fluctuations after the Issue and may decline below the Issue Price. We cannot assure you that you will be able to resell the Equity Shares at or above the Issue Price. Further, the Issue Price which may include a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations, which will be determined by our Company in consultation with the Book Running Lead Managers, may not be necessarily indicative of the market price of the Equity Shares after this Issue is complete.

3. *An investor will not be able to sell any of the Equity Shares subscribed in the Issue other than on a recognized Indian stock exchange for a period of one year from the date of allotment of such Equity Shares.*

Pursuant to the SEBI ICDR Regulations, for a period of one year from the date of the allotment of the Equity Shares in the Issue, investors subscribing the Equity Shares in the Issue may only sell such Equity Shares on NSE or BSE and may not enter into any off-market trading in respect of such Equity Shares. We cannot be certain that these restrictions will not have an impact on the price of the Equity Shares. This may affect the liquidity of the Equity Shares subscribed by investors and it is uncertain whether these restrictions will adversely impact the market price of the Equity Shares subscribed by investors. For further information, see “*Transfer Restrictions*” on page 620. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognize any acquisition, transfer, or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

4. *Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.*

Under current Indian tax laws and regulations, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any capital gain exceeding ₹125,000, realized on the sale of listed equity shares on a recognized stock exchange held for more than 12 months immediately preceding the date of transfer will be subject to long term capital gains in India at the rate of 12.5% (plus applicable surcharge and cess). This beneficial rate is, among others, subject to payment of Securities Transaction Tax (“STT”). Further, any gain realized on the sale of equity shares in an Indian company held for more than 12 months which are sold using any platform other than a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any capital gains realized on the sale of listed equity shares held for a period of 12 months or less immediately preceding the date of transfer will be subject to short term capital gains tax in India. Such gains will be subject to tax at the rate of 20% (plus applicable surcharge and cess), subject to STT being paid at the time of sale of such shares. Otherwise, such gains will be taxed at the applicable rates. Capital gains arising from the sale of the Equity Shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided under a treaty between India and the country of which the seller is resident read with the multilateral instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. Similarly, any business income realized from the transfer of Equity Shares held as trading assets is taxable at the applicable tax rates subject to any treaty relief, if applicable, to a non-resident seller. No dividend distribution tax is required to be paid in respect of dividends declared, distributed or paid by a domestic company after March 31, 2020, and, accordingly, such dividends would not be exempt in the hands of the Shareholders both for residents as well as non-residents and are subject to tax deduction at source. We may or may not grant the benefit of a tax treaty (where applicable) to a non-resident shareholder for the purposes of deducting tax at source pursuant to any corporate action including dividends.

The Finance Act, 2019 amended the Indian Stamp Act, 1899 with effect from July 1, 2020 and clarified that, in the absence of a specific provision under an agreement, the liability to pay stamp duty in case of sale of securities through stock exchanges will be on the buyer, while, in other cases of transfer for consideration through a depository, the onus will be on the transferor. The stamp duty for transfer of securities other than debentures on a delivery basis is specified at 0.015% and on a non-delivery basis is specified at 0.003% of the consideration amount. Additionally, the Government of India announced the Union Budget for the Fiscal 2027 on February 1, 2026, followed by the Finance Bill 2026 (“**Finance Bill**”). The Finance Bill has received the assent from the President of India on March 30, 2026 and has been enacted as the Finance

Act, 2026 (“**Finance Act**”) with effect from April 1, 2026. We have not fully determined the effects of these recent and proposed laws and regulations on our business. We cannot predict whether any amendments made pursuant to the Finance Act would have an adverse effect on our business, results of operations, financial condition, and cash flows. Further, the Union Cabinet, the Government of India has recently approved the Income Tax Act, 2025 which, among others, amends the income tax regime and replace the Income Tax Act, 1961 with effect from April 1, 2026. Any such future amendments may affect our ability to claim exemptions that we have historically benefited from, and such exemptions may no longer be available to us. There is no certainty on the impact of the Income Tax Act, 2025, on tax laws, or other regulations, which may adversely affect our business, financial condition, cash flows, results of operations, or on the industry in which we operate. The investors are advised to consult their own tax advisors to understand their tax liability as per the laws prevailing on the date of disposal of Equity Shares. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing, or trading in our Equity Shares. Unfavorable changes or interpretations of existing, or the promulgation of new laws, rules, and regulations, governing our business and operations could result in us being deemed to be in contravention of such laws requiring us to apply for additional approvals.

5. ***Any future issuance of Equity Shares, or convertible securities or other equity linked instruments by us may dilute your shareholding. Further, any such further issuance of our securities and/or sale of Equity Shares by the Promoters or members of our Promoter Group may adversely affect the trading price of our Equity Shares.***

We cannot assure you that we will not issue additional Equity Shares. Any future equity issuances by us, including a primary offering of Equity Shares, convertible securities, or securities linked to Equity Shares may lead to the dilution of your shareholding in our Company. Further, any future equity issuances by us or sale of our Equity Shares by the Promoters or members of our Promoter Group or any of our other principal shareholders or any public perception regarding such issuance or sales may adversely affect the trading price of the Equity Shares, which may lead to other adverse consequences, including difficulty in raising capital through offering of our Equity Shares or incurring additional debt. In addition, any perception by investors that such issuances or sales might occur may also affect the market price of our Equity Shares. There can be no assurance that we will not issue Equity Shares, convertible securities, or securities linked to Equity Shares, or that our Shareholders will not dispose of, pledge, or encumber their Equity Shares in the future.

6. ***There may be less information available about companies listed on Indian securities markets than companies listed on securities markets in other countries.***

There may be less publicly available information about Indian public companies, including our Company, than is regularly disclosed by public companies in other countries with more mature securities markets. There is a difference between the level of regulation and monitoring of the Indian securities markets and the activities of investors, brokers, and other participants in those markets, and that of markets in other more developed economies. As a result, you may have access to less information about our business, results of operations, and financial condition, and those of our competitors that are listed on the Stock Exchanges, on an ongoing basis, than you may in the case of companies subject to the reporting requirements of certain other countries.

7. ***Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights including those in relation to class actions, under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

8. ***Investors may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby may suffer future dilution of their ownership position.***

Under the Companies Act, a company having share capital and incorporated in India must offer its holders of equity shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages before the issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction the investors are in, does not permit them to exercise their pre-emptive rights without our Company filing an offering document or registration statement with the applicable authority in such jurisdiction, the investors will be unable to exercise their pre-emptive rights unless our Company makes such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for the investor’s benefit. The value such custodian receives on the sale of such securities and the related transaction costs cannot be predicted. In addition, to the extent that the investors are unable to exercise pre-emptive rights granted in respect of the Equity Shares held by them, their proportional interest in our Company would be reduced.

9. *Applicants to the Issue are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.*

In terms of the SEBI ICDR Regulations, applicants in the Issue are not allowed to withdraw their Bids after the Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to the applicant's demat account with depository participant could take approximately seven days and up to 10 days from the Issue Closing Date. However, there is no assurance that material adverse changes in the international or national monetary, financial, political or economic conditions, or other events in the nature of force majeure, material adverse changes in the business, results of operations and financial condition of our Company, or other events affecting the applicant's decision to invest in the Equity Shares, would not arise between the Issue Closing Date and the date of Allotment of Equity Shares in the Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of the Equity Shares. The applicants shall not have the right to withdraw their Bids in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the applicants' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

10. *Our Equity Shares are quoted in Indian Rupees in India and investors may be subject to potential losses arising out of exchange rate risk on the Indian Rupee and risks associated with the conversion of Indian Rupee proceeds into foreign currency.*

Investors are subject to currency fluctuation risk and convertibility risk since our Equity Shares are quoted in Indian Rupees on the Indian stock exchanges on which they are listed. Dividends on the Equity Shares will also be paid in Indian Rupees and subsequently may need to be converted into the relevant foreign currency for repatriation. Any adverse movement in exchange rates during the time it takes to undertake such conversion may reduce the net dividend to investors. In addition, foreign investors that seek to sell Equity Shares will have to obtain approval from the RBI, unless the sale is made on a stock exchange or in connection with an offer made under regulations regarding takeovers. Any adverse movement in exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by shareholders. The volatility of the Indian Rupee against other currencies may subject investors who convert funds into Indian Rupees to purchase our Equity Shares to currency fluctuation risks.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 1,20,12,82,642 Equity Shares are issued, subscribed and fully paid up. The Equity Shares have been listed on the BSE and NSE since July 31, 2015 and are available for trading.

On July 27, 2026, the closing price of the Equity Shares on BSE and NSE was ₹ 1,703.10 and ₹ 1,703.30 per Equity Share, respectively. Since the Equity Shares are available for trading on BSE and NSE, the market price and other information for each of BSE and NSE has been given separately.

A. The following tables set out the reported high, low and average of the closing prices of our Equity Shares on the NSE and the BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for the Fiscal 2026, 2025 and 2024:

NSE

Fiscal	High ⁽¹⁾ (₹)	Date of High	No. of Equity Shares traded on date of high	Total Volume of Equity Shares traded on date of high (₹ in crore)	Low ⁽¹⁾ (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Volume of Equity Shares traded on date of low (₹ in crore)	Average price for the year ⁽²⁾ (₹)	Total no. of Equity Shares traded in the fiscal	Total Volume of Equity Shares traded in the fiscal (₹ in crore)
Fiscal 2026	1,057.90	January 2, 2026	13,70,725	145.12	755.95	September 5, 2025	8,80,798	66.25	914.74	49,29,12,634	44,644.96
Fiscal 2025	1,275.20	August 1, 2024	3,01,07,717	3,760.96	600.75	November 26, 2024	77,55,657	469.54	933.17	73,25,53,357	68,017.47
Fiscal 2024	1,198.70	December 7, 2023	1,39,02,767	1,673.28	718.90	October 25, 2023	4,55,111	33.30	910.94	69,54,52,277	65,410.21

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.

3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

BSE

Fiscal	High ⁽¹⁾ (₹)	Date of High	No. of Equity Shares traded on date of high	Total Volume of Equity Shares traded on date of high (₹ in crore)	Low ⁽¹⁾ (₹)	Date of Low	No. of Equity Shares traded on date of low	Total Volume of Equity Shares traded on date of low (₹ in crore)	Average price for the year ⁽²⁾ (₹)	Total no. of Equity Shares traded in the fiscal	Total Volume of Equity Shares traded in the fiscal (₹ in crore)
Fiscal 2026	1,057.90	January 2, 2026	74,547	7.89	755.80	September 5, 2025	50,184	3.78	914.64	5,21,66,363	4,611.05
Fiscal 2025	1,274.55	August 1, 2024	14,63,835	183.04	601.15	November 26, 2024	3,39,724	20.63	933.04	5,08,77,467	4,632.03
Fiscal 2024	1,197.60	December 7, 2023	7,63,376	91.85	717.80	October 25, 2023	1,09,115	7.98	910.88	4,11,38,255	3,871.57

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.

3. In case of two days with the same high or low price, the date with the higher turnover has been chosen.

- B. The following tables set out the reported high and low and average of the closing prices of our Equity Shares recorded on the NSE and the BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months:

NSE

Month	High ⁽¹⁾ (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in crore)	Low ⁽¹⁾ (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in crore)	Average price for the month ⁽²⁾ (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in crore)
June, 2026	1,579.20	June 9, 2026	30,13,275	476.04	1,466.70	June 11, 2026	20,13,886	301.92	1,513.33	5,85,81,178	8,906.74
May, 2026	1,540.10	May 27, 2026	78,41,736	1,197.62	1,284.30	May 12, 2026	48,49,640	625.97	1,376.66	7,73,63,891	10,690.19
April, 2026	1,435.80	April 27, 2026	55,33,751	791.09	941.60	April 2, 2026	17,48,061	160.86	1,215.61	7,54,36,270	9,411.00
March, 2026	1,036.70	March 18, 2026	16,43,508	168.84	934.90	March 30, 2026	17,14,851	161.27	986.39	3,62,79,326	3,545.49
February, 2026	1,037.10	February 24, 2026	13,56,273	138.13	845.75	February 1, 2026	9,08,084	79.07	999.05	3,04,17,066	3,013.32
January, 2026	1,057.90	January 2, 2026	13,70,725	145.12	812.7	January 23, 2026	76,23,697	641.84	943.36	3,70,24,298	3,394.98

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.

3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High ⁽¹⁾ (₹)	Date of high	No. of Equity Shares traded on date of high	Total turnover of Equity Shares traded on date of high (₹ in crore)	Low ⁽¹⁾ (₹)	Date of low	No. of Equity Shares traded on date of low	Total turnover of Equity Shares traded on date of low (₹ in crore)	Average price for the month ⁽²⁾ (₹)	Equity Shares traded in the month	
										Volume	Turnover (₹ in crore)
June, 2026	1579.45	June 5, 2026	3,42,257	53.68	1,466.50	June 11, 2026	1,40,715	21.17	1,513.11	35,40,855	539.72
May, 2026	1,539.90	May 27, 2026	4,51,327	68.69	1,284.40	May 12, 2026	1,24,004	16.08	1,376.56	86,67,427	1,180.57
April, 2026	1,436.70	April 27, 2026	3,85,426	55.02	942.10	April 2, 2026	91,079	8.34	1,215.97	83,97,168	1,012.60
March, 2026	1,036.75	March 18, 2026	1,10,931	11.40	934.20	March 30, 2026	1,40,957	13.29	986.07	1,25,72,799	1,200.21
February, 2026	1,037.50	February 24, 2026	91,463	9.34	846.40	February 1, 2026	78,691	6.88	998.97	14,07,686	139.27
January, 2026	1,057.90	January 2, 2026	74,547	7.89	814.25	January 23, 2026	4,72,308	40.09	943.22	18,64,062	172.49

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.

2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.

3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The following table sets forth the market price on the Stock Exchanges on July 27, 2026, the first working day following the approval of our Shareholders for the Issue:

BSE						NSE					
Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ in crore)	Open	High	Low	Close	Number of Equity Shares traded	Volume (₹ in crore)
1,715.05	1,718.15	1,678.20	1,703.10	86,144	14.63	1,719.60	1,719.60	1,678.10	1,703.30	26,32,783	446.65

(Source: www.bseindia.com and www.nseindia.com)

In the event the high or low or closing price of the Equity shares are the same on more than one day, the day on which there has been higher volume of trading has been considered for the purposes of this chapter.

OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS

The Gross Proceeds of the Issue aggregates to approximately ₹[●] crores. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions and expenses of the Issue of approximately ₹[●] crores, shall be approximately ₹[●] crores (“**Net Proceeds**”).

Purpose of the Issue

Our Company proposes to utilise the Net Proceeds towards funding of the following objects:

1. Funding capital expenditure requirements of some of our Subsidiaries in relation to setting up transmission systems;
2. Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company and some of our Subsidiaries, including the interest accrued thereon;
3. Proposed acquisition of 100% equity shares of Intellismart Infrastructure Private Limited (“**Intellismart**”); and
4. General corporate purposes.

(collectively, referred to herein as the “**Objects**”).

For the purposes of utilisation of the Net Proceeds for capital expenditure requirements of some of our Subsidiaries, our Company will make investments into such Subsidiaries, by way of equity or debt, in compliance with the applicable laws and in the manner set out hereinafter.

The main objects and objects incidental and ancillary to the main objects set out in the Memorandum of Association enable us to undertake: (i) our existing business activities and other activities set out therein; and (ii) the activities proposed to be funded from the Net Proceeds.

Utilisation of the Net Proceeds and proposed schedule of implementation and deployment of Net Proceeds

The Net Proceeds are proposed to be utilised in accordance with the details provided in the following table:

Particulars	Amount ⁽²⁾ (₹ in crores)	Timeline for utilization of Net Proceeds (in months)
Funding capital expenditure requirements of some of our Subsidiaries in relation to setting up transmission systems	[●]	18 months
Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company and some of our Subsidiaries, including the interest accrued thereon	[●]	12 months
Proposed acquisition of 100% equity shares of Intellismart Infrastructure Private Limited (“ Intellismart ”)	[●]	12 months
General corporate purposes ⁽¹⁾	[●]	[●]
Total Net Proceeds⁽²⁾	[●]	

(1) To be determined upon finalisation of the Issue Price and will be updated in the Placement Document. The amount to be utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

(2) To be determined upon finalisation of Issue Price.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our current business plan, management estimates, circumstances of our business and other commercial and technical factors. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution or independent agency or the Lead Managers, in connection with the Issue. We may have to revise our funding requirements and deployment schedule on account of a variety of factors such as our financial and market condition, business, commercial and strategy considerations, competition, project execution timelines, execution of new projects, price fluctuations and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. Our historical expenditure may not be reflective of our future expenditure plans. Further, the fund requirements set out above are based on our estimates and our Company retains the right to use the Net Proceeds specified against one Object towards meeting the requirements under another Object, in accordance with the applicable laws.

In the event that the estimated utilization of the Net Proceeds is not completely met (in full or in part) as per the timelines set out above, due to factors stated above and other factors such as (i) economic and business conditions; (ii) the timing of completion of the Issue; (iii) market conditions outside the control of our Company; and (iv) any other business and commercial considerations, the remaining Net Proceeds shall be utilized (in full or in part) in subsequent periods as may be determined by our Company, in accordance with applicable laws. If the actual utilisation towards the Objects is lower than the proposed

deployment such balance will be used for future growth opportunities including funding other existing Objects of the Issue, if required and towards general corporate purposes, subject to the amount proposed to be utilised for general corporate purposes not exceeding 25% of the Gross Proceeds, in accordance with applicable laws. Further, our Board retains the right to change the above schedule of implementation and deployment of Net Proceeds, including the manner, method, and timing of deployment of the Net Proceeds, in case of change in our business requirements and other commercial considerations, subject to compliance with the applicable laws. For details on risks involved, see “Risk Factors - 58. The schedule of deployment of Net Proceeds from the Issue as set out in the section “Objects of the Issue and Use of Issue Proceeds” will be at the discretion of our management.” and “Risk Factors – 59. Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency, and our management will have broad discretion over the use of the Net Proceeds. Further, the schedule of the implementation of the projects for which funds are being raised in the Issue, is subject to risk of unanticipated delays in implementation and cost overruns.” on page 62 and 63 respectively.

I. Funding capital expenditure requirements of some of our Subsidiaries in relation to setting up transmission systems

We are part of the Adani portfolio, which had an average market capitalization of ₹14 trillion during the three months ended June 30, 2026 and is one of the largest listed business groups in India in terms of market capitalization during the same period.¹² We are an integrated pan-India energy solutions provider through our multiple businesses, including transmission, distribution, smart metering, centralized cooling and an energy solutions platform. We are one of the leading players in India’s transmission and distribution sector and India’s largest private sector transmission company, with a 42.1% share of the private operational network as of March 31, 2026.¹³ Our Subsidiary, Adani Electricity Mumbai Ltd. (“AEML”), is the largest private distribution licensee in Mumbai with a customer base of 3.27 million as of March 31, 2026.¹⁴ We are one of India’s leading advanced metering infrastructure service providers as of March 31, 2026 and are among the few companies to have cumulatively installed 11.40 million smart meters across discoms as of March 31, 2026.¹⁵

We operate five main businesses: (a) transmission; (b) distribution; (c) smart metering; (d) cooling solutions, and (e) energy solutions platform.

Our core business is electric power transmission over long distances at high voltages. Transmission networks supply electricity from generating resources to substations located near population and industrial centers. Through our power transmission business, we build, commission, operate and maintain electricity inter-state transmission systems and intra-state transmission systems. As of June 30, 2026, we have 27,949 circuit kms (“ckm”) of transmission lines, 20,023 ckm of which was operational and another 7,926 ckm of transmission lines are under construction, 123,175 megavolt-ampere (“MVA”) of power transformation capacity and are present across 14 states in India.

As of June 30, 2026, we have 35 operational transmission systems and developing 13 transmission systems which are strategically located across 14 states in India. For details, see “Our Business – Transmission Business” on page 562.

In the quarter ended June 30, 2026 and last three Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024, some of the expansion and capitalized units that we have undertaken are set forth below:

S. No.	Name of the Project	Type of Expansion	Route Length (ckms)	Transformation Capacity (MVA)	No. of Substations
1.	Adani Energy Solutions Mahan Limited	ROA Project	673	-	1
2.	MP Power Transmission Package-II Limited	TBCB Project	1,088	2,736	18
3.	Karur Transmission Line	TBCB Project	9	1,000	1
4.	Khavda-Bhuj Transmission Limited	TBCB Project	217	4, 500	1
5.	Khavda II-A Transmission	TBCB Project	355	-	-
6.	KPS I Transmission Limited	TBCB Project	43	6000	-
7.	Sangod Transmission Service Limited	TBCB Project	11	1160	1
8.	North Karanpura Transco Limited	TBCB Project	299	1000	1

- ¹² Source: CRISIL Report
- ¹³ Source: CRISIL Report
- ¹⁴ Source: CRISIL Report
- ¹⁵ Source: CRISIL Report

S. No.	Name of the Project	Type of Expansion	Route Length (ckms)	Transformation Capacity (MVA)	No. of Substations
9.	Adani Electricity Mumbai Infra Limited	ROA Project	80	2,139	2
Total			2,775	14,035	25

For further details of our business strategies and business verticals, see “Our Business – Our Strategies” and “Our Business – Our Operations” on pages 558 and 561, respectively.

In furtherance to the above, our Company intends to use ₹ [●] crores from the Net Proceeds towards capital expenditure in relation to the following projects:

- Capital expenditure towards setting up of a transmission system for evacuation of additional 7 GW of RE Power from Khavda RE Park under Phase III – Part A;
- Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part A;
- Capital expenditure towards setting up of a transmission system for evacuation of 1,230MW power (MPPMCL portion) through STU network from proposed 2x800MW thermal power project of Mahan Energen Limited;
- Capital expenditure towards setting up of a transmission system for network expansion scheme in Navinal (Mundra) area of Gujarat for drawl of power in the area;
- Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part D;
- Capital expenditure towards setting up of a transmission system for network expansion scheme in Western Region to cater to pumped storage potential near Talegaon (Pune);
- Capital expenditure towards setting up of a transmission system for network expansion scheme in Gujarat for drawl of about 3.6 GW load under Phase-I in Jamnagar area;
- Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C;
- Capital expenditure towards setting up of a transmission system for evacuation of power from renewable energy zones in Rajasthan (20 GW) under Phase-III Part I; and
- Capital expenditure towards setting up of a transmission system for network expansion scheme for drawal of power at South Kalamb substation: Part A.

(Collectively, “**Projects**”)

1. Capital expenditure towards setting up of a transmission system for evacuation of additional 7 GW of RE power from Khavda RE Park under Phase III – Part A.

Our Company has been selected as a transmission service provider for “Transmission system for evacuation of additional 7 GW of RE power from Khavda RE park under Phase III Part A” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting up of 765kV Halvad switching station with 765 kV, 2x330 MVAR bus reactors and Line-In and Line-Out (“**LILLO**”) of the Lakadia – Ahmedabad 765 kV D/C line at Halvad as well as 765 KV D/C line from KPS II to Halvad with associated bays at KPS II end (“**HTL Transmission Project**”).

Halvad Transmission Limited (“**HTL**”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on December 26, 2023 for setting up the HTL Transmission Project.

Estimated project cost

The total estimated project cost of the HTL Transmission Project is ₹2,849.95 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**HTL DPR Report**”). The detailed break-down of estimated project cost for setting up of the HTL Transmission Project as per the HTL DPR Report

is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Land and land development	104.94
2.	SPV transfer cost	18.43
3.	Sub-station & bays	607.05
4.	Tower supply & erection	1,269.36
5.	Conductor	463.60
6.	Other Supplies and overheads	-
7.	Financing cost	16.63
8.	Margin money	17.25
9.	Debt Service Reserve Account	101.76
10.	Contingency	47.63
11.	IDC	203.30
Total		2,849.95

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the HTL Transmission Project, has been funded through external borrowings of ₹ 1,676.35 crores availed by Halvad Transmission Limited and equity infusions in Halvad Transmission Limited of ₹ 687.22 crores.

2. Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part A.

Our Company has been selected as a transmission service provider for “Transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part A” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting up of (i) 765 kV and 400 kV Bus Section-II at KPS3 (GIS) with 3×1,500 MVA, 765/400 kV ICTs, 1×330 MVAR, 765 kV Bus Reactors and 3 Nos. 400 kV bays for RE interconnection; (ii) ±300 MVAR STATCOM with 1×125 MVAR MSC and 2×125 MVAR MSR at KPS3 400 kV Bus Section-II; (iii) creation of 2 Nos. 765 kV GIS bays at KPS1, 2 Nos. 765 kV AIS bays at Bhuj PS, and 2 Nos. 765 kV AIS bays at Lakadia Substation; and (iv) 765 kV D/C transmission lines from KPS3 to Lakadia (~191 km) and KPS1 to Bhuj (~110 km) traversing the district of Kutch, Gujarat (“**Khavda IV A Transmission Project**”).

Khavda IV A Power Transmission Limited (“**Khavda IV A**”), one of our Subsidiaries, was acquired as a special purpose vehicle from REC Power Development and Consultancy Limited on August 30, 2024, for setting up the Khavda IV A Transmission Project.

Estimated project cost

The total estimated project cost of the Khavda IV A Transmission Project, is ₹4,485.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**Khavda IV A DPR Report**”). The detailed break-down of estimated project cost for setting up of the Khavda IV A Transmission Project as per the Khavda IV A DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of the transmission line and substation (including T&D)	2,887.02
2.	Preliminary and pre-operative expenses	969.76
3.	Contingency and PV	54.22
4.	Financing cost (including IDC and financing charges, insurance and WCM)	574.00
Total		4,485.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the Khavda IV A Transmission Project, has been funded through external borrowings of ₹ 2,381.56 crores availed by Khavda IV A Power Transmission Limited and equity infusions in Khavda IV A Power Transmission Limited of ₹ 988.68 crores.

3. Capital expenditure towards setting up of a transmission system for evacuation of 1,230MW power (MPPMCL portion) through STU network from proposed 2x800MW thermal power project of Mahan Energen Limited.

Our Company has been selected as a transmission service provider for “Transmission system for evacuation of 1,230MW power (MPPMCL portion) through STU network from proposed 2x800MW thermal power project of Mahan Energen Limited” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting

up of a 400/220/132 kV substation at Rewa with 2×500 MVA, 400/220 kV and 2×200 MVA, 220/132 kV ICTs and 1×125 MVAR, 420 kV switchable bus reactor, a 400/220/132 kV substation at Amarpatan with 2×500 MVA, 400/220 kV and 2×200 MVA, 220/132 kV ICTs and 1×125 MVAR, 420 kV bus reactor, PTEMPL (MEL) Switchyard – Rewa 400 kV DCDS line (Quad Moose), Rewa – Amarpatan 400 kV DCDS line (Quad Moose), LILO of both circuits of Rewa – Sirmour/Bansagar-I 220 kV line and Rewa 220 – Mangawan 132 kV line at Rewa, 220 DCDS line from Rewa 400 KV to Kota 220 KV substation along with associated bays, 132 KV DCDS line from Rewa 400 KV to Rewa (sagra) 132 KV substation along with associated bays, 132 KV DCDS line from Rewa 400 KV to Rewa 132 KV substation, LILO of both circuits of Maihar – Satna (PGCIL), 132 KV DCDS line from Amarpatan 400 KV to Amarpatan MPPTECL substation along with associated bays, 132 KV DCDS line from Amarpatan 400 KV to Stana II substation, 132 KV DCDS line from Amarpatan 400 KV to Rampur Baghelan 132 KV substation, 132 KV DCDS line from Amarpatan 400 KV to Unchehra 132 KV substation along with associated basys located in Madhya Pradesh (“**MTL Transmission Project**”).

Mahan Transmission Limited (“**MTL**”), one of our Subsidiaries, was acquired as a special purpose vehicle from REC Power Development and Consultancy Limited on March 26, 2025, for setting up the MTL Transmission Project.

Estimated project cost

The total estimated project cost of the MTL Transmission Project, is ₹ 3,125.30 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**MTL DPR Report**”). The detailed break-down of estimated project cost for setting up of the MTL Transmission Project as per the MTL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of the transmission line (including T&D)	1,034.90
2.	Total substation cost (including T&D)	735.60
3.	Land & SPV transfer cost	108.90
4.	Preliminary & Pre-operating expenses	801.00
5.	Contingency & PMC cost	162.10
6.	Financing cost (including IDC and financing charges, insurance and WCM)	208.90
7.	PV & Management discretionary cost	73.90
Total		3,125.30

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the MTL Transmission Project, has been funded through equity infusions in Mahan Transmission Limited of ₹ 155.68 crores.

4. Capital expenditure towards setting up of a transmission system for network expansion scheme in Navinal (Mundra) area of Gujarat for drawl of power in the area.

Our Company has been selected as a transmission service provider for “Transmission system for Network expansion scheme in Navinal (Mundra) area of Gujarat for drawl of power in the area” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service. The project includes setting up of a 4×1,500 MVA, 765/400 kV GIS substation at Navinal (Mundra) with 2×330 MVAR, 765 kV and 1×125 MVAR, 420 kV bus reactors, LILO of the Bhuj-II – Lakadia 765 kV D/C line at Navinal (Mundra) with 1×330 MVAR switchable line reactors on each circuit at the Navinal end, and construction of a 765 kV D/C transmission line (~130 km) traversing the talukas of Nakhatrana, Bhuj, Mandavi and Mundra in Kachchh district, Gujarat (“**NTL Transmission Project**”).

Navinal Transmission Limited (“**NTL**”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on October 14, 2024, for setting up the NTL Transmission Project.

Estimated project cost

The total estimated project cost of the NTL Transmission Project, is ₹2,644.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**NTL DPR Report**”). The detailed break-down of estimated project cost for setting up of the NTL Transmission Project as per the NTL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of the transmission line (including T&D)	1,076.00
2.	Total substation cost (including T&D)	1,023.00
3.	SPV transfer cost	19.00
4.	Preliminary and pre-operative expenses	294.00

S. No.	Particulars	Amount (in ₹ crores)
5.	Contingency	52.00
6.	Financing cost (including IDC and financing charges, insurance and WCM)	180.00
Total		2,644.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the NTL Transmission Project, has been funded through external borrowings of ₹ 250.00 crores availed by Navinal Transmission Limited and equity infusions in Navinal Transmission Limited of ₹ 513.04 crores.

5. Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part D.

Our Company has been selected as a transmission service provider for “Transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-IV (7 GW) - Part D” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service. The project includes setting up of 765/400 KV Pune III GIS substation with 2×1,500 MVA, 765/400 kV and 3×500 MVA, 400/220 kV with 2×330 MVAR, 765 kV and 2×125 MVAR, 420 kV bus reactors, , LILO of the Hinjewadi – Koyna 400 kV S/C line at Pune-III, 2 Nos. 765 kV line bays at Boisar-II, and construction of 765 kV D/C transmission lines — Boisar-II to Pune-III (~229 km), LILO of both circuit of 765 KV D/C Narendra (New) – Pune (GIS) line at Pune III substation (~85 km) and Hinjewadi – Koyna LILO (~9 km) — traversing the districts of Palghar, Thane, Raigad and Pune in Maharashtra (“PTL Transmission Project”).

Pune - III Transmission Limited (“PTL”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on November 19, 2024, for setting up the PTL Transmission Project.

Estimated project cost

The total estimated project cost of the PTL Transmission Project, is ₹5,278.90 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “PTL DPR Report”). The detailed break-down of estimated project cost for setting up of the PTL Transmission Project as per the PTL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Land	133.70
2.	SPV transfer cost	18.80
3.	Sub-station & bays	1,412.00
4.	Tower supply & erection	1,181.00
5.	Conductor	654.80
6.	Other overheads	1,183.90
7.	Financing cost	62.50
8.	Debt Service Reserve Account	116.20
9.	Contingency	310.00
10.	IDC	206.00
Total		5,278.90

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the PTL Transmission Project, has been funded through external borrowings of ₹ 500.00 crores availed by Pune - III Transmission Limited and equity infusions in Pune - III Transmission Limited of ₹ 506.37 crores.

6. Capital expenditure towards setting up of a transmission system for a network expansion scheme in Western Region to cater to pumped storage potential near Talegaon (Pune).

Our Company has been selected as a transmission service provider for “Transmission system for network Expansion scheme in Western Region to cater to Pumped storage potential near Talegaon (Pune)” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service. The project includes setting up of a 2×1,500 MVA, 765/400 kV substation near South Kalamb with 2×330 MVA, 765 kV and 2×125 MVA, 420 kV bus reactors, LILO of the Pune-III – Boisar-II 765 kV D/C line at South Kalamb with 1×240 MVA switchable line reactors on each circuit - at the South Kalamb end, traversing the Raigad district in Maharashtra (“WRNES TL Transmission Project”).

WRNES Talegaon Power Transmission Limited (“WRNES TL”), one of our Subsidiaries, was acquired as a special purpose vehicle from REC Power Development and Consultancy Limited on May 30, 2025, for setting up

the WRNES TL Transmission Project.

Estimated project cost

The total estimated project cost of the WRNES TL Transmission Project is ₹1,656.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**WRNES TL DPR Report**”). The detailed break-down of estimated project cost for setting up of the WRNES Transmission TL Transmission Project as per the WRNES TL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of transmission line (including T&D)	18.00
2.	Total Substation Cost (including T&D)	985.00
3.	Land & SPV Transfer Cost	480.00
4.	Preliminary & Pre-operative Expenses	12.00
5.	Contingency & PV	40.00
6.	Financing Cost (including IDC & Financing charges, Insurance & WCM)	121.00
Total		1,656.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the WRNES TL Transmission Project has been funded through equity infusions in WRNES Talegaon Power Transmission Limited of ₹ 343.11 crores.

7. *Capital expenditure towards setting up of a transmission system for network expansion scheme in Gujarat for drawl of about 3.6 GW load under Phase-I in Jamnagar area.*

Our Company has been selected as a transmission service provider for “*Transmission system for Network Expansion scheme in Gujarat for drawl of about 3.6 GW load under Phase-I in Jamnagar area*” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting up of a 2×1,500 MVA, 765/400 kV Jamnagar GIS PS with 2×330 MVAR, 765 kV and 2×125 MVAR, 420 kV bus reactors and ±400 MVAR STATCOM, Halvad – Jamnagar 765 kV D/C line, LILO of the Jam Khambhaliya PS – Lakadia 400 kV D/C line at Jamnagar, Jamnagar – Jam Khambhaliya 400 kV D/C line, LILO of the CGPL – Jetpur 400 kV D/C line at Jamnagar, and LILO of both circuits of the Kalavad – Bhogat 400 kV D/C line at Jam Khambhaliya PS (“**JTL Transmission Project**”).

Jamnagar Transmission Limited (“**JTL**”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on October 14, 2024, for setting up the JTL Transmission Project.

Estimated project cost

The total estimated project cost of the JTL Transmission Project is ₹3,966.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**JTL DPR Report**”). The detailed break-down of estimated project cost for setting up of the JTL Transmission Project as per the JTL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of transmission line & Substation (including T&D)	3,000.33
2.	Land & SPV Transfer Cost	288.75
3.	Preliminary & Pre-operative Expenses	562.01
4.	Contingency & PV	109.26
5.	Financing Cost (excluding IDC & Financing charges, Insurance & WCM)	5.65
Total		3,966.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the JTL Transmission Project has been funded through equity infusions in Jamnagar Transmission Limited of ₹ 377.15 crores.

8. *Capital expenditure towards setting up of a transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C.*

Our Company has been selected as a transmission service provider for “*Transmission system for evacuation of power from potential renewable energy zone in Khavda area of Gujarat under Phase-V (8 GW): Part C*” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting up of a 2,500 MW, ±500 kV KPS3 (HVDC) [VSC] terminal station (2×1,250 MW) near KPS3 substation, a 2,500 MW, ±500 kV South Olpad

(HVDC) [VSC] terminal station (2×1,250 MW), a 400 kV HVAC interconnection line from KPS3 (GIS) to KPS3 (HVDC) (~2 km) including construction of two sections in 400 KV HVAC part of HVDC terminal, and a ±500 kV HVDC bipole line (with Dedicated Metallic Return) between KPS3 (HVDC) and South Olpad (HVDC) (~584 km), traversing the districts of Kutch, Morbi, Surendranagar, Ahmedabad, Anand, Vadodara, Bharuch and Surat in Gujarat (“**KPS III Transmission Project**”).

KPS III HVDC Transmission Limited (“**KPS III**”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on December 12, 2025, for setting up the KPS III Transmission Project.

Estimated project cost

The total estimated project cost of the KPS III Transmission Project is ₹19,468.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**KPS III DPR Report**”).

The detailed break-down of estimated project cost for setting up of the KPS III Transmission Project as per the KPS III DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Land & SPV Acquisition	21.00
2.	EPC Contract for project	14,427.00
3.	Other overheads	2,012.00
4.	Financing cost and IDC	2,083.00
5.	DSRA	464.00
6.	Contingency	461.00
Total		19,468.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the KPS III Transmission Project has been funded through equity infusions in KPS III HVDC Transmission Limited of ₹ 0.01 crores.

9. Capital expenditure towards setting up of a transmission system for evacuation of power from renewable energy zones in Rajasthan (20 GW) under Phase-III Part I.

Our Company has been selected as a transmission service provider for “*Transmission system for evacuation of power from REZ in Rajasthan (20 GW) under Phase-III Part I*” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service on a long-term basis. The project includes setting up of a 6,000 MW, ±800 kV Bhadla (HVDC) [LCC] terminal station (4×1,500 MW) near Bhadla-III substation, a 6,000 MW, ±800 kV Fatehpur (HVDC) [LCC] terminal station (4×1,500 MW) near Fatehpur (UP) with 5×1,500 MVA, 765/400 kV ICTs and 2×330 MVar, 765 kV bus reactors, a Bhadla-III – Bhadla (HVDC) 400 kV 2×D/C Quad Moose line, a ±800 kV HVDC line (Hexa Lapwing, with Dedicated Metallic Return) between Bhadla (HVDC) and Fatehpur (HVDC), and LILO of both circuits of the 765 kV Varanasi – Kanpur (GIS) D/C line at Fatehpur (“**RPTL Transmission Project**”).

Rajasthan Part I Power Transmission Limited (“**RPTL**”), one of our Subsidiaries, was acquired as a special purpose vehicle from REC Power Development and Consultancy Limited on January 20, 2025, for setting up the RPTL Transmission Project.

Estimated project cost

The total estimated project cost of the RPTL Transmission Project is ₹29,360.00 crores, as per the Detailed Project Report issued in July 2026, by Techmodec Consultants Private Limited (the “**RPTL DPR Report**”). The detailed break-down of estimated project cost for setting up of the RPTL Transmission Project as per the RPTL DPR Report is set forth below:

S. No.	Particulars	Amount (in ₹ crores)
1.	Total cost of transmission line & substation (including T&D)	20,578.83
2.	Land & SPV transfer cost	244.52
3.	Preliminary & Pre-operative Expenses	616.20
4.	Contingency & PV	1,500.00
5.	Financing Cost (IDC & Financing charges, Insurance & WCM)	3,789.00
6.	PMC Charges	2,631.00
Total		29,360.00

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the RPTL Transmission Project has been funded through external borrowings of ₹ 1,675.53

crores availed by Rajasthan Part I Power Transmission Limited and equity infusions in Rajasthan Part I Power Transmission Limited of ₹ 1,415.95 crores.

10. Capital expenditure towards setting up of a transmission system for network expansion scheme for drawal of power at South Kalamb substation: Part A.

Our Company has been selected as a transmission service provider for “Transmission system for Network Expansion Scheme for drawal of power at South Kalamb substation: Part A” through a tariff based competitive bidding process to set up a project on a build, own, operate and transfer basis, and to provide transmission service. The project includes setting up of 3×1,500 MVA, 765/400 kV ICTs at South Kalamb substation along with creation of new 765 kV Bus Sections-II & III and 400 kV Bus Sections-II & III with 2×330 MVAR, 765 kV bus reactors and 2×125 MVAR, 420 kV bus reactors on Section-III, LILO of the Nagothane – Padghe 400 kV D/C line at South Kalamb, LILO of the Pune (AIS) – Navi Mumbai 400 kV line at South Kalamb, and LILO of the Pune (AIS) – Vikhroli 400 kV line at South Kalamb, traversing the Raigad district in Maharashtra (“SKPTL Transmission Project”).

South Kalamb Power Transmission Limited (“SKPTL”), one of our Subsidiaries, was acquired as a special purpose vehicle from PFC Consulting Limited on March 30, 2026, for setting up the SKPTL Transmission Project.

Estimated project cost

The total estimated project cost of the SKPTL Transmission Project is ₹1,459.74 crores, as per the Detailed Project Report issued in June 2026, by Techmodec Consultants Private Limited (the “SKPTL DPR Report”). The detailed break-down of estimated project cost for setting up of the SKPTL Transmission Project as per the SKPTL DPR Report is set forth below:

S.No	Particulars	Amount (in ₹ crores)
1.	Total cost of transmission line (including T&D)	122.23
2.	Total Substation Cost (including T&D)	809.65
3.	Land & SPV Transfer Cost	12.47
4.	Preliminary & Pre-operative Expenses	403.22
5.	Contingency & PV	32.42
6.	Financing Cost (including IDC & Financing charges, Insurance & WCM)	79.75
Total		1,459.74

Note: The capital cost estimated is exclusive of any future escalation and exchange rate variations, revalidated in July, 2026.

As of June 30, 2026, the SKPTL Transmission Project has been funded through equity infusions in South Kalamb Power Transmission Limited of ₹ 0.01 crore.

In this regard, while our Company has identified the Projects, the actual allocation of the Net Proceeds will depend on a number of factors including commercial conditions, financial and market conditions, business and operational requirements of such Projects or Subsidiaries, business and strategy, project execution timelines, execution of new projects, competition, negotiation with vendors, variation in cost estimates on account of factors, including changes in design or configuration of the project, incremental pre-operative expenses and other external factors such as changes in the business environment and interest or exchange rate fluctuations, which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose at the discretion of our management, subject to compliance with applicable laws. In addition to the above, our Company may utilise the funds earmarked for this Object towards other transmission system projects and other projects in our current business portfolio (including smart metering, distribution and cooling solutions) as outlined above as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law, including necessary provisions of the Companies Act, 2013.

Means of finance for the Projects

Accordingly, our Company will invest such amounts, aggregating to ₹ [●] crores, from the Net Proceeds into our Subsidiaries, namely, HTL, Khavda IV A, MTL, NTL, PTL, WRNES TL, JTL, KPS III, RPTL and SKPTL as deemed appropriate. The Projects will be funded partly from the Net Proceeds and the balance amount in relation to the Projects will be funded by way of equity or debt or such other means as permissible under the applicable laws. Our Company proposes to invest such amounts from the Net Proceeds, either directly or indirectly, by way of subscription to its equity shares, preference shares, optionally convertible debentures / compulsorily convertible debentures / perpetual securities and/or by way of sub-ordinate debt or other permissible instruments / methods. Such investments may be in the form of debt or equity or in any other manner as may be mutually decided and will depend on various factors at the time of making the investment, including business considerations, general economic conditions and market factors, compliance with applicable regulations and tax laws with respect to mode of investment and nature of instrument

(convertible or non-convertible), efficient structure evaluation based on impact on working capital and cash flows of our Company owing to the investment (including interest, tax outflows etc.) and timeline basis profitability and cash flows of the subsidiary being invested in, relevant approvals to be obtained from our Board, the Audit Committee and our Shareholders (if required under the applicable laws) for making the investments. The actual mode of investment has not been finalised as on the date of this Preliminary Placement Document and will be finalized at the time of utilization of the funds received from the Net Proceeds. Currently, all these Subsidiaries, namely, HTL, Khavda IV A, MTL, NTL, PTL, WRNES TL, JTL, KPS III, RPTL and SKPTL, are directly/indirectly wholly owned subsidiaries of our Company and irrespective of the mode of investment of Net Proceeds, these are expected to remain subsidiaries of our Company, subject to business considerations, general economic conditions and other factors applicable at the time of the investment.

II. Repayment/ pre-payment, in full or in part, of certain outstanding borrowings availed by our Company and some of our Subsidiaries, including the interest accrued thereon

We avail fund-based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. The borrowing arrangements entered into by us include, *inter alia*, term loans, bonds, non-convertible debentures and working capital facilities. As of June 30, 2026, we had total outstanding borrowings of ₹ 50,841.67 crores[^], on a consolidated basis.

[^] Outstanding amount as per IndAS and after adjustment for ancillary costs.

We propose to utilise an estimated amount of ₹[●] crores from the Net Proceeds towards full or partial repayment or pre-payment of certain outstanding borrowings availed by our Company and some of our Subsidiaries, including the interest and other cost accrued thereon. The selection of borrowings or instruments proposed to be repaid by us shall be based on various factors including (i) any conditions attached to the borrowings or instruments restricting our ability to prepay the borrowings or instruments and time taken to fulfil such requirements; (ii) cost of borrowing, including applicable interest rates; and (iii) commercial considerations including, among others, the interest rate on the loan facility, the amount of the loan outstanding, the remaining tenor of the loan, pre-payment penalties, etc. Given the nature of the borrowings and the terms of repayment or prepayment, the aggregate outstanding amount under these borrowings may vary from time to time and our Company may, in accordance with the relevant repayment schedule, avail additional funds or repay or refinance some of their existing borrowings prior to Allotment. Our Company retains the right to utilize the Net Proceeds to repay and/or prepay in full or in part the borrowings identified herein below including any refinancing undertaken by our Company to repay these borrowings as well as repay and/or prepay any other existing or fresh borrowings taken by our Company or our Subsidiaries (in which event the Board shall have the discretion to decide the mode of investment in such Subsidiary).

We believe that the proposed repayment and/or prepayment of a portion of certain outstanding borrowings availed by our Company and some of our Subsidiaries, will result in certain credit and liquidity lines being available for future business growth, provide opportunity to reduce debt servicing costs and enable us to consider alternative sources of funds at lower costs and/or at longer tenor or other better terms and conditions.

Our Company proposes to repay and/or prepay either fully or partly any of the following borrowings availed, including combination thereof, subject to terms and conditions stated above:

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I. Company's Borrowings

The following table provides the details of certain borrowings availed by our Company, as on July 22, 2026, which we currently propose to prepay or repay, in full or in part, from the Net Proceeds:

Name of the Lender	Nature of borrowing	Amount Sanctioned	Principal outstanding^	Interest outstanding	Total outstanding amount	Repayment date/ Schedule	Tenor	Rate of interest (% per annum)	Purpose for which the loan was availed ^s
IndusInd Bank Limited	Overdraft against fixed deposit	425.00	403.00	1.53	404.53	NA	NA	0.50% spread over and above rate of deposit	Working capital
Yes Bank Limited	Overdraft against fixed deposit	575.00	575.00	2.32	577.32	NA	NA	0.50% spread over and above rate of deposit	Working capital
Bandhan Bank Limited	Working capital demand loan	100.00	100.00	0.46	100.46	December 21, 2026	6 months	7.65%	Working capital
ICICI Bank Limited	Working capital demand loan	100.00	100.00	0.57	100.57	September 2, 2026	4 months	9.10%	Working capital
State Bank of India	Cash credit	100.00	100.00	0.51	100.51	NA	NA	9.00%	Working capital
Total					1,283.39				

^s As certified by Dharmesh Parikh & Co LLP, Chartered Accountants, pursuant to their certificate dated July 27, 2026, these borrowings have been utilized for the purposes for which they were availed, as provided in the relevant borrowing documents.

[^] Outstanding amount as per IndAS and after adjustment for ancillary costs.

II. Borrowings of our Subsidiary

The following table provides the details of borrowing availed by some of our Subsidiaries, as on July 22, 2026, which we currently propose to prepay or repay, in full or in part, from the Net Proceeds:

Name of the Lender	Nature of borrowing	Amount Sanctioned	Principal outstanding	Interest outstanding	Total outstanding amount	Repayment date/ Schedule	Tenor	Rate of interest (% per annum)	Purpose for which the loan was availed ^s
<i>as at July 22, 2026 (₹ in crores)</i>									
Halvad Transmission Limited									
Multiple lenders*	Term loan	1,950.00	1,667.00	9.50	1,676.50	December 27, 2026	22 years	9.35%	Capital expenditure
KPS 1 Transmission Limited									
Power Finance Corporation Limited	Term Loan	597.36	549.45	0.98	550.43	May 15, 2049	25 years	9.25%	Capital expenditure
Khavda II-A Transmission Ltd									
Power Finance Corporation Limited	Term Loan	815.50	813.70	1.45	815.15	June 15, 2048	25 years	9.25%	Capital expenditure
Total					3,041.08				

* State Bank of India, UCO Bank, Punjab & Sind bank and Bank of Maharashtra.

^s As certified by Dharmesh Parikh & Co LLP, Chartered Accountants, pursuant to their certificate dated July 27, 2026, these borrowings have been utilized for the purposes for which they were availed, as provided in the relevant borrowing documents.

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To the extent that Net Proceeds of the Issue are utilised to repay and/or prepay any of the borrowings availed by any of our Subsidiary, our Company shall deploy the Net Proceeds through a suitable mode of investment (either through debt or equity or other permissible methods) in the Subsidiary, to be decided at the sole discretion of our Board of Directors. The actual mode of investment has not been finalised as on the date of this Preliminary Placement Document and will be finalized at the time of utilization of the funds received from the Net Proceeds.

Given the nature of the borrowings and the terms of repayment, the aggregate outstanding amounts under the borrowings may vary from time to time and our Company and our Subsidiaries, may, in accordance with the relevant repayment schedule, repay or refinance some of its existing borrowings prior to Allotment. Further, the amounts outstanding under the borrowings as well as the sanctioned limits are dependent on several factors and may vary with the business cycle of our Company and our Subsidiaries, with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits.

Some of the borrowings availed by our Company and our Subsidiaries may provide for the levy of a prepayment penalty. In the event that there are any prepayment penalties required to be paid under the terms of relevant financing agreement, such prepayment penalties shall be paid by our Company and our Subsidiaries, out of the internal accruals of our Company and our Subsidiaries, as applicable.

The amounts under the loan facilities may be dependent on various factors and may include intermediate repayments and drawdowns. Accordingly, it may be possible that amount outstanding under the loan facilities may vary from time to time. We may, from time to time, repay, refinance, enter into further financing arrangements or draw down funds from any such existing term loan facilities. In such event, we may, at our discretion, utilise the Net Proceeds towards repayment of any existing or additional indebtedness which will be selected based on various commercial considerations including, amongst others, the interest rate on the loan facility, the amount of the loan outstanding and the remaining tenor of the loan, any conditions attached to the borrowings restricting our ability to repay the borrowings, as applicable and applicable law governing such borrowings.

III. Proposed acquisition of 100% equity shares of Intellismart Infrastructure Private Limited (“Intellismart”)

Our Company entered into a securities purchase and subscription agreement, dated June 9, 2026, (“SPSA”) with National Investment and Infrastructure Fund (“NIIF”) and Energy Efficiency Services Limited (“EESL” and with NIIF, the “Sellers”) and Intellismart to: (i) acquire 100% of the issued and paid-up share capital of Intellismart from the Sellers; and (ii) finance the redemption of the optionally convertible debentures issued by Intellismart and held by NIIF, and certain employee incentive payments, by subscribing to or investing in Intellismart by way of optionally convertible debentures or preference shares to be issued by Intellismart or inter corporate deposits, subject to regulatory and other customary approvals (“**Proposed Acquisition**”). Our Company proposes to utilize the Net Proceeds aggregating to [●] crores, subject to certain closing adjustments as specified in the SPSA, to finance the Proposed Acquisition.

IntelliSmart operates a portfolio of over 22 million smart meters across Uttar Pradesh, Gujarat, Madhya Pradesh, Bihar and Assam as of June 30, 2026. This acquisition is expected to strengthen our position within India’s smart metering industry and deliver synergies through economies of scale and integration with our broader energy platform.

Upon the receipt of the regulatory approvals and the completion of the conditions precedent under the SPSA, our Company will complete the Proposed Acquisition as per the terms of the SPSA. Further, as per the terms of the SPSA, our Company has, on July 22, 2026, submitted an application to the CCI for obtaining its approval in terms of the Competition Act in respect of the consummation of the Proposed Acquisition (the “**CCI Approval**”). In addition, pursuant to the terms of the SPSA, the Sellers and our Company is required to seek consent from the lenders, pursuant to certain financing arrangements, for a change of control, among other things. For risks in relation to the CCI Approval and receipt of consents, please see “*Risk Factors – 16. The completion of the proposed acquisition of the equity shares of Intellismart is subject to certain conditions, and failure to complete the acquisition may adversely affect our future business, growth prospects and consequent results of operations.*” on page 45.

Our Company will have flexibility in deploying the Net Proceeds as approved by our Board and/ or a duly authorized committee of our Board from time to time. Further, in the event that relevant regulatory approvals and other conditions in relation to the Proposed Acquisition are not obtained/ satisfied within the timelines envisaged, or at all, the surplus funds from the Net Proceeds may be utilized towards pursuing alternate organic or inorganic growth initiatives, in terms of applicable law. However, as on date, we have not identified any entities or acquisition targets and any such organic or inorganic growth initiatives will be undertaken in accordance with applicable law.

IV. General corporate purposes

Our Company proposes to deploy the Net Proceeds aggregating to ₹ [●] crores towards general corporate purposes, subject to such amount not exceeding 25% of the Gross Proceeds.

The general corporate purposes for which our Company proposes to utilise the Net Proceeds include, *inter alia*, strategic initiatives, working capital requirements, repayment or pre-payment of our borrowings, business development activities, funding growth opportunities, including partnerships, tie-ups, joint ventures, acquisitions and meeting exigencies, investment/loans towards our Subsidiaries, meeting expenses incurred by our Company, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (including capital expenditure) considered expedient and as approved periodically by our Board or a duly appointed committee thereof, subject to compliance with applicable law, including necessary provisions of the Companies Act, 2013. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available and the business requirements of our Company, from time to time.

Our Company's management shall have flexibility in utilising surplus amounts, if any, as may be approved by our Board or a duly appointed committee from time to time. In case of variation in the actual utilization of funds designated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, which are not applied to the other purposes set out above.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds our Company shall invest such proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / mutual funds, as approved by the Board and/or a duly authorized committee of the Board, from time to time, and in accordance with applicable laws. Provided that, in accordance with applicable laws, we undertake to not utilize the proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges.

Monitoring of utilisation of funds

Our Company has appointed CARE Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency in accordance with Regulation 173A of the SEBI ICDR Regulations for monitoring the utilisation of Gross Proceeds as the size of our Issue exceeds ₹100 crores. The report of the Monitoring Agency shall be placed before the Audit Committee on a quarterly basis, promptly upon its receipt, until such time as the Gross Proceeds have been utilized in full or the Objects for which the Gross Proceeds were raised have been achieved. Such report, along with the comments (if any) of the Monitoring Agency shall be submitted to the Stock Exchanges within 45 days from the end of each quarter and uploaded on the website of our Company, or such other time as may be prescribed under the SEBI Listing Regulations.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Gross Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects as stated above or the Objects for which the Gross Proceeds were raised have been achieved. This information will also be published on our website and our Company shall furnish an explanation for the deviations and category-wise variations in its annual report.

Other confirmations

As permissible under the applicable laws, our Company's management will have flexibility in deploying the Net Proceeds.

Neither our Promoters nor our Directors are making any contribution either as a part of the Issue or separately in furtherance of the use of the Net Proceeds. Further, neither our Promoters nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs; and our Promoters, Directors, Key Managerial Personnel or Senior Management are not eligible to subscribe in the Issue.

Except as stated below, there are no material existing or anticipated transactions in relation to the utilisation of the Net Proceeds entered into or to be entered into by our Company with our Promoter, Promoter Group, Directors, Key Managerial Personnel and/or Senior Management:

Our Subsidiaries may pay certain amounts from the Net Proceeds of the Issue to our related parties (including entities forming part of the Promoter Group) from whom goods and services are or will be availed in ordinary course of business and in furtherance of the capital expenditure as set out herein above in compliance with applicable laws.

CAPITALISATION STATEMENT

The following table sets forth our capitalisation statement as at June 30, 2026 on a consolidated basis derived from the Consolidated Unaudited Quarterly Financial Results and as adjusted for the Issue. This table should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations”, “Financial Information” and “Risk Factors” on pages 473, 98 and 35, respectively:

(in ₹ crore, unless otherwise stated)		
Particulars	As of June 30, 2026	As adjusted for the Issue ⁽¹⁾
Current borrowing:		
Secured	1,630.63	[●]
Unsecured	263.63	[●]
Non-current borrowing (including current maturities of long-term debt):		
Secured	46,201.44	[●]
Unsecured	2,745.97	[●]
Total borrowing (a)	50,841.67	[●]
Shareholders' funds:		
Share capital	1,201.28	[●]
Securities premium	11,948.81	[●]
Reserves and surplus (excluding securities premium)	13,274.14	[●]
Non-controlling Interest	1,161.38	[●]
Shareholders funds (excluding borrowings) (b)	27,585.61	[●]
Total capitalization (a + b)	78,427.28	[●]
Current Borrowing / Shareholders Funds	0.07	[●]
Total Borrowing / Shareholders Funds	1.84	[●]

Note:

(1) The corresponding post-Issue capitalisation data for each of the amounts given in the above table is not determinable at this stage and hence the same has not been provided in the above statement.

CAPITAL STRUCTURE

The Equity Share capital of our Company as on the date of this Preliminary Placement Document is set forth below:

Particulars		(In ₹, except share data)
		Aggregate value at face value (except for securities premium account)
A	AUTHORIZED SHARE CAPITAL	
	1,50,00,00,000 Equity Shares (of face value of ₹10 each)	15,00,00,00,000
B	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	
	1,20,12,82,642 Equity Shares (of face value of ₹10 each)	12,01,28,26,420
C	PRESENT OFFER IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT	
	Up to [●] Equity Shares of face value of ₹ 10 each aggregating up to ₹ [●] crore ⁽¹⁾⁽²⁾	[●]
D	ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE	
	[●] Equity Shares (of face value of ₹10 each)	[●]
E	SECURITIES PREMIUM ACCOUNT	
	Before the Issue ⁽³⁾	11,948.81
	After the Issue ⁽⁴⁾	[●]

⁽¹⁾ The Issue has been authorised by our Board pursuant to a resolution dated July 1, 2026 and by our Shareholders pursuant to a resolution dated July 25, 2026.

⁽²⁾ To be determined upon finalisation of the Issue Price.

⁽³⁾ As on the date of this Preliminary Placement Document.

⁽⁴⁾ The securities premium account after the Issue is calculated on the basis of Gross Proceeds from the Issue. Adjustments do not include Issue related expenses.

Equity Share Capital History of our Company

The history of the Equity Share capital of our Company since the date of incorporation is set forth below:

Date of allotment	Nature of allotment	No. of equity shares allotted	Face value per equity share (in ₹)	Issue price per equity share (in ₹)	Nature of consideration	Cumulative number of Equity Shares
December 9, 2013	Subscription to the MOA	50,000	10	10	Cash	50,000
February 3, 2015	Rights issue in the ratio of 21,799 Equity Shares per every 1 Equity Share	1,08,99,50,000	10	10	Cash	1,09,00,00,000
Pursuant to the composite scheme of arrangement sanctioned by the High Court of Gujarat on May 7, 2015, 1,09,00,00,000 Equity Shares of our Company were extinguished and cancelled*						
June 8, 2015	Composite scheme of arrangement*	10,99,810,083	10	NA	NA	1,09,98,10,083
May 12, 2022	Preferential issue	1,56,82,600	10	2,454.95	Cash	1,11,54,92,683
August 3, 2024	Private placement by way of a qualified institutions placement	8,57,89,959	10	976	Cash	1,20,12,82,642

*The composite scheme of arrangement sanctioned by the High Court of Gujarat on May 7, 2015 with effect from April 1, 2015, inter alia, provided for demerger of the transmission undertaking of Adani Enterprises Limited ("AEL") comprising the undertaking, business, activities, operations, assets and liabilities pertaining to the Mundra-Zerda transmission line and shareholders of AEL were allotted Equity Shares in the ratio of 1:1 i.e. one equity share of the Company for every one Equity Share of AEL. Accordingly, existing holding of 1,09,00,00,000 Equity Shares of AEL in the Company were extinguished and cancelled and 1,09,98,10,083 Equity Shares were issued and allotted to eligible shareholders of AEL on June 8, 2015.

No change in control in our Company will occur consequent to the Issue.

Our Company has not made any allotment of Equity Shares, including for consideration other than cash, in the one year immediately preceding the date of filing of this Preliminary Placement Document.

There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Preliminary Placement Document.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees and the percentage of the post Issue Equity Share capital that may be held by them, please, see "Details of Proposed Allottees" on page 653.

Pre-Issue and post-Issue shareholding pattern

The pre-Issue and post-Issue shareholding pattern of our Company is set forth below:

S. No.	Category	Pre-Issue [#]		Post-Issue ^{**}	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding
A.	Promoters' holding[^]				
1.	<i>Indian</i>				
	Individuals	42	0.00	[•]	[•]
	Bodies corporate	11,60,67,325	9.66	[•]	[•]
	Others (Promoter trusts)	60,16,34,660	50.08	[•]	[•]
	Sub-total	71,77,02,027	59.74	[•]	[•]
2.	<i>Foreign promoters</i>	17,97,93,800	14.97	[•]	[•]
	Sub-total (A)	89,74,95,827	74.71	[•]	[•]
B.	Non-Promoters' holding				
1.	Institutional investors	26,42,52,714	22.00	[•]	[•]
2.	Non-institutional investors	6,82,600	0.06		
	Private Corporate Bodies	50,53,427	0.42	[•]	[•]
	Directors and relatives	1,06,925	0.00	[•]	[•]
	Indian public	3,04,67,596	2.54	[•]	[•]
	Others including non-resident Indians (NRIs)	32,23,553	0.27	[•]	[•]
	Sub-total (B)	30,37,86,815	25.29	[•]	[•]
	Grand Total (A+B)	1,20,12,82,642	100.00	[•]	100.00

[#] This shareholding data is based on the beneficiary position data of our Company as of July 24, 2026.

[^] This includes shareholding of the members of the Promoter Group.

^{**} The post-Issue shareholding pattern shall be filled-in before filing of the Placement Document with the Stock Exchanges.

DIVIDENDS

Our Company adopted a dividend distribution policy in accordance with Regulation 43A of the SEBI Listing Regulations on October 24, 2016 (“**Dividend Policy**”). The Dividend Policy is designed to lay down on guidelines on dividend distribution with the objectives of rewarding our Shareholders by sharing a portion of the profits, whilst also ensuring that sufficient funds are retained for the future growth of our Company. Towards this end, the Dividend Policy lays down parameters to be considered by our Board of Directors for declaration of dividend from time to time.

In terms of the Dividend Policy, the form, frequency and amount of dividend, if any, will depend on a number of internal factors and external factors, which, *inter alia*, include, (i) profits earned during the year; (ii) capital expenditure requirements; (iii) past performance / dividend history of our Company; (iv) resources required to fund acquisitions and / or new businesses; (v) cash flow required to meet operations and contingencies; (vi) cost of borrowings and outstanding borrowings; (vii) return on capital invested and post dividend earnings per share; (viii) additional investments in Subsidiaries or associates of our Company; (ix) state of the economy; (x) statutory restrictions; and (xi) any other factor as deemed fit by our Board.

Further, the Dividend Policy also enumerates certain circumstances under which our Shareholders may or may not expect dividend, which include *inter alia* (i) our Company undertaking or proposing to undertake a significant expansion project requiring higher capital allocation; (ii) significant higher working capital requirements adversely impacting free cash flow; (iii) our Company undertaking acquisitions or restructurings or joint ventures requiring significant allocation or reduction of capital; (iv) our Company proposing to utilize surplus cash for buy-back of securities; and (v) in the event of inadequacy of profits or whenever our Company has incurred losses.

The declaration and payment of dividend by our Company is governed by the applicable provisions of the Companies Act, 2013, SEBI Listing Regulations and the Articles of Association of our Company.

Our Company has not declared any dividend during the quarter ended June 30, 2026, and during the Fiscals 2026, 2025 and 2024, and from July 1, 2026 till the date of this Preliminary Placement Document.

The Equity Shares to be issued in connection with this Issue shall qualify for all dividends, including interim dividend, if any, that is declared in respect of the fiscal in which they have been allotted.

Also see “*Taxation*” and “*Risk Factors*” on pages 633 and 35, respectively.

Investors are cautioned not to rely on past dividends as an indication of the future performance of our Company or for an investment in the Equity Shares offered in the Issue. For details see “*Risk Factors - 4. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares or dividend paid thereon.*” on page 73.

FINANCIAL INFORMATION

The following tables set out selected financial information extracted from our Financial Statements, prepared in accordance with the applicable accounting standards (Ind AS), Companies Act and the requirements of SEBI Listing Regulations, as applicable, and presented in the Financial Statements. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on page 473 for further details.

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SUMMARY OF CONSOLIDATED BALANCE SHEET

(in ₹ crore)

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
Property, Plant and Equipment	44,227.08	37,049.07	36,436.74
Right of Use Assets	833.04	796.15	783.11
Capital Work-In-Progress	2,053.60	5,695.36	3,002.69
Goodwill	598.29	598.29	598.29
Intangible Assets	1,145.53	1,111.24	1,101.60
Intangible Assets Under Development	-	6.88	-
Financial Assets			
(i) Investments	407.29	348.72	323.79
(ii) Trade Receivable	101.97	106.30	201.68
(iii) Loans	10.58	15.88	22.51
(iv) Other Financial Assets	11,891.28	5,084.68	3,639.44
Deferred Tax Assets (Net)	78.17	57.85	40.43
Non-Current Tax Assets (Net)	159.63	99.47	57.55
Other Non-current Assets	11,486.78	6,316.09	2,752.86
Total Non-current Assets	72,993.24	57,285.98	48,960.69
Current Assets			
Inventories	669.45	625.24	255.28
Financial Assets			
(i) Investments	2,236.32	2,289.69	442.69
(ii) Trade Receivables	5,733.75	4,217.86	3,744.54
(iii) Cash and Cash Equivalents	1,734.57	2,190.38	742.06
(iv) Bank Balances other than (iii) above	2,212.77	1,428.30	1,486.08
(v) Loans	5.77	6.45	407.78
(vi) Other Financial Assets	1,525.59	262.90	181.18
Other Current Assets	3,707.54	2,565.69	787.15
Total Current Assets	17,825.76	13,586.51	8,046.76
Total Assets before Regulatory Deferral Account	90,819.00	70,872.49	57,007.45
Regulatory Deferral Account - Assets	2,015.92	3,087.61	1,571.36
Total Assets	92,834.92	73,960.10	58,578.81
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	1,201.28	1,201.28	1,115.49
Other Equity	24,226.26	20,866.92	11,526.06
Total Equity attributable to Equity Owners of the Company	25,427.54	22,068.20	12,641.55
Non-Controlling Interests	1,098.10	943.06	1,061.58
Total Equity	26,525.64	23,011.26	13,703.13
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	45,367.32	36,992.29	33,559.62
(ii) Lease Liabilities	260.60	50.83	45.49
(iii) Trade Payables			
(A) Total outstanding dues of micro enterprises and small enterprises;	-	-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	40.06	38.88	37.39
(iii) Other Financial Liabilities	1,247.41	1,020.34	513.12
Other Non-Current Liabilities	654.91	522.77	420.37
Provisions	680.99	553.57	630.23
Deferred Tax Liabilities (Net)	2,490.14	1,753.76	1,652.78
Total Non-current Liabilities	50,741.43	40,932.44	36,859.00
Current Liabilities			
Financial Liabilities			
(i) Borrowings	3,531.13	2,864.50	3,449.25
(ii) Lease Liabilities	17.38	18.37	15.29
(iii) Trade acceptances	2,415.92	349.29	-
(iv) Trade Payables			

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(A) Total outstanding dues of micro enterprises and small enterprises;	95.86	52.97	50.92
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.	4,897.79	2,902.65	1,465.00
(v) Other Financial Liabilities	3,382.07	3,001.82	2,250.02
Other Current Liabilities	870.27	622.47	630.68
Provisions	206.87	105.52	98.51
Current Tax Liabilities (Net)	28.99	5.09	3.18
Total Current Liabilities	15,446.28	9,922.68	7,962.85
Total Liabilities before Regulatory Deferral Account	66,187.71	50,855.12	44,821.85
Regulatory Deferral Account-Liabilities	121.57	93.72	53.83
Total Equity and Liabilities	92,834.92	73,960.10	58,578.81

SUMMARY OF CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(in ₹ crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from Operations	27,588.03	23,767.09	16,607.36
Other Income	737.13	679.46	610.95
Total Income	28,325.16	24,446.55	17,218.31
Expenses			
Cost of Power Purchased	6,347.88	5,584.14	4,340.30
Cost of Fuel	-	623.54	1,119.09
Construction expenses relating to Service Concession Arrangements (SCA)	7,135.35	4,739.70	842.22
Purchases of Stock-in-Trade	1,004.14	1,365.74	1,028.95
Employee Benefits Expense	1,092.64	1,032.94	951.70
Finance Costs	3,632.90	3,259.16	2,766.51
Depreciation and Amortisation Expense	1,978.23	1,905.95	1,776.08
Other Expenses	2,923.62	2,013.76	2,153.89
Total Expenses	24,114.76	20,524.93	14,978.74
Profit Before Rate Regulated Activities, Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year	4,210.40	3,921.62	2,239.57
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	(1,095.56)	(1,340.75)	(460.01)
Profit Before Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year	3,114.84	2,580.87	1,779.56
Exceptional Items	-	(1,506.02)	-
Profit Before Tax and Deferred Assets recoverable/adjustable for the year	3,114.84	1,074.85	1,779.56
Tax Expense:			
Current Tax	392.80	195.04	298.60
Deferred Tax	378.91	(16.05)	281.53
Total Tax Expenses	771.71	178.99	580.13
Profit After Tax for the year but before Deferred Assets recoverable/adjustable	2,343.13	895.86	1,199.43
Deferred assets recoverable/adjustable	49.62	25.83	(3.82)
Profit After Tax for the year	2,392.75	921.69	1,195.61
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan	9.93	(14.03)	(14.76)
- Movement in Regulatory Deferral Balance	(4.24)	15.88	13.99
- Tax relating to items that will not be reclassified to Profit or Loss	(0.15)	(0.18)	0.01
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge	1,453.10	237.43	(375.33)
- Tax relating to items that will be reclassified to Profit or Loss	(337.01)	(52.94)	93.62
Other Comprehensive Income/ (Loss) for the year (Net of Tax)	1,121.63	186.16	(282.47)
Total Comprehensive Income for the year	3,514.38	1,107.85	913.14
Profit for the year attributable to:			
Owners of the Company	2,282.54	1,059.97	1,137.28
Non-controlling interests	110.21	(138.28)	58.33
	2,392.75	921.69	1,195.61
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company	1,074.13	164.41	(246.65)
Non-controlling interests	47.50	21.75	(35.82)
	1,121.63	186.16	(282.47)
Total Comprehensive Income for the year attributable to:			
Owners of the Company	3,356.67	1,224.38	890.63
Non-controlling interests	157.71	(116.53)	22.51
	3,514.38	1,107.85	913.14
Earnings Per Share (EPS) (in Rs.) (Face Value Rs. 10 Per Share)			

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic / Diluted Earnings per Equity Share (Face Value of Rs. 10 each) after Net movement in Regulatory Deferral Account Balances (Rs.)	19.00	9.05	10.20
Basic / Diluted Earnings per Equity Share (Face Value of Rs. 10 each) before Net movement in Regulatory Deferral Account Balances (Rs.)	24.68	16.14	12.87

SUMMARY OF STATEMENT OF CONSOLIDATED CASH FLOWS

(in ₹ crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flows from operating activities			
Profit before tax	3,114.84	1,074.85	1,779.56
Adjustments for:			
Depreciation and Amortisation Expense	1,978.23	1,905.95	1,776.08
Amortisation of Service Line Contribution	(25.11)	(22.75)	(17.46)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(118.90)	(125.92)	(43.10)
Finance Costs	3,632.90	3,259.16	2,766.51
Interest Income	(472.27)	(488.36)	(386.62)
Gain on buy-back of bond	(72.22)	-	(136.49)
Unclaimed liabilities / Excess provision written back	(28.25)	(11.94)	(8.39)
Bad Debt Written Off	17.23	16.64	17.09
Loss / (Gain) on sale/scraping of Property, Plant and Equipment	16.58	(3.80)	(3.73)
Foreign Exchange Fluctuation Loss	0.52	1.13	0.40
Exceptional Item on account of divestment of Dahanu Thermal Power Plant	-	1,506.02	-
Bad debt recovery	(26.33)	(33.38)	-
Operating profit before working capital changes	8,017.22	7,077.60	5,743.85
Changes in Working Capital:			
(Increase) / Decrease in Operating Assets:			
Inventories	(44.21)	(476.10)	(103.37)
Trade Receivables	(1,502.46)	327.32	(604.78)
Other Financial Assets and Other Assets	(943.72)	(450.33)	498.86
Regulatory Deferral Account - Assets	1,071.69	1,285.75	392.47
Increase / (Decrease) in Operating Liabilities:			
Trade Payables	1,966.96	967.18	92.97
Other Financial Liabilities, Trade acceptances, Other Liabilities and Provisions	2,832.43	501.90	263.87
Regulatory Deferral Account - Liabilities	27.85	39.89	53.83
Cash generated from operations	11,425.76	9,273.21	6,337.70
Income taxes paid (Net)	(429.08)	(228.70)	(300.08)
Net cash generated from operating activities (A)	10,996.68	9,044.51	6,037.62
B. Cash flows from investing activities			
Purchase of Property, Plant and Equipment (including capital advance and contract assets under Service Concession arrangements)	(14,431.80)	(9,378.14)	(5,429.54)
Acquisition of Subsidiaries	(50.50)	(2,581.63)	(34.79)
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)	(15.60)	(17.63)	(16.10)
Proceeds/(Purchase) of current investment (net)	127.85	(1,727.04)	682.85
Deposits in Bank deposits (net) (Including Margin money deposit)	(125.64)	(489.08)	(494.39)
Acquisition of regulatory assets under approval	-	(2,802.00)	-
Proceeds from sale of business	-	815.00	-
Non-current Loans received back	5.30	404.57	-
Current Loan (Given to) / Received back (net)	0.67	(1.33)	3.83
Interest Received	406.84	549.69	345.11
Net cash used in investing activities (B)	(14,082.88)	(15,227.59)	(4,943.03)
C. Cash flows from financing activities			
Increase in Service Line Contribution	164.03	84.86	107.21
Proceeds from issue of shares	-	8,373.10	-
Proceeds from Long-term borrowings	16,568.73	7,251.80	5,458.95
Repayment of Long-term borrowings	(10,455.18)	(4,172.98)	(3,140.78)
Proceeds/(repayment) from Short-term borrowings (net)	455.30	(914.67)	361.25
Payment of Dividend on Equity Shares	-	-	(85.78)
Finance Cost paid	(4,074.89)	(2,976.56)	(3,221.95)
Payment of Lease Liabilities (including interest paid on lease liabilities)	(27.67)	(19.62)	(22.14)
Net cash generated from / (used in) financing activities (C)	2,630.32	7,625.93	(543.24)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(455.88)	1,442.85	551.35

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash and cash equivalents at the beginning of the year	2,190.38	742.06	190.64
Cash and cash equivalents acquired on acquisition of business	0.07	5.47	0.07
Cash and cash equivalents at the end of the year	1,734.57	2,190.38	742.06

**SUMMARY OF CONSOLIDATED UNAUDITED QUARTERLY FINANCIAL RESULTS FOR THE QUARTER
ENDED JUNE 30, 2026 AND JUNE 30, 2025**

Particulars	For the quarter ended June 30, 2026 (unaudited)	For the quarter ended June 30, 2025 (unaudited)
Income		
(a) Revenue from operations (refer note 2)	9,711.08	6,819.28
(b) Other Income	141.12	206.21
Total Income	9,852.20	7,025.49
Expenses		
(a) Cost of Power Purchased	3,560.70	1,723.67
(b) Construction Expenses relating to Service Concession Arrangements	2,137.67	1,741.87
(c) Purchases of Stock-in-Trade	67.22	192.04
(d) Employee benefits expense	227.97	231.23
(e) Finance costs	1,151.73	894.03
(f) Depreciation and amortisation expense	585.35	464.82
(g) Other expenses	709.07	615.89
Total Expenses	8,439.71	5,863.55
Profit / (Loss) Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year (1-2)	1,412.49	1,161.94
Net Movement in Regulatory Deferral Account Balances - Income/(Expenses) (refer note 2)	28.55	(503.89)
Profit / (Loss) Before Tax and deferred assets recoverable/adjustable for the period / year (3+4)	1,441.04	658.05
Tax Expense		
Current Tax	250.48	80.24
Deferred Tax	(94.57)	36.88
Total Tax expense	155.91	117.12
Profit / (Loss) After Tax for the period / year but before Deferred Assets recoverable/adjustable (5-6)	1,285.13	540.93
Deferred assets recoverable/adjustable	(48.57)	(1.99)
Profit / (Loss) After Tax for the period / year (7+8)	1,236.56	538.94
Other Comprehensive Income / (Loss)		
(a) Items that will not be reclassified to profit or loss		
- Remeasurement gain / (loss) of Defined Benefit Plan	(12.19)	(5.84)
- Movement in Regulatory Deferral Balance	12.19	5.84
(b) Tax relating to items that will not be reclassified to Profit or Loss	-	-
(c) Items that will be reclassified to profit or loss		
- Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge	(202.66)	91.58
(d) Tax relating to items that will be reclassified to Profit or Loss	26.06	(30.99)
Other Comprehensive Income / (Loss) (net of tax)	(176.60)	60.59
Total Comprehensive Income / (Loss) for the period / year (9+10)	1,059.96	599.53
Profit / (Loss) attributable to :		
Owners of the Company	1,149.06	512.48
Non - Controlling Interest	87.50	26.46
	1,236.56	538.94
Other Comprehensive Income / (Loss) attributable to :		
Owners of the Company	(153.15)	48.73
Non - Controlling Interest	(23.45)	11.86
	(176.60)	60.59
Total Comprehensive Income / (Loss) attributable to :		
Owners of the Company	995.91	561.21
Non - Controlling Interest	64.05	38.32
	1,059.96	599.53
Paid-up Equity Share Capital (Face Value of ` 10 each)	1,201.28	1,201.28
Reserves (excluding Revaluation Reserve)	25,222.95	21,428.84
Securities Premium Account	11,948.81	11,948.81
Net worth (as per section 2(57) of Companies Act 2013)	25,418.41	22,523.62
Paid up Debt Capital / Outstanding Debt (Total borrowings)	50,841.67	40,762.39
Outstanding Redeemable Preference Shares	-	-
Basic / Diluted Earnings per Equity Share (Face Value of ` 10 each) after net Movement in Regulatory Account Deferral Balance (not annualized except year end) (‘)	9.57	4.27
Basic / Diluted Earnings per Equity Share (Face Value of ` 10 each) before net Movement in Regulatory Account Deferral Balance (not annualized except year end) (‘)	9.44	6.88

Particulars	For the quarter ended June 30, 2026 (unaudited)	For the quarter ended June 30, 2025 (unaudited)
Capital Redemption Reserve	2,436.53	2,436.53
Debenture redemption Reserve	22.73	23.61

Reservations, Qualifications and Adverse Remarks

Except as disclosed below and as disclosed under “Risk Factors – 20. The audit reports on our Audited Consolidated Financial Statements for Fiscal 2024 issued by our Statutory Auditors contain certain qualified opinions. Further, our Statutory Auditors have also included certain qualifications and adverse remarks pursuant to the Companies (Auditors Report) Order, 2020 (“CARO Order”) in our Audited Consolidated Financial Statements for Fiscal 2024.” on page 47, there are no reservations, qualifications and adverse remarks by our statutory auditors for the previous five Fiscals immediately preceding the date of this Preliminary Placement Document, and for the quarter ended June 30, 2026.

The audit report on our audited consolidated financial statements for Financial Year ended March 31, 2023 issued by our Statutory Auditors contains certain qualified opinions and basis for qualified opinions. The details of these are as follows:

March 31, 2023

Qualified Opinion

1. “We have audited the accompanying consolidated financial statements of Adani Transmission Limited (“the Parent”) and its subsidiaries, (the Parent and its subsidiaries together referred to as “the ATL Group”), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.”
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 reports of the other auditors on separate financial statements of subsidiaries referred to in the Other Matters section below, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”), and other accounting principles generally accepted in India, of the consolidated state of affairs of the ATL Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.”

Basis for Qualified Opinion

1. “The ATL Group had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The ATL Group has represented to us that there is no effect of the allegations made in the Short Seller Report on the consolidated financial statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani group. The ATL Group did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon’ble Supreme Court of India. The evaluation performed by the ATL Group, as stated in Note 59 to the consolidated financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the ATL Group and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon’ble Supreme Court of India as described in Note 59 to the consolidated financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the consolidated financial statements in respect of related parties, and whether the ATL Group should have complied with the applicable laws and regulations.”

The audit report on our audited standalone financial statements for Financial Year ended March 31, 2023 issued by our Statutory Auditors contains certain qualifications. The details of these are as follows:

March 31, 2023

Qualified Opinion

1. *"We have audited the accompanying standalone financial statements of Adani Transmission Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information."*
2. *"In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date."*

Basis for Qualified Opinion

1. *"The Company had purchases, sales and financing transactions (including equity) with/by certain parties including those identified in the allegations made in the Short Seller Report. The Company has represented to us that there is no effect of the allegations made in the Short Seller Report on the Standalone Financial Statements based on their evaluation and after consideration of a memorandum prepared by an external law firm on the responses to the allegations in the Short Seller Report issued by the Adani Group. The Company did not consider it necessary to have an independent external examination of these allegations because of their evaluation and the ongoing investigation by the Securities and Exchange Board of India as directed by the Hon'ble Supreme Court of India. The evaluation performed by the Company, as stated in Note 50 to the standalone financial statements, does not constitute sufficient appropriate audit evidence for the purposes of our audit. In the absence of an independent external examination by the Company and pending completion of investigation, including matters referred to in the Report of the Expert Committee constituted by the Hon'ble Supreme Court of India as described in Note 50 to the standalone financial statements, by the Securities and Exchange Board of India, we are unable to comment on whether these transactions or any other transactions may result in possible adjustments and/or disclosures in the standalone financial statements in respect of related parties, and whether the Company should have complied with the applicable laws and regulations."*

The auditor's report on our audited consolidated financial statements on internal financial controls over financial reporting of the Company and its subsidiary companies as at March 31, 2023 contains the following qualified opinion and basis for qualified opinion:

March 31, 2023

Basis for Qualified Opinion

1. *"According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:*

The ATL Group did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the ATL Group, including on related party relationships, which could potentially result in possible adjustments/disclosures of related party relationships, balances and transactions in the consolidated financial statements and compliance with applicable laws and regulations.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis."

Qualified Opinion

1. *"In our opinion, to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Parent and its subsidiary companies, which are companies incorporated in India have, in all material respects, maintained adequate internal financial controls with reference to consolidated financial statements as of March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of*

internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India, were operating effectively as of March 31, 2023.”

2. *“We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Parent for the year ended March 31, 2023, and we have issued a qualified opinion on the said consolidated financial statements.”*

The auditor’s report on our audited standalone financial statements on internal financial controls over financial reporting of the Company and its subsidiary companies as at March 31, 2023 contains the following qualified opinion and basis for qualified opinion:

March 31, 2023

Basis for Qualified Opinion

1. *“According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2023:*

The Company did not have an appropriate internal control system in respect of conducting an external examination of allegations made on the Company, including on related party relationships, which could potentially result in possible adjustments/disclosures of related party relationships, balances and transactions in the standalone financial statements and compliance with applicable laws and regulations.

A ‘material weakness’ is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis.”

Qualified Opinion

1. *“In our opinion, to the best of our information and according to the explanations given to us, except for the possible effects of the material weakness described in Basis for Qualified Opinion section above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.”*
2. *“We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company for the year ended March 31, 2023, and we have issued a qualified opinion on the said standalone financial statements of the Company.”*

The audit reports on our audited consolidated financial statements for Financial Year ended March 31, 2023 issued by our Statutory Auditors contains certain observations on the CARO reports. The details of these are as follows:

March 31, 2023

Following are the observations reported by the Statutory Auditors and the component auditors in the CARO Order reports of the companies included in the consolidated financial statements for the year ended March 31, 2023:

Sr. No.	Name of the company	Nature of relationship	Clause Number of CARO report which has observations
1	Adani Transmission Limited	Parent	iii (b), iii (c), iii(d), iii (e), iv, ix (e), xi (a), xi (c), xiii
2	Adani Transmission Step-One Limited	Wholly Owned Subsidiary	iii (c), iii (e), xi (a), xi (c), xiii
3	Adani Electricity Mumbai Limit	Subsidiary	xi (a), xi (c), xiii
4	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	Wholly Owned Subsidiary	xiii

We have included the following in this Preliminary Placement Document:

Financial Statements	Page Nos.
Review report with respect to the Consolidated Unaudited Quarterly Financial Results and the Consolidated Unaudited Quarterly Financial Results	110 - 120
Fiscal 2026 Audited Consolidated Financial Statements	121 - 250
Fiscal 2025 Audited Consolidated Financial Statements	251 - 364
Fiscal 2024 Audited Consolidated Financial Statements	365 - 472

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Adani Energy Solutions Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of Adani Energy Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 June 2026, being submitted by the Holding Company pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the Listing Regulations, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

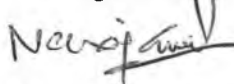
5. We did not review the interim financial results of 79 subsidiaries included in the Statement, whose financial information reflects total revenues of Rs. 5,738.54 crores, total net profit after tax of Rs. 654.98 crores and total comprehensive income of Rs. 628.68 crores for the quarter ended on 30 June 2026, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

6. The Statement includes the interim financial results of one subsidiary, which have not been reviewed/audited by their auditors, whose interim financial results reflect total revenues of Rs. nil, net profit after tax of Rs. nil and total comprehensive income of Rs. nil for the quarter ended 30 June 2026 as considered in the Statement. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiary, is based solely on such unaudited/unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.

For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013



Neeraj Goel
Partner
Membership No. 99514
UDIN: 26099514MZXTJO6242

Place: Ahmedabad
Date: 21 July 2026

Annexure 1 to the Independent Auditor's review report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 and Regulation 52 read with Regulation 63 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

List of entities included in the Statement

S. no.	Name of entities
A	Holding Company
1	Adani Energy Solutions Limited
B	Subsidiaries
1	Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary)
2	Adani Transmission (India) Limited (step-down subsidiary)
3	Sipat Transmission Limited
4	Raipur-Rajnandgaon-Warora Transmission Limited
5	Chhattisgarh-WR Transmission Limited
6	Adani Transmission (Rajasthan) Limited
7	North Karanpura Transco Limited
8	Maru Transmission Service Company Limited
9	Aravali Transmission Service Company Limited
10	Fatehgarh-Bhadla Transmission Limited
11	Ghatampur Transmission Limited
12	Hadoti Power Transmission Service Limited
13	Barmer Power Transmission Service Limited
14	Thar Power Transmission Service Limited
15	Western Transco Power Limited
16	Western Transmission (Gujarat) Limited
17	Obra-C Badaun Transmission Limited
18	Adani Transmission Bikaner Sikar Limited (formerly known as Adani Transmission Bikaner Sikar Private Limited)
19	Bikaner-Khetri Transmission Limited
20	WRSS XXI (A)Transco Limited
21	Lakadia Banaskantha Transco Limited
22	Jam Khambaliya Transco Limited
23	Arasan Infra Limited (formerly known as Arasan Infra Private Limited)
24	Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited)
25	Kharghar Vikhroli Transmission Limited
26	Alipurduar Transmission Limited
27	Adani Transmission Step-One Limited
28	Warora Kurnool Transmission Limited
29	MP Power Transmission Package-II Limited
30	ATL HVDC Limited
31	MPSEZ Utilities Limited

S. no.	Name of entities
32	Karur Transmission Limited
33	Khavda-Bhuj Transmission Limited
34	Power Distribution Services Limited
35	Adani Electricity Mumbai Limited
36	Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited)
37	Adani Electricity Mumbai Infra Limited (Step-down subsidiary)
38	AEML Seepz Limited (Step-down subsidiary)
39	Adani Electricity Jewar Limited
40	Adani Transmission Mahan Limited (Step-down subsidiary)
41	Adani Transmission Step-Two Limited
42	BEST Smart Metering Limited
43	Adani Cooling Solutions Limited
44	WRSR Power Transmission Limited
45	Adani Transmission Step-Three Limited
46	Adani Transmission Step-Four Limited
47	Adani Transmission Step-Five Limited
48	Adani Transmission Step-Six Limited
49	Adani Transmission Step-Seven Limited
50	Adani Transmission Step-Eight Limited
51	NE Smart Metering Limited (formerly known as Adani Transmission Step Nine Limited)
52	Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited)
53	Adani Electricity Nashik Limited
54	Khavda II-A Transmission Limited
55	Adani Green Energy Thirty Limited (Step-down subsidiary)
56	KPS 1 Transmission Limited
57	Halvad Transmission Limited
58	Sangod Transmission Service Limited
59	Sunrays Infra Space Two Limited
60	Arasan Infra Two Limited
61	Adani Energy Solutions Step-Twelve Limited
62	Powerpulse Trading Solutions Limited (formerly known as Adani Energy Solutions Step-Thirteen Limited)
63	Adani Energy Solutions Mahan Limited (formerly known as Essar Transco Limited) (Step-down subsidiary)
64	Pointleap Projects Private Limited (Step-down subsidiary)
65	Gopalaya Build Estate Private Limited (Step-down subsidiary)
66	Khavda IVA Power Transmission Limited
67	Navinal Transmission Limited
68	Jamnagar Transmission Limited
69	Progressive Grid Network Limited (Step-down subsidiary)

S. no.	Name of entities
70	Pune III Transmission Limited
71	AESL Projects Limited (formerly known as Adani Energy Solutions Step-Ten Limited)
72	Adani Energy Solutions Step-Eleven Limited
73	Superheights Infraspace Private Limited
74	Rajasthan Part I Power Transmission Limited
75	Mundra I Transmission Limited
76	Mahan Transmission Limited
77	WRNES Talegaon Power Transmission Limited
78	Adani Electricity Kalyan Dombivli Limited
79	Adani Electricity Pune Limited
80	Adani Electricity Vidharbha Limited
81	Adani Electricity Vasai-Virar Limited
82	Adani Energy Solutions Step-Sixteen Limited
83	Adani Electricity Puducherry Limited
84	Adani Energy Solutions Step-Fifteen Limited
85	Adani Energy Solutions Step-Fourteen Limited
86	KPS III HVDC Transmission Limited
87	ATSOL Global IFSC Limited
88	A-One Energy Networks Limited
89	Nextgen Energy Networks Limited
90	South Kalamb Power Transmission Limited
91	Blush Construction (Opc) Private Limited (step-down subsidiary) (w.e.f. 20 April 2026)
92	Leadvision Consulting Private Limited (step-down subsidiary) (w.e.f. 20 April 2026)
93	Subraha and Construction Private Limited (step-down subsidiary) (w.e.f. 24 April 2026)
94	Sthiravaas Estates Private Limited (step-down subsidiary) (w.e.f. 15 May 2026)
95	Maa Gomti Nivas Private Limited (step-down subsidiary) (w.e.f. 11 June 2026)
96	Arasan Step I Limited (w.e.f. 1 June 2026)
97	Arasan Step II Limited (w.e.f. 1 June 2026)
98	Arasan Step III Limited (w.e.f. 1 June 2026)
99	Arasan Step IV Limited (w.e.f. 1 June 2026)
100	Sunrays Step I Limited (w.e.f. 1 June 2026)
101	Sunrays Step II Limited (w.e.f. 1 June 2026)
102	Sunrays Step III Limited (w.e.f. 1 June 2026)
C	Partnership Firm
1	Adani-LCC JV

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2026

(₹ in Crores)

Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
		(Unaudited)	(Unaudited) (Refer Note 5)	(Unaudited)	(Audited)
1	Income				
	(a) Revenue from operations (refer note 2)	9,711.08	7,443.27	6,819.28	27,588.03
	(b) Other Income	141.12	144.81	206.21	737.13
	Total Income	9,852.20	7,588.08	7,025.49	28,325.16
2	Expenses				
	(a) Cost of Power Purchased	3,560.70	1,515.76	1,723.67	6,347.88
	(b) Construction Expenses relating to Service Concession Arrangements	2,137.67	2,123.17	1,741.87	7,135.35
	(c) Purchases of Stock-in-Trade	67.22	391.94	192.04	1,004.14
	(d) Employee benefits expense	227.97	307.64	231.23	1,092.64
	(e) Finance costs	1,151.73	954.26	894.03	3,632.90
	(f) Depreciation and amortisation expense	585.35	507.81	464.82	1,978.23
	(g) Other expenses	709.07	959.75	615.89	2,923.62
	Total Expenses	8,439.71	6,760.33	5,863.55	24,114.76
3	Profit / (Loss) Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year (1-2)	1,412.49	827.75	1,161.94	4,210.40
4	Net Movement in Regulatory Deferral Account Balances - Income/(Expenses) (refer note 2)	28.55	82.32	(503.89)	(1,095.56)
5	Profit / (Loss) Before Tax and deferred assets recoverable/adjustable for the period / year (3+4)	1,441.04	910.07	658.05	3,114.84
6	Tax Expense				
	Current Tax	250.48	153.08	80.24	392.80
	Deferred Tax	(94.57)	87.90	36.88	378.91
	Total Tax expense	155.91	240.98	117.12	771.71
7	Profit / (Loss) After Tax for the period / year but before Deferred Assets recoverable/adjustable (5-6)	1,285.13	669.09	540.93	2,343.13
8	Deferred assets recoverable/adjustable	(48.57)	53.56	(1.99)	49.62
9	Profit / (Loss) After Tax for the period / year (7+8)	1,236.56	722.65	538.94	2,392.75
10	Other Comprehensive Income / (Loss)				
	(a) Items that will not be reclassified to profit or loss				
	- Remeasurement gain / (loss) of Defined Benefit Plan	(12.19)	10.03	(5.84)	9.93
	- Movement in Regulatory Deferral Balance	12.19	(5.17)	5.84	(4.24)
	(b) Tax relating to items that will not be reclassified to Profit or Loss	-	0.02	-	(0.15)
	(c) Items that will be reclassified to profit or loss				
	- Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge	(202.66)	844.49	91.58	1,453.10
	(d) Tax relating to items that will be reclassified to Profit or Loss	26.06	(193.42)	(30.99)	(337.01)
	Other Comprehensive Income / (Loss) (net of tax)	(176.60)	655.95	60.59	1,121.63
11	Total Comprehensive Income / (Loss) for the period / year (9+10)	1,059.96	1,378.60	599.53	3,514.38
12	Profit / (Loss) attributable to :				
	Owners of the Company	1,149.06	683.78	512.48	2,282.54
	Non - Controlling Interest	87.50	38.87	26.46	110.21
		1,236.56	722.65	538.94	2,392.75
13	Other Comprehensive Income / (Loss) attributable to :				
	Owners of the Company	(153.15)	632.34	48.73	1,074.13
	Non - Controlling Interest	(23.45)	23.61	11.86	47.50
		(176.60)	655.95	60.59	1,121.63
14	Total Comprehensive Income / (Loss) attributable to :				
	Owners of the Company	995.91	1,316.12	561.21	3,356.67
	Non - Controlling Interest	64.05	62.48	38.32	157.71
		1,059.96	1,378.60	599.53	3,514.38
15	Paid-up Equity Share Capital (Face Value of ₹ 10 each)	1,201.28	1,201.28	1,201.28	1,201.28
16	Reserves (excluding Revaluation Reserve)	25,222.95	24,226.26	21,428.84	24,226.26
17	Securities Premium Account	11,948.81	11,948.81	11,948.81	11,948.81
18	Net worth (as per section 2(57) of Companies Act 2013)	25,418.41	24,271.24	22,523.62	24,271.24
19	Paid up Debt Capital / Outstanding Debt (Total borrowings)	50,841.67	48,898.45	40,762.39	48,898.45
20	Outstanding Redeemable Preference Shares	-	-	-	-
21	Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Account Deferral Balance (not annualized except year end) (₹)	9.57	5.69	4.27	19.00
22	Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Account Deferral Balance (not annualized except year end) (₹)	9.44	5.27	6.88	24.68
23	Capital Redemption Reserve	2,436.53	2,436.53	2,436.53	2,436.53
24	Debenture redemption Reserve	22.73	23.07	23.61	23.07
25	Other Equity excluding Revaluation Reserves as at 31 st March	-	-	-	24,226.26

CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ In Crores)

Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
		(Unaudited)	(Unaudited) (Refer Note 5)	(Unaudited)	(Audited)
i)	Segment Revenue				
	Transmission	3,335.26	2,837.37	2,188.19	9,823.88
	Distribution	3,520.43	2,868.65	3,359.84	12,450.02
	Smart Meter (Non Ind AS - refer note c)	346.99	299.47	112.00	828.25
	Energy Solutions Platform	1,906.83	426.05	209.71	1,091.01
	Others	156.02	335.04	85.98	648.22
	Gross Turnover*	9,265.53	6,766.58	5,955.72	24,841.38
ii)	Segment Results				
	Profit / (Loss) before Interest and Tax				
	Transmission	1,327.46	1,006.23	927.18	3,964.84
	Distribution	356.92	390.75	302.79	1,238.75
	Smart Meter (Non Ind AS - refer note c)	152.61	137.54	47.52	367.99
	Energy Solutions Platform	590.27	32.42	17.46	83.86
	Others	27.75	76.72	8.67	132.05
	Total Segment Results	2,455.01	1,643.66	1,303.62	5,787.49
	Unallocable Income	141.12	144.81	206.21	737.13
	Total Profit / (Loss) Before Interest and Tax	2,596.13	1,788.47	1,509.83	6,524.62
	Less : Finance Cost	(1,151.73)	(954.26)	(894.03)	(3,632.90)
	Total Profit / (Loss) Before Tax*	1,444.40	834.21	615.80	2,891.72
iii)	Segment Assets				
	Transmission	53,194.19	49,626.90	42,409.20	49,626.90
	Distribution	21,959.11	21,148.01	20,713.87	21,148.01
	Smart Meter (Non Ind AS - refer note c)	5,934.87	5,395.78	4,031.12	5,395.78
	Energy Solutions Platform	2,443.12	2,038.90	1,957.45	2,038.90
	Others	471.17	654.29	112.26	654.29
	Unallocable	13,677.77	13,862.68	9,121.93	13,862.68
	Total Assets*	97,680.23	92,726.56	78,345.83	92,726.56
iv)	Segment Liabilities				
	Transmission	3,993.22	3,371.87	2,405.85	3,371.87
	Distribution	5,799.88	5,384.03	4,528.34	5,384.03
	Smart Meter (Non Ind AS - refer note c)	1,977.76	1,863.57	1,805.70	1,863.57
	Energy Solutions Platform	2,330.35	2,074.96	1,915.84	2,074.96
	Others	139.63	443.90	96.02	443.90
	Unallocable	56,931.97	54,134.17	44,162.53	54,134.17
	Total Liabilities*	71,172.81	67,272.50	54,914.28	67,272.50

* RECONCILIATION OF CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND LIABILITIES WITH RECOGNITION IN FINANCIAL STATEMENT

(₹ In Crores)

Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
		(Unaudited)	(Unaudited) (Refer Note 5)	(Unaudited)	(Audited)
i)	Segment Revenue				
	Segment revenue as reported above	9,265.53	6,766.58	5,955.72	24,841.38
	Add / (Less) : Reconciling item for smart meter segment (refer note c)	445.55	676.69	863.56	2,746.65
	Revenue from operations	9,711.08	7,443.27	6,819.28	27,588.03
ii)	Segment Results				
	Profit / (Loss) before Tax				
	Segment results as reported above	1,444.40	834.21	615.80	2,891.72
	Add / (Less) : Reconciling item for smart meter segment (refer note c)	(3.36)	75.86	42.25	223.12
	Total Profit / (Loss) Before Tax	1,441.04	910.07	658.05	3,114.84
iii)	Segment Assets				
	Total assets as reported above	97,680.23	92,726.56	78,345.83	92,726.56
	Add / (Less) : Reconciling item for smart meter segment (refer note c)	(11.14)	108.36	(330.94)	108.36
	Total assets	97,669.09	92,834.92	78,014.89	92,834.92
iv)	Segment Liabilities				
	Total liabilities as reported above	71,172.81	67,272.50	54,914.28	67,272.50
	Add / (Less) : Reconciling item for smart meter segment (refer note c)	(1,089.33)	(963.22)	(510.18)	(963.22)
	Total Liabilities	70,083.48	66,309.28	54,404.10	66,309.28

Notes

- The reportable segments of the Group are providing transmission line for transmission of power (Transmission); Transmission and Distribution of Power business for Mumbai city and Mundra distribution business (Distribution); smart meter business (Smart Meter); Power solutions to Commercial & Industrial consumers and trading activity of goods (Energy Solutions Platform) and Other includes EPC Contracts. The segments are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments are reported in a manner consistent with the internal reporting provided to the Chairman as well as Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM").
- The Group to better align with its evolving business objectives and market opportunities, the segment previously designated as "Trading" has been renamed as the "Energy Solutions Platform." This reflects the Group's expanded focus on the broader energy solutions market, optimizing the synergy between sustainable power infrastructure and resource operations.
- In line with Ind AS 108, operating segments have been disclosed as regularly reviewed by the CODM. Effective Q2 FY2025-26, the Group has identified a new segment 'Smart Meter' business, previously included under "Others" till FY 2024-25. Accordingly, comparatives presented for quarter ended 30th June 2025 have also been restated to reflect financial information of Smart Meter business segment separately for such periods. For review of CODM, smart meters & its related installation cost are capitalized as Property, Plant and Equipment (PPE) and depreciated over the contract period, while monthly billing (per month per meter) and amortised portion of lumpsum billing over the tenor of contract is recognised as revenue. Under Ind AS, the arrangement is accounted for as a service concession arrangement in accordance with Appendix D to Ind AS 115 according to which the Group recognizes the rights granted arising from these arrangements as a financial asset for the services performed over time and recognise the corresponding cost as expense in profit and loss account, rather than capitalising it as a PPE and recognising depreciation.

Additional Information pursuant to Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations, 2015, as amended) for the quarter ended 30th June, 2026.

Sr. No.	Particulars	Consolidated			
		Quarter Ended			Year Ended
		30-Jun-26 (Unaudited)	31-Mar-26 (Unaudited)	30-Jun-25 (Unaudited)	31-Mar-26 (Audited)
1	Debt-Equity Ratio (In times) (Total Borrowings excluding Trade acceptances / Total Equity)	1.84	1.84	1.73	1.84
2	Debt Service Coverage Ratio (In times) excluding Group ICD (Profit Before Tax + Depreciation & Amortization Expenses + Finance Costs ⁴ / Finance Costs ⁴ + Scheduled Repayments of Long Term Borrowings ⁶) ⁴ Excluding Repayment of Group ICD and Interest on Group ICD ⁵ Net off finance cost transferred to CWIP as per Ind AS 23. ⁶ Scheduled repayments made during the year excludes prepayment of loans availed.	2.26	2.01	1.71	1.89
3	Debt Service Coverage Ratio (In times) (Profit Before Tax + Depreciation & Amortization Expenses + Finance Costs ⁵ / Finance Costs ⁵ + Scheduled Repayments of Long Term Borrowings ⁶) ⁵ Net off finance cost transferred to CWIP as per Ind AS 23. ⁶ Scheduled repayments made during the year excludes prepayment of loans availed.	2.26	2.01	1.71	1.89
4	Interest Service Coverage Ratio (In times) excluding Group ICD (Profit Before Tax + Finance Costs ⁴ / Finance Costs ⁴) ⁴ Excluding Interest on Group ICD ⁵ Net off finance cost transferred to CWIP as per Ind AS 23.	2.25	1.95	1.74	1.86
5	Interest Service Coverage Ratio (In times) (Profit Before Tax + Finance Costs ⁵ / Finance Costs ⁵) ⁵ Net off finance cost transferred to CWIP as per Ind AS 23.	2.25	1.95	1.74	1.86
6	Current Ratio (In times) (Current Assets / Current Liabilities)	1.16	1.15	1.25	1.15
7	Long Term Debt to Working Capital (In times) (Long Term Borrowings + Current Maturities of Long Term Borrowings (excluding Trade Acceptances) / Current Assets - Current Liabilities excluding Current Maturities of Long Term Borrowings)	10.45	12.25	9.32	12.25
8	Bad Debts to Account Receivable Ratio (In times) (Total Bad Debt / Average Trade Receivables including unbilled revenue)	0.00	0.00	0.00	0.00
9	Current Liability Ratio (In times) (Current Liabilities / Total Liabilities)	0.25	0.23	0.22	0.23
10	Total Debt to Total Assets (In times) (Total Borrowings (excluding Trade Acceptances) / Total Assets)	0.52	0.53	0.52	0.53
11	Debtors Turnover (In times) (Revenue from Operations excluding Construction Income relating to Service Concession Arrangements / Average Trade Receivables including unbilled Revenue)	4.58	3.64	3.69	3.89
12	Inventory Turnover (In times) (Net Sales / Average Inventory)	NA	NA	NA	NA
13	Operating Margin (In %) (EBIDTA excluding Other Income / Revenue from Operations)	31.27%	29.92%	26.55%	28.96%
14	Net Profit Margin (In %) (Net Profit after Tax / Total Income)	12.55%	9.52%	7.67%	8.45%

1. The above consolidated financial results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of Adani Energy Solutions Limited (the "Company" together with its subsidiaries, the "Group") at their meetings held on 21st July 2026. The statutory auditors have carried out limited review of the financial results of the Group for the quarter ended on 30th June, 2026.
2. The impact of recovery of past years Regulatory asset charges (RAC) on Revenue from operations and Net Movement in Regulatory Deferral Account Balances – Income / (Expenses) for the reporting period / year is as stated below :

A. Revenue from Operations

(₹ in Crores)

Particulars	Consolidated			
	Quarter Ended			Year Ended
	30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
Revenue from operations for current period / year	9,837.82	7,228.01	6,604.02	26,727.00
(Surplus) / recovery of RAC for past years	(126.74)	215.26	215.26	861.03
Revenue from operation	9,711.08	7,443.27	6,819.28	27,588.03

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

(₹ in Crores)

Particulars	Consolidated			
	Quarter Ended			Year Ended
	30-Jun-26	31-Mar-26	30-Jun-25	31-Mar-26
Regulatory gap / (surplus) for current period / year	(98.19)	297.58	(288.63)	(234.53)
(Recovery) / surplus of RAC for past years	126.74	(215.26)	(215.26)	(861.03)
Net Movement in Regulatory Deferral Account Balances - Income/(Expenses)	28.55	82.32	(503.89)	(1,095.56)

3. Adani Energy Solutions Limited ("AESL") has executed a binding securities purchase and subscription agreement ("SPSA") to acquire a 100% equity stake in IntelliSmart Infrastructure Private Limited, a leading smart metering JV between National Investment and Infrastructure Fund ("NIIF") and Energy Efficiency Services Limited ("EESL"). The proposed acquisition will strengthen AESL's position as India's largest smart metering platform with over 4.7+ crore smart meters. Total consideration value for the transaction is ₹ 3,050 crore, and transaction closing is subject to regulatory and other customary approvals.
4. During the 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.

As at 31st March, 2026, pursuant to various filings made by the director through their legal counsels, the matter remained pending determination before the court. During the current quarter, US SEC have filed a request for entry of final judgement before EDNY, upon obtaining the consent of the director, without admitting or denying the allegations, on 15th May, 2026. As per the proceedings, upon approval by EDNY, such final judgements will require the director to pay certain civil monetary penalties, to settle the complaint, entirely, as stated above. Also, US DOJ filed a motion to dismiss the charges in the indictment against the director, with prejudice, before the EDNY on 18th May, 2026. This motion is also currently pending approval proceedings by the EDNY.

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 Company, there were no impact to the Company as on reporting date.

5. The figures of quarter ended 31st March 2026 are balancing figure between audited figures in respect of the full financial year up to 31st March 2026 and unaudited published year-to-date figures up to 31st December 2025, being the date of the end of third quarter of the respective financial year which were subject to limited review.
6. Previous year / period figures are regrouped / reclassified wherever necessary to correspond with the current year / period classification / disclosure.

For and on behalf of the Board

Date: 21st July, 2026

Place: Ahmedabad

Anil Sardana

Managing Director

Independent Auditor's Report

To the Members of Adani Energy Solutions Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Adani Energy Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2026, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Accrual of regulatory deferral income / expense and corresponding assets / liability Refer note 3(o) in material accounting policy information and note 57 in notes forming part of consolidated financial statements. The Group recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Group as per the Electricity Act, 2003 and regulations framed thereunder by the respective State Electricity Regulatory Commission (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders. Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances. The Group has recognised regulatory deferral assets of ₹ 2,015.92 crore and regulatory deferral liabilities of ₹ 121.57 crore as at March 31, 2026 (including expense of ₹ 1,095.56 crore for the year recognised in statement of profit and loss and loss of ₹ 4.24 crore recognised in other comprehensive income). Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.	Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following: - Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals; - Evaluated the Group's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts' - Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and - Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards.
Impairment assessment of Transmission Cash Generating Unit (TCGU) Refer note 3(b) in material accounting policy information and note 58(i) in notes forming part of the consolidated financial statements. The Group's TCGU includes a transmission license having an indefinite life with a carrying value of ₹ 981.62 crore as at March 31, 2026. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts.	Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following: - Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license. - Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU; - Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU;

Key audit matter	How our audit addressed the key audit matter
The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates. Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.	d. Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections; e. Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU; f. Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and g. Evaluated the appropriateness and adequacy of the disclosure made in the consolidated financial statements, in accordance with the applicable Indian Accounting Standards.
Valuation of derivative financial instruments and hedge accounting Refer note 3(e) and 50 for material accounting policy information and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting. In line with Group's risk management policy, the Group had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt. The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments. The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates. In view of material impact on the Group's consolidated financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.	Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following: (a) Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting; (b) Obtained an understanding of management's process and the risk management policies of the Group in respect of derivative transactions; (c) Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments; (d) Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks; (e) Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and (f) Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group

are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view 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 consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors and those charged with governance are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and

maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the

entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of 75 subsidiaries, whose financial statements reflect total assets of ₹ 56,761.07 crore as at March 31, 2026, total revenues of ₹ 13,710.05 crore and net cash inflows amounting to ₹ 487.54 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as

it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. The accompanying consolidated financial statements include the financial statements of 2 subsidiaries, which have not been audited and whose financial statements reflects total assets of ₹ nil as at March 31, 2026, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been furnished to us by the Holding Company's management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and 21 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 68 subsidiaries incorporated in India whose financial statements have been audited under the

Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.
19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - b) Except for the matters stated in paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
 - e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding

Company and its subsidiaries, respectively, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Holding Company and its subsidiaries are disqualified as on March 31, 2026 from being appointed as a director in terms of section 164(2) of the Act;

- f) The modification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 19(b) above on reporting under section 143(3) (b) of the Act and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 44(i) to the consolidated financial statements;
 - ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 50 to the consolidated financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary

companies covered under the Act, during the year ended March 31, 2026;

- iv. a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in note 65(i) and (iii) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 65(i), (ii) and (iii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend

- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended March 31, 2026.
- vi. Based on our examination which included test checks and that performed by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, the Holding Company and its subsidiaries have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software, except that in absence of

Furthermore, the audit trail has been preserved for record retention to the extent it was enabled and maintained by the Holding Company and its subsidiaries as per the statutory requirements except for the period referred above.

UDIN: 26099514UCHDCR3890

Annexure A

to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited on the consolidated financial statements for the year ended March 31, 2026

List of entities included in the consolidated financial statements -

S. no.	Name of entities
A	Holding Company
1	Adani Energy Solutions Limited
B	Subsidiaries
1	Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary)
2	Adani Transmission (India) Limited (step-down subsidiary)
3	Sipat Transmission Limited
4	Raipur-Rajnandgaon-Warora Transmission Limited
5	Chhattisgarh-WR Transmission Limited
6	Adani Transmission (Rajasthan) Limited
7	North Karanpura Transco Limited
8	Maru Transmission Service Company Limited
9	Arali Transmission Service Company Limited
10	Fatehgarh-Bhadla Transmission Limited
11	Ghatampur Transmission Limited
12	Hadoti Power Transmission Service Limited
13	Barmer Power Transmission Service Limited
14	Thar Power Transmission Service Limited
15	Western Transco Power Limited
16	Western Transmission (Gujarat) Limited
17	Obra-C Badaun Transmission Limited
18	Adani Transmission Bikaner Sikar Limited (formerly known as Adani Transmission Bikaner Sikar Private Limited)
19	Bikaner-Khetri Transmission Limited
20	WRSS XXI (A)Transco Limited
21	Lakadia Banaskantha Transco Limited
22	Jam Khambaliya Transco Limited
23	Arasan Infra Limited (formerly known as Arasan Infra Private Limited)
24	Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited)
25	Kharghar Vikhroli Transmission Limited
26	Alipurduar Transmission Limited
27	Adani Transmission Step-One Limited
28	Warora Kurnool Transmission Limited
29	MP Power Transmission Package-II Limited
30	ATL HVDC Limited
31	MPSEZ Utilities Limited
32	Karur Transmission Limited
33	Khavda-Bhuj Transmission Limited
34	Power Distribution Services Limited
35	Adani Electricity Mumbai Limited
36	Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited)
37	Adani Electricity Mumbai Infra Limited (Step-down subsidiary)
38	AEML Seepz Limited (Step-down subsidiary)
39	Adani Electricity Jewar Limited
40	Adani Transmission Mahan Limited (Step-down subsidiary)
41	Adani Transmission Step-Two Limited
42	BEST Smart Metering Limited

S. no.	Name of entities
43	Adani Cooling Solutions Limited
44	WRSR Power Transmission Limited
45	Adani Transmission Step-Three Limited
46	Adani Transmission Step-Four Limited
47	Adani Transmission Step-Five Limited
48	Adani Transmission Step-Six Limited
49	Adani Transmission Step-Seven Limited
50	Adani Transmission Step-Eight Limited
51	NE Smart Metering Limited (formerly known as Adani Transmission Step Nine Limited)
52	Adani Electricity Marathwada Limited (formerly known as Adani Electricity Aurangabad Limited)
53	Adani Electricity Nashik Limited
54	Khavda II-A Transmission Limited
55	Adani Green Energy Thirty Limited (Step-down subsidiary)
56	KPS 1 Transmission Limited
57	Halvad Transmission Limited
58	Sangod Transmission Service Limited
59	Sunrays Infra Space Two Limited
60	Arasan Infra Two Limited
61	Adani Energy Solutions Step-Twelve Limited
62	Powerpulse Trading Solutions Limited (formerly known as Adani Energy Solutions Step-Thirteen Limited)
63	Adani Energy Solutions Mahan Limited (formerly known as Essar Transco Limited) (Step-down subsidiary)
64	Pointleap Projects Private Limited (Step-down subsidiary)
65	Gopalaya Build Estate Private Limited (Step-down subsidiary)
66	Khavda IVA Power Transmission Limited
67	Adani Energy Solutions Global Limited
68	Navinal Transmission Limited
69	Jamnagar Transmission Limited
70	Progressive Grid Network Limited (Step-down subsidiary)
71	Pune III Transmission Limited
72	AESL Projects Limited (formerly known as Adani Energy Solutions Step-Ten Limited)
73	Adani Energy Solutions Step-Eleven Limited
74	Superheights Infraspaces Private Limited
75	Rajasthan Part I Power Transmission Limited
76	Mundra I Transmission Limited
77	Mahan Transmission Limited
78	WRNES Talegaon Power Transmission Limited (w.e.f. May 30, 2025)
79	Adani Electricity Kalyan Dombivli Limited (w.e.f. August 4, 2025)
80	Adani Electricity Pune Limited (w.e.f. August 4, 2025)
81	Adani Electricity Vidharbha Limited (w.e.f. August 4, 2025)
82	Adani Electricity Vasai-Virar Limited (w.e.f. August 5, 2025)
83	Adani Energy Solutions Step-Sixteen Limited (w.e.f. August 12, 2025)
84	Adani Electricity Puducherry Limited (w.e.f. August 25, 2025)
85	Adani Energy Solutions Step-Fifteen Limited (w.e.f. August 27, 2025)
86	Adani Energy Solutions Step-Fourteen Limited (w.e.f. September 2, 2025)
87	KPS III HVDC Transmission Limited (w.e.f. December 12, 2025)
88	ATSOL Global IFSC Limited (w.e.f. December 22, 2025)
89	A-One Energy Networks Limited (w.e.f. January 16, 2026)
90	Nextgen Energy Networks Limited (w.e.f. January 17, 2026)
91	South Kalamb Power Transmission Limited (w.e.f. March 30, 2026)
C	Partnership Firm
1	Adani-LCC JV

Annexure B

to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited on the consolidated financial statements for the year ended March 31, 2026

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Adani Energy Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended March 31, 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the financial statements criteria established by the respective companies considering the essential component of Internal Control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on

our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal

financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference

to financial statements and such controls were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 75 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 56,761.07 crore as at March 31, 2026, total revenues of ₹ 13,710.05 crore and net cash inflows amounting to ₹ 487.54 crore for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel

Partner

Place: Ahmedabad

Membership No.: 99514

Date: April 23, 2026

UDIN: 26099514UCHDCR3890

Consolidated Balance Sheet

as at March 31, 2026

		(₹ in crore)	
Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current Assets			
Property, Plant and Equipment	6.1	44,227.08	37,049.07
Right of Use Assets	6.2	833.04	796.15
Capital Work-In-Progress	6.3	2,053.60	5,695.36
Goodwill	58(ii)	598.29	598.29
Intangible Assets	6.1	1,145.53	1,111.24
Intangible Assets Under Development	6.4	-	6.88
Financial Assets			
(i) Investments	7	407.29	348.72
(ii) Trade Receivables	8	101.97	106.30
(iii) Loans	9	10.58	15.88
(iv) Other Financial Assets	10	11,891.28	5,084.68
Deferred Tax Assets (Net)	29	78.17	57.85
Non-Current Tax Assets (Net)	11	159.63	99.47
Other Non-current Assets	12	11,486.78	6,316.09
Total Non-current Assets		72,993.24	57,285.98
Current Assets			
Inventories	13	669.45	625.24
Financial Assets			
(i) Investments	14	2,236.32	2,289.69
(ii) Trade Receivables	15	5,733.75	4,217.86
(iii) Cash and Cash Equivalents	16	1,734.57	2,190.38
(iv) Bank Balances other than (iii) above	17	2,212.77	1,428.30
(v) Loans	18	5.77	6.45
(vi) Other Financial Assets	19	1,525.59	262.90
Other Current Assets	20	3,707.54	2,565.69
Total Current Assets		17,825.76	13,586.51
Total Assets before Regulatory Deferral Account		90,819.00	70,872.49
Regulatory Deferral Account - Assets	57	2,015.92	3,087.61
Total Assets		92,834.92	73,960.10
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	21	1,201.28	1,201.28
Other Equity	22	24,226.26	20,866.92
Total Equity attributable to Equity Owners of the Company		25,427.54	22,068.20
Non-Controlling Interests		1,098.10	943.06
Total Equity		26,525.64	23,011.26
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	23	45,367.32	36,992.29
(ii) Lease Liabilities	24	260.60	50.83
(iii) Trade Payables	25	-	-
(A) total outstanding dues of micro enterprises and small enterprises:		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		40.06	38.88
(iv) Other Financial Liabilities	26	1,247.41	1,020.34
Other Non-Current Liabilities	27	654.91	522.77
Provisions	28	680.99	553.57
Deferred Tax Liabilities (Net)	29	2,490.14	1,753.76
Total Non-current Liabilities		50,741.43	40,932.44
Current Liabilities			
Financial Liabilities			
(i) Borrowings	30	3,531.13	2,864.50
(ii) Lease Liabilities	24	17.38	18.37
(iii) Trade acceptances	31	2,415.92	349.29
(iv) Trade Payables	32	-	-
(A) total outstanding dues of micro enterprises and small enterprises:		95.86	52.97
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		4,897.79	2,902.65
(v) Other Financial Liabilities	33	3,382.07	3,001.82
Other Current Liabilities	34	870.27	622.47
Provisions	28	206.87	105.52
Current Tax Liabilities (Net)	35	28.99	5.09
Total Current Liabilities		15,446.28	9,922.68
Total Liabilities before Regulatory Deferral Account		66,187.71	50,855.12
Regulatory Deferral Account-Liabilities	57	121.57	93.72
Total Equity and Liabilities		92,834.92	73,960.10
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No : 001076N/N500013

Neeraj Goel

Partner

Membership No : 99514

For and on behalf of the Board of Directors

Adani Energy Solutions Limited

Gautam S. Adani

Chairman

DIN: 00006273

Kandarp Patel

Whole-time Director and

Chief Executive Officer

DIN: 02947643

Jaaladhi Shukla

Company Secretary

Anil Sardana

Managing Director

DIN: 00006867

Kunjal Mehta

Chief Financial Officer

Place : Ahmedabad

Date : April 23, 2026

Place : Ahmedabad

Date : April 23, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

		(₹ in crore)	
Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from Operations	36	27,588.03	23,767.09
Other Income	37	737.13	679.46
Total Income		28,325.16	24,446.55
Expenses			
Cost of Power Purchased		6,347.88	5,584.14
Cost of Fuel		-	623.54
Construction expenses relating to Service Concession Arrangements (SCA)		7,135.35	4,739.70
Purchases of Stock-in-Trade	38	1,004.14	1,365.74
Employee Benefits Expense	39	1,092.64	1,032.94
Finance Costs	40	3,632.90	3,259.16
Depreciation and Amortisation Expense	6,5	1,978.23	1,905.95
Other Expenses	41	2,923.62	2,013.76
Total Expenses		24,114.76	20,524.93
Profit Before Rate Regulated Activities, Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year		4,210.40	3,921.62
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	57	(1,095.56)	(1,340.75)
Profit Before Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year		3,114.84	2,580.87
Exceptional Items	62	-	(1,506.02)
Profit Before Tax and Deferred Assets recoverable/adjustable for the year		3,114.84	1,074.85
Tax Expense:	42		
Current Tax		392.80	195.04
Deferred Tax		378.91	(16.05)
Total Tax expenses		771.71	178.99
Profit After Tax for the year but before Deferred Assets recoverable/adjustable		2,343.13	895.86
Deferred assets recoverable/adjustable		49.62	25.83
Profit After Tax for the year		2,392.75	921.69
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		9.93	(14.03)
- Movement in Regulatory Deferral Balance		(4.24)	15.88
- Tax relating to items that will not be reclassified to Profit or Loss		(0.15)	(0.18)
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		1,453.10	237.43
- Tax relating to items that will be reclassified to Profit or Loss		(337.01)	(52.94)
Other Comprehensive Income/ (Loss) for the year (Net of Tax)		1,121.63	186.16
Total Comprehensive Income for the year		3,514.38	1,107.85
Profit for the year attributable to:			
Owners of the Company		2,282.54	1,059.97
Non-controlling interests		110.21	(138.28)
		2,392.75	921.69
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company		1,074.13	164.41
Non-controlling interests		47.50	21.75
		1,121.63	186.16
Total Comprehensive Income for the year attributable to:			
Owners of the Company		3,356.67	1,224.38
Non-controlling interests		157.71	(116.53)
		3,514.38	1,107.85
Earnings Per Share (EPS) (in ₹)	43		
(Face Value ₹ 10 Per Share)			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		19.00	9.05
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		24.68	16.14
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No : 001076N/N500013

Neeraj Goel

Partner

Membership No : 99514

For and on behalf of the Board of Directors

Adani Energy Solutions Limited

Gautam S. Adani

Chairman

DIN: 00006273

Kandarp Patel

Whole-time Director and

Chief Executive Officer

DIN: 02947643

Jaladhi Shukla

Company Secretary

Anil Sardana

Managing Director

DIN: 00006867

Kunjali Mehta

Chief Financial Officer

Place : Ahmedabad

Date : April 23, 2026

Place : Ahmedabad

Date : April 23, 2026

Statement of Consolidated Cash Flows

for the year ended March 31, 2026

(₹ in crore)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities			
Profit before tax		3,114.84	1,074.85
Adjustments for:			
Depreciation and Amortisation Expense	6.5	1,978.23	1,905.95
Amortisation of Service Line Contribution	36	(25.11)	(22.75)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	37	(118.90)	(125.92)
Finance Costs	40	3,632.90	3,259.16
Interest Income	37	(472.27)	(488.36)
Gain on buy-back of bond	37	(72.22)	-
Unclaimed liabilities / Excess provision written back	37	(28.25)	(11.94)
Bad Debt Written Off	41	17.23	16.64
Loss / (Gain) on sale/scrapping of Property, Plant and Equipment	41	16.58	(3.80)
Foreign Exchange Fluctuation Loss	41	0.52	1.13
Exceptional Item on account of divestment of Dahanu Thermal Power Plant	62	-	1,506.02
Bad debt recovery	37	(26.33)	(33.38)
Operating profit before working capital changes		8,017.22	7,077.60
Changes in Working Capital:			
(Increase) / Decrease in Operating Assets :			
Inventories		(44.21)	(476.10)
Trade Receivables		(1,502.46)	327.32
Other Financial Assets and Other Assets		(943.72)	(450.33)
Regulatory Deferral Account - Assets		1,071.69	1,285.75
Increase / (Decrease) in Operating Liabilities :			
Trade Payables		1,966.96	967.18
Other Financial Liabilities, Trade acceptances, Other Liabilities and Provisions		2,832.43	501.90
Regulatory Deferral Account - Liabilities		27.85	39.89
Cash generated from operations		11,425.76	9,273.21
Income taxes paid (Net)		(429.08)	(228.70)
Net cash generated from operating activities (A)		10,996.68	9,044.51
B. Cash flows from investing activities			
Purchase of Property, Plant and Equipment (including capital advance and contract assets under Service Concession arrangements)		(14,431.80)	(9,378.14)
Acquisition of Subsidiaries		(50.50)	(2,581.63)
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)		(15.60)	(17.63)
Proceeds/(Purchase) of current investment (net)		127.85	(1,727.04)
Deposits in Bank deposits (net) (Including Margin money deposit)		(125.64)	(489.08)
Acquisition of regulatory assets under approval		-	(2,802.00)
Proceeds from sale of business		-	815.00
Non-current Loans received back		5.30	404.57
Current Loan (Given to) / Received back (net)		0.67	(1.33)
Interest Received		406.84	549.69
Net cash used in investing activities (B)		(14,082.88)	(15,227.59)

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2026

(₹ in crore)			
Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
C. Cash flows from financing activities			
Increase in Service Line Contribution		164.03	84.86
Proceeds from issue of shares		-	8,373.10
Proceeds from Long-term borrowings		16,568.73	7,251.80
Repayment of Long-term borrowings		(10,455.18)	(4,172.98)
Proceeds/(repayment) from Short-term borrowings (net)		455.30	(914.67)
Finance Cost paid		(4,074.89)	(2,976.56)
Payment of Lease Liabilities (including interest paid on lease liabilities CY : ₹ 18.20 Cr [PY : ₹ 7.37 Cr])		(27.67)	(19.62)
Net cash generated from financing activities (C)		2,630.32	7,625.93
Net (decrease) / increase in cash and cash equivalents (A+B+C)		(455.88)	1,442.85
Cash and cash equivalents at the beginning of the year		2,190.38	742.06
Cash and cash equivalents received on account of acquisition of business		0.07	5.47
Cash and cash equivalents at the end of the year		1,734.57	2,190.38

(₹ in crore)		
Cash and Cash Equivalents includes (Refer note 16)	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	907.40	606.72
Fixed Deposits (with original maturity for three months or less)	818.80	1,574.44
Cheque / Draft on Hand	6.84	8.18
Cash on Hand	1.53	1.04
Total Cash and Cash Equivalents	1,734.57	2,190.38

Notes to Statement of Consolidated Cash Flows:

- The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) (Amendment) Rules, 2017 is given below:

(₹ in crore)				
Particulars	April 1, 2025	Cash Flows (net)	Non Cash Transactions	March 31, 2026
Long-term Borrowings (Including Current Maturities of Long Term Debt)*	38,223.59	6,113.55	2,472.81	46,809.95
Short term Borrowings	1,633.20	455.30	-	2,088.50
Lease Liabilities	69.20	(27.67)	236.45	277.98
Interest Accrued	315.42	(4,074.89)	4,057.59	298.12
TOTAL	40,241.41	2,466.29	6,766.85	49,474.55

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2026

(₹ in crore)

Particulars	April 1, 2024	Cash Flows (net)	Non Cash Transactions	March 31, 2025
Long-term Borrowings (Including Current Maturities of Long Term Debt)*	34,461.00	3,078.82	683.77	38,223.59
Short term Borrowings	2,547.87	(914.67)	-	1,633.20
Lease Liabilities	60.78	(19.62)	28.04	69.20
Interest Accrued	290.99	(2,976.56)	3,000.99	315.42
TOTAL	37,360.64	(832.03)	3,712.80	40,241.41

3 Previous year's figures have been regrouped wherever necessary, to conform to this year's classification.

*Non cash transactions includes Interest accrued converted to loan, Unrealised foreign exchange gain/loss and amortised cost of borrowings.

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No : 001076N/N500013

Neeraj Goel

Partner

Membership No : 99514

Place : Ahmedabad

Date : April 23, 2026

For and on behalf of the Board of Directors

Adani Energy Solutions Limited

Gautam S. Adani

Chairman

DIN: 00006273

Kandarp Patel

Whole-time Director and
Chief Executive Officer

DIN: 02947643

Jaladhi Shukla

Company Secretary

Place : Ahmedabad

Date : April 23, 2026

Anil Sardana

Managing Director

DIN: 00006867

Kunjal Mehta

Chief Financial
Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

A. Equity Share Capital

Particulars	No. of Shares	(₹ in crore)
Balance as at April 1, 2024	1,11,54,92,683	1,115.49
Issue of shares during the year	8,57,89,959	85.79
Balance As at March 31, 2025	1,20,12,82,642	1,201.28
Issue of shares during the year	-	-
Balance As at March 31, 2026	1,20,12,82,642	1,201.28

B. Other Equity

Particulars	Attributable to owners of the Company									(₹ in crore)		
	Reserves and Surplus							Item of other comprehensive income			Non - controlling interest	
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium	Total Attributable to owners of the Company			
												Effective portion of cashflow Hedge
Balance as at April 1, 2024	208.87	1,152.27	4,265.18	2,436.53	24.39	68.33	381.72	3,834.32	(845.55)	11,526.06	1,061.58	12,587.64
Profit for the year	-	-	1,059.97	-	-	-	-	-	-	1,059.97	(138.28)	921.69
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	1.77	-	-	-	-	-	162.64	164.41	21.75	186.16
Total Comprehensive Income	-	-	1,061.74	-	-	-	-	-	162.64	1,224.38	(116.53)	1,107.85
Add/(Less): Addition on account of issue of shares during the year	-	-	-	-	-	-	-	8,287.31	-	8,287.31	-	8,287.31
Add/(Less): Share Issue Expenses in relation Qualified Institutional Placement	-	-	-	-	-	-	-	(172.82)	-	(172.82)	-	(172.82)
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	-	(22.18)	-	-	-	24.17	-	-	1.99	(1.99)	-
Add/(Less): Appropriation to Self Insurance Reserve	-	(4.74)	-	-	-	4.74	-	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debt Redemption Reserve	-	-	0.45	-	(0.45)	-	-	-	-	-	-	-

Consolidated Statement of Changes in Equity (Contd...)

for the year ended 31st March, 2026

(₹ in crore)

Particulars	Attributable to owners of the Company								Non - controlling interest	Total		
	Reserves and Surplus							Item of other comprehensive income				
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Self Insurance Reserve	Contingency Reserve				Securities Premium	
												Total Attributable to owners of the Company
208.87	1,147.53	5,305.19	2,436.53	23.94	73.07	405.89	11,948.81	(682.91)	20,866.92	943.06	21,809.98	
Balance As at March 31, 2025	-	-	2,282.54	-	-	-	-	-	-	2,282.54	110.21	2,392.75
Profit for the year	-	-	5.54	-	-	-	-	-	1,068.59	1,074.13	47.50	1,121.63
Add/(Less): Other comprehensive income for the year												
(Net of Tax)												
Total Comprehensive Income	-	-	2,288.08	-	-	-	-	-	1,068.59	3,356.67	157.71	3,514.38
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	-	(26.42)	-	-	-	29.26	-	-	2.84	(2.84)	-
Add/(Less): Appropriation to Self Insurance Reserve	-	(19.50)	(10.96)	-	-	30.46	-	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debt Redemption Reserve	-	-	0.87	-	(0.87)	-	-	-	-	-	-	-
Add: Change in ownership interest in subsidiary without loss of control	-	-	(0.17)	-	-	-	-	-	-	(0.17)	0.17	-
Balance As at March 31, 2026	208.87	1,128.03	7,556.60	2,436.53	23.07	103.53	435.15	11,948.81	385.68	24,226.26	1,098.10	25,324.36

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No : 001076N/N500013

Neeraj Goel

Partner

Membership No : 99514

For and on behalf of the Board of Directors

Adani Energy Solutions Limited

Gautam S. Adani

Chairman

DIN: 00006273

Kandarp Patel

Whole-time Director and

Chief Executive Officer

DIN: 02947643

Jaladhi Shukla

Company Secretary

Place : Ahmedabad

Date : April 23, 2026

Anil Sardana

Managing Director

DIN: 00006867

Kunjil Mehta

Chief Financial Officer

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

1 Corporate information

Adani Energy Solutions Limited ("The Company") is a public limited company incorporated and domiciled in India having CIN L40300GJ2013PLC077803. It's ultimate holding entity is S. B. Adani Family Trust (SBFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The company is listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company and its subsidiaries (together referred to as "the Group") includes :

Power Transmission Business :

The Group carries on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group develops, owns and operates transmission lines across the States of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal. The Group has also entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Distribution of Power :

The Group has entered in Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business. Further the group also provides facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutch, Gujarat.

Smart Metering Business :

The Group's Distribution Platform shall implement the Smart Metering Project on Design-Build-Finance- Own-Operate-Transfer (DBFOOT) basis. As a part of mandate won, Smart Meters and related Communication & Cloud infrastructure

will be installed over a period of 27-30 months and maintained for the following 90 months approximately. The projects shall cover end to end Smart Metering for Distribution Infrastructure and End Consumers, enabling complete energy accounting with zero manual intervention.

Cooling Solutions :

The District Cooling System (DCS) produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling. Cooling Solutions Business: a centralized, energy-efficient and low carbon cooling solution to drive sustainability in cooling sector.

Other Business Activities :

The Group also deals in various Bullions, other commodities and power trading business.

2.1 Basis of Preparation and Presentation

These consolidated financial statements have been prepared on accrual basis and under the historical cost convention except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended from time to time).

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

The Consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded off to the nearest crore (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

subsidiaries as at March 31, 2026. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests.

Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Energy Solutions Limited and its shareholding therein is as under:

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31 st March 2026	Shareholding as on 31 st March 2025
1	Adani Transmission (India) Limited	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	India	Subsidiary	100%	100%
3	Sipat Transmission Limited [#]	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited [#]	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited [#]	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited [#]	India	Subsidiary	100% ¹	100% ¹
7	North Karanpura Transco Limited	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
13	Western Transco Power Limited	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited	India	Subsidiary	100%	100%

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31 st March 2026	Shareholding as on 31 st March 2025
17	Adani Electricity Mumbai Limited	India	Subsidiary	74.90%	74.90%
18	Adani Electricity Navi Mumbai Limited	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Limited	India	Subsidiary	100% ²	100% ²
21	WRSS XXI (A) Transco Limited	India	Subsidiary	100%	100%
22	Bikaner Khetri Transmission Limited	India	Subsidiary	100%	100%
23	Lakadia banaskantha Transco Limited	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited	India	Subsidiary	100%	100%
25	Arasan Infra Limited	India	Subsidiary	100%	100%
26	Sunrays Infra Space Limited	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%
28	Adani Electricity Mumbai Infra Limited	India	Subsidiary	99.99%	74.90%
29	Kharghar Vikhroli Transmission Limited	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited	India	Subsidiary	100% ³	100% ³
31	AEML Seepz Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	100%
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	100%
36	MPSEZ Utilities Limited	India	Subsidiary	100%	100%
37	Karur Transmission Limited	India	Subsidiary	100%	100%
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	100%
39	Adani Electricity Jewar Limited	India	Subsidiary	100%	100%
40	Adani Transmission Step-Two Limited	India	Subsidiary	100%	100%
41	Adani Transmission Mahan Limited	India	Subsidiary	100%	100%

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31 st March 2026	Shareholding as on 31 st March 2025
42	BEST Smart Metering Limited	India	Subsidiary	100%	100%
43	Adani Cooling Solutions Limited	India	Subsidiary	100%	100%
44	WRSR Power Transmission Limited	India	Subsidiary	100%	100%
45	Adani Transmission Step-Three Limited	India	Subsidiary	100%	100%
46	Adani Transmission Step-Four Limited	India	Subsidiary	100%	100%
47	Adani Transmission Step-Five Limited	India	Subsidiary	100%	100%
48	Adani Transmission Step-Six Limited	India	Subsidiary	100%	100%
49	Adani Transmission Step-Seven Limited	India	Subsidiary	100%	100%
50	Adani Transmission Step-Eight Limited	India	Subsidiary	100%	100%
51	NE Smart Metering Limited	India	Subsidiary	100%	100%
52	Adani Electricity Marathwada Limited (Formerly known as Adani Electricity Aurangabad Limited)	India	Subsidiary	100%	100%
53	Adani Electricity Nashik Limited	India	Subsidiary	100%	100%
54	Khavda II-A Transmission Limited	India	Subsidiary	100%	100%
55	Adani Green Energy Thirty Limited	India	Subsidiary	100%	100%
56	Adani-LCC JV	India	Partnership Firm	20%	20%
57	KPS 1 Transmission Limited	India	Subsidiary	49% ⁴	49% ⁴
58	Sangod Transmission Service Limited	India	Subsidiary	100%	100%
59	Halvad Transmission Limited	India	Subsidiary	100%	100%
60	Sunrays Infra Space Two Limited	India	Subsidiary	100%	100%
61	Arasan Infra Two Limited	India	Subsidiary	100%	100%
62	Adani Energy Solutions Step-Twelve Limited	India	Subsidiary	100%	100%
63	Powerpulse Trading Solutions Limited (Formerly know as Adani Energy Solutions Step-Thirteen Limited)	India	Subsidiary	100%	100%

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31 st March 2026	Shareholding as on 31 st March 2025
64	Pointleap Projects Private Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
65	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	India	Subsidiary	100%	100%
66	Gopalaya Build Estate Private Limited	India	Subsidiary	100%	100%
67	Khavda IVA Power Transmission Limited	India	Subsidiary	100%	100%
68	Navinal Transmission Limited	India	Subsidiary	100%	100%
69	Jamnagar Transmissoin Limited	India	Subsidiary	100%	100%
70	Progressive Grid Network Limited (refer note 5)	Kenya	Subsidiary	100%	100%
71	Pune III Transmission Limited	India	Subsidiary	100%	100%
72	Adani Energy Solutions Global Limited (refer note 5)	UAE	Subsidiary	NA	100%
73	AESL Projects Limited (Formerly known as Adani Energy Solutions Step-Ten Limited)	India	Subsidiary	100%	100%
74	Adani Energy Solutions Step-Eleven Limited	India	Subsidiary	100%	100%
75	Superheights Infraspce Private Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
76	Rajasthan Part I Power Transmission Limited	India	Subsidiary	100%	100%
77	Mundra I Transmission Limited	India	Subsidiary	100%	100%
78	Mahan Transmission Limited	India	Subsidiary	100%	100%
79	WRNES Talegaon Power Transmission Limited	India	Subsidiary	100%	-
80	Adani Electricity Kalyan Dombivli Limited	India	Subsidiary	100%	-
81	Adani Electricity Pune Limited	India	Subsidiary	100%	-
82	Adani Electricity Vidharbha Limited	India	Subsidiary	100%	-
83	Adani Electricity Vasai-Virar Limited	India	Subsidiary	100%	-
84	Adani Energy Solutions Step-Sixteen Limited	India	Subsidiary	100%	-
85	Adani Electricity Puducherry Limited	India	Subsidiary	100%	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on 31 st March 2026	Shareholding as on 31 st March 2025
86	Adani Energy Solutions Step-Fifteen Limited	India	Subsidiary	100%	-
87	Adani Energy Solutions Step-Fourteen Limited	India	Subsidiary	100%	-
88	KPS III HVDC Transmission Limited	India	Subsidiary	100%	-
89	ATSOL Global IFSC Limited	India	Subsidiary	100%	-
90	Nextgen Energy Networks Limited	India	Subsidiary	100%	-
91	A-One Energy Networks Limited	India	Subsidiary	100%	-
92	South Kalamb Power Transmission Limited	India	Subsidiary	100%	-

#USPP Group

- Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPL.
- Adani Transmission Bikaner Sikar Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) providing for the issue and allotment of one non-transferable equity share of ATBSPL (the "Golden Share") in favour of the RRVPL.
- The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
- The Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha

Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the previous year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.

5. Strike off Entity / Liquidation of Entity

During the year, Adani Energy Solutions Global Limited, an overseas wholly owned subsidiary incorporated in UAE, was struck off from the register of companies in accordance with the applicable laws of the said jurisdiction.

During the year, the Group initiated liquidation proceedings in respect of Progressive Grid Network Limited, an overseas subsidiary incorporated in Kenya, in accordance with the applicable laws of the said jurisdiction.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

Both the subsidiaries Adani Energy Solutions Global Limited and Progressive Grid Network Limited did not have any material operations, assets, or liabilities, and accordingly, its striking off or liquidation respectively do not have any material impact on the consolidated financial statements

3 Material accounting policy information

(a) Property, plant and equipment

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.

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.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful life of Regulated and Non Regulated assets are as below :

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	25-35 Years
Plant and Equipment - Meters*	25 Years
Plant and Equipment - Batteries	10 Years
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment*	3-15 Years
Computer Equipment*	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years

*Consequent to ammendment in tariff regulations, with respect to assets in principal approved on or after August 11, 2024, the Company has changed the useful life (years) in respect of meters (from 10 to 25 years), office equipment (from 5 to 15 years), Computer Equipments (from 3 to 6 years).

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.

Notes to Consolidated Financial Statements

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Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

(b) Intangible assets

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

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from August 29, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after August 29, 2018 are accounted for at cost.

Useful life

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

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. 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, Distribution and Power Trading License	Indefinite
Computer Software	3-14 years

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.

(c) Current / Non-Current Classification

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

(d) Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction price. Transaction price that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction price 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(A) Financial assets

Initial Recognition and measurement :

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

Subsequent measurement :

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

i) Classification and measurement of financial assets

a) Financial assets at amortised cost

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

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

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- 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 Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

ii) Impairment of financial assets

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

iii) Derecognition of financial assets

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

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

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

ii) Financial liabilities

Initial recognition and measurement

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

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

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

Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction price, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

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

iii) Derecognition of Financial Liability

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

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for the year ended March 31, 2026

(e) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price 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 OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

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

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(f) Asset Acquisition

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(g) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(h) Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

In preparing the financial statements of the Group, transactions in currencies other than the

entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for: (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.

(i) Fair value measurement

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

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

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

- (i) Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- (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.

Notes to Consolidated Financial Statements

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

(j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

• Power Transmission Services

a. Transmission Service Agreements

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCS) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCS for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs.

b. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA's / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

c. Service Concession Arrangements

The group has entered into contracts :

- (i) for establishing, commissioning, setting up, operating and maintaining electric power transmission systems / network including sub-stations and related infrastructure
- (ii) as a Advanced Metering Infrastructure Service Provider (AMISP) model which requires for supply, installation, operation and maintenance of smart meters and related infrastructure used to provide public service under "Design-Build-Finance-Own- Operate-Transfer" (DBFOOT) basis. The said infrastructure, will be transferred to relevant authority at the end of the terms of the contract. These arrangements are accounted as per Appendix D to Ind AS 115, Service Concession Arrangements ("SCA"). The Group recognizes the rights granted by these arrangements as a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the services it performs. These rights arise as the Company performs the agreed-upon scope of work of the project.

The AMISP contract involves two separate performance obligations: (a) the supply, installation, integration, testing, and commissioning of the AMI system, and (b) the operation, maintenance, and support services post-installation. The Group has exercised judgement in allocating the transaction price between the performance obligations based on management's assessment of the nature of activities performed and the underlying economic substance of the arrangement.

Recognition and Measurement

Financial assets are recognized at fair value upon initial recognition. The asset is subsequently

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

measured at amortized cost using the effective interest method. Interest income from these financial assets arising from the Group's principal revenue generating activities is recognized in the statement of profit and loss under the head Revenue from Operations.

During the project construction phase, the Group recognizes construction costs as an expense when incurred. Revenue related to supply and installation is recognized over the period based on the input cost method, and the contract assets are recognized. The Group recognizes financial assets as 'Receivables under Service Concession Arrangements' to the extent that it has an unconditional contractual right to receive cash or another financial asset under the Agreement. The fair value of future cash flows receivable under the project have been initially recognized under the head contract assets and carried at amortized cost subsequently. Until the set-up of infrastructure related to the project, the 'Receivables under Service Concession Arrangements' are a contract asset. Post the completion of set-up of infrastructure these become a financial asset.

d. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

e. Revenue From Change in law

Revenue from operations on account of Force Majeure / change in law events in terms of TSA with customers is accounted for by the Company based on the orders / reports of Regulatory Authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

• Sale of Power-Distribution business

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined

rate as determined by the respective State Electricity Regulatory Commission. Sales of power under Deviation settlement mechanism is recognised at variable cost.

• Sale of Power-Power Trading business

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered. Revenue from such contracts is recognised over the time for each unit of electricity is delivered at the pre-determined rate. As the customer simultaneously receives and consumes the benefit of the Group's performance obligation, it best depicts the value to the customer and complete satisfaction of performance obligation.

In the arrangements, the Group is acting as an trader and the revenue is recognised on a net basis when unit of electricity are delivered to power procurers because this is when the Group transfers control over its service and the customer benefits from such agency services.

The group determines its revenue on certain contracts net of power purchase cost based on the following factors:

- Another party is primarily responsible for fulfilling the contract as the Group does not have the ability to direct the use of power supplied or obtain benefits from supply of power.
- The Group does not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.
- The Group has no discretion in establishing the price for supply of power. The Group's consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

• 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

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as a credit to deferred revenue. Such revenue is recognised over the useful life of the property, plant and equipment.

- **Sale of Goods**

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- there is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

- **Construction and Development of Infrastructure Assets :**

The Group's business operations includes in construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer .

- **Financing component:**

The Group receives advance payments from customers for the setup and sale of customised Sub-station and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is

discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

- **Interest on Overdue Receivables / Delayed Payment Charges:**

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

Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities.

- **Other Income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which

Notes to Consolidated Financial Statements

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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.

(k) 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.

(l) Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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.

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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

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

(m) Leases

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

Group as a lessee

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

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

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straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Lease Liabilities

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

(n) 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.

(o) Regulatory Deferral Account

The Group determines revenue gaps (i.e. surplus/ shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory

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framework. Appropriate adjustments in respect of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/ Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/ refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Group presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item.

4 Significant accounting judgements, estimates and assumptions

Critical accounting judgements and key sources of estimation uncertainty

The application of the group accounting policies as described in Note 3, in the preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized in the period in which they are revised or in the period of revision and future periods if the revision affects both the current and future periods. Actual results may differ from these

estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

4.1 Property, plant and equipment :

i) Depreciation rates, depreciation method and residual value of property, plant and equipment

Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

- i) Depreciation in respect of assets related to transmission and distribution business covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates using the methodology as notified by the respective regulators.
- ii) In respect of other, depreciation on fixed assets is calculated on straight-line method (SLM) basis using the rates arrived on the basis on useful life as specified in Schedule II of the Companies Act, 2013. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

ii) Impairment of property plant and equipment

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

4.2 Service Concession Arrangements :

The group has assessed applicability of Service Concession Arrangements ("SCA") as per Appendix D to Ind AS 115 with respect to certain transmission and smart meter projects. The Group applied the following judgements that significantly affect the determination of the amount and timing of revenue from contracts with customers

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for the year ended March 31, 2026

i) Identifying performance obligations in AMISP Contract (Smart Meter project)

The Group determined that both the (a) the supply, installation, integration, testing, and commissioning of the AMI system, and (b) the operation, maintenance, and support services post-installation are capable of being distinct. The fact that the customer can benefit from both products on their own and the promises to transfer the equipment and to provide installation are distinct within the context of the contract.

Consequently, the Group has exercised judgement in allocating the transaction price between the performance obligations based on management's assessment of the nature of activities performed and the underlying economic substance of the arrangement.

ii) Consideration of significant financing component in a contract

The Group concluded that there is a significant financing component to these contracts, considering the length of time between the customer's payment and the transfer of the performance obligation, as well as the prevailing market interest rates.

In determining the interest to be applied to the amount of consideration, the Group concluded that the interest rate implicit in the contract (i.e., the interest rate that discounts the cash selling price for fulfilling the performance obligation to the amount received in installments) is appropriate because this rate is commensurate with the rate that would be reflected in a separate financing transaction between the entity and its customer at the inception of the contract.

4.3 Regulatory Deferral Balances:

Recognition of Regulatory Deferral Balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

4.4 Taxation:

Deferred tax assets

Deferred tax assets are recognised for unused tax losses / credits to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

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

4.5 Impairment of Goodwill and other intangible assets with indefinite life :

Goodwill and other intangible assets with indefinite life are tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit or groups of cash-generating units which are benefitting from the synergies of the acquisition and which represents the lowest level at which goodwill is monitored for internal management purposes.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

4.6 Fair value measurement of financial instruments :

In estimating the fair value of financial assets and financial liabilities, the Group uses market observable data to the extent available. Where such Level 1 inputs are not available, the Group establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4.7 Provisions and contingencies :

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37- 'Provisions, Contingent Liabilities and Contingent Assets'. The Group recognises a provision if it is probable that an outflow of cash or other economic resources will be required to settle the provision. If an outflow is not probable, the item is treated as a contingent liability. Risks and uncertainties are taken into account in measuring a provision.

4.8 Employee benefit plans:

Defined benefit plans and other long-term employee benefits

The present value of obligations under defined benefit plan and other long term employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include the determination of the discount rate, future salary escalations, attrition rate and mortality rates etc. Due to the complexities involved in the valuation and its long term nature, these obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the

Group and that are believed to be reasonable under the circumstances.

4.9 Consolidation of entity in which the Group holds less than a majority of voting rights :

The Company holds 49% equity stake in KPS1 Transmission Limited. In view of effective operational control exercised by the Company, KPS1 Transmission Limited is treated as a subsidiary for consolidation.

5 Standards issued but not effective / Impact of new and amended Ind AS

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

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

Amendments to Ind AS 21 - Lack of exchangeability

MCA via notification dated May 7, 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 Group's Consolidated 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 August 13, 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;

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for the year ended March 31, 2026

- 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 Group's Consolidated Financial Statements.

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

MCA via notification dated August 13, 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 Group's Consolidated Financial Statements.

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

MCA via notification dated August 13, 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 Group's Consolidated 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 April 1, 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 Group's Consolidated Financial Statements.

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for the year ended March 31, 2026

6.1 Property, Plant and Equipment and Intangible Assets

Description of Assets	Property, Plant and Equipment										Intangible Assets				(₹ in crore)	
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission, Distribution and Power Trading License		Other Intangible Assets
I. Gross Carrying Amount																
Balance as at April 1, 2024	3,009.72	1,371.38	33,592.75	26.41	43.61	266.73	79.23	6.70	7,588.71	1.36	56.07	46,042.67	164.11	1,032.96	7.01	1,204.08
Additions	129.46	97.34	1,834.89	3.06	9.48	32.87	8.70	-	874.30	-	20.44	3,010.54	40.10	7.69	3.42	51.21
Disposals	-	-	(42.44)	(0.05)	(0.13)	-	(1.45)	-	(3.62)	-	-	(47.70)	-	-	-	-
Transferred on sale of Dahanu Thermal Power Plant (refer note 62)	(1,069.74)	(239.89)	(1,711.83)	(1.25)	(2.73)	(8.43)	(11.83)	(6.70)	-	(1.36)	(6.16)	(3,059.92)	(1.54)	-	-	(1.54)
Balance As at March 31, 2025	2,102.35	1,228.96	35,389.53	28.18	50.24	291.21	74.64	-	8,459.39	-	70.35	47,694.85	202.67	1,040.65	10.43	1,253.75
Additions	150.57	679.61	7,253.52	2.92	5.71	55.64	21.93	-	871.15	-	90.81	9,131.86	48.07	-	5.46	53.53
Disposals	-	-	(44.43)	-	(0.00)	(4.67)	(7.71)	-	-	-	(0.22)	(57.03)	-	-	-	-
Balance As at March 31, 2026	2,252.92	1,908.57	42,598.62	31.10	55.95	342.18	88.86	-	9,330.54	-	160.94	56,769.67	250.74	1,040.65	15.89	1,307.28
II. Accumulated depreciation and Amortisation																
Balance as at April 1, 2024	-	230.60	7,791.49	13.84	22.13	132.43	18.53	2.31	1,373.84	0.46	20.30	9,605.93	102.48	-	0.00	102.48
Depreciation and Amortisation Expense	-	37.14	1,385.17	1.27	6.05	49.83	4.60	0.10	354.54	0.01	4.73	1,843.44	40.77	-	0.63	41.40
Eliminated on disposal of assets	-	-	(33.20)	(0.05)	(0.13)	-	(0.62)	-	(1.23)	-	-	(35.23)	-	-	-	-
Transferred on sale of Dahanu Thermal Power Plant (refer note 62)	-	(105.73)	(643.59)	(1.14)	(2.28)	(4.58)	(5.07)	(2.41)	-	(0.47)	(3.09)	(768.36)	(1.37)	-	-	(1.37)
Balance As at March 31, 2025	-	162.01	8,499.87	13.92	25.77	177.68	17.44	-	1,727.15	-	21.94	10,645.78	141.88	-	0.63	142.51
Depreciation and Amortisation Expense	-	41.90	1,391.93	1.43	4.92	37.62	8.29	-	437.44	-	2.39	1,925.92	18.17	-	1.07	19.24
Eliminated on disposal of assets	-	-	(24.79)	-	(0.00)	(4.41)	(2.36)	-	-	-	(0.21)	(31.77)	-	-	-	-
Other Adjustment	-	-	2.66	-	-	-	-	-	-	-	-	2.66	-	-	-	-
Balance As at March 31, 2026	-	203.91	9,869.67	15.35	30.69	210.89	23.37	-	2,164.59	-	24.12	12,542.59	160.05	-	1.70	161.75
Net Carrying Value :																
As at March 31, 2025	2,102.35	1,066.95	26,889.66	14.26	24.47	113.53	57.20	-	6,732.24	-	48.41	37,049.07	60.79	1,040.65	9.80	1,111.24
As at March 31, 2026	2,252.92	1,704.66	32,728.95	15.75	25.26	131.29	65.49	-	7,165.95	-	136.82	44,227.08	90.69	1,040.65	14.19	1,145.53

Notes:

- The above Intangible Assets are other than internally generated Intangible Assets.
 - The Transmission & Distribution Licenses was acquired as a part of the business acquisition. The licenses are valid for a period of 25 years & considering similar extensions have happened in the past, it is expected to be further extended at minimal cost. Based on an analysis of all of the relevant factors, the licenses are considered by the Group as having an indefinite useful life.
 - The Group has acquired power trading license and the said license is considered by the Group as having an indefinite useful life.
- For charge created on aforesaid assets, refer note 23.

Notes to Consolidated Financial Statements

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6.2 Right of Use Assets

(₹ in crore)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
I. Gross Carrying Amount					
Balance as at April 1, 2024	633.43	103.22	197.34	1.55	935.54
Additions	1.02	19.96	-	-	20.98
Elimination on account of acquisition	(510.00)	-	-	-	(510.00)
Acquisitions of subsidiaries	510.10	-	-	-	510.10
Balance As at March 31, 2025	634.55	123.18	197.34	1.55	956.62
Additions	219.82	0.61	-	-	220.43
Disposals	(0.27)	-	-	(1.55)	(1.82)
Other Adjustments	-	-	(150.00)	-	(150.00)
Balance As at March 31, 2026	854.10	123.79	47.34	-	1,025.23
II. Accumulated Depreciation / Amortization					
Balance as at April 1, 2024	46.93	87.71	16.52	1.27	152.43
Depreciation / Amortisation Expense	12.65	9.28	6.48	0.25	28.66
Elimination on account of acquisition	(20.62)	-	-	-	(20.62)
Balance As at March 31, 2025	38.96	96.99	23.00	1.52	160.47
Depreciation / Amortisation Expense	20.74	10.46	4.97	-	36.17
Eliminated on disposal of assets	(0.27)	-	-	(1.52)	(1.79)
Other Adjustments	-	-	(2.66)	-	(2.66)
Balance As at March 31, 2026	59.43	107.45	25.31	-	192.19
Net Carrying Value :					
As at March 31, 2025	595.59	26.19	174.34	0.03	796.15
As at March 31, 2026	794.67	16.34	22.03	-	833.04

6.3 Capital Work-In-Progress

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	5,695.36	3,002.69
Additions during the year	5,748.76	5,705.64
Acquisitions of subsidiaries (Refer Note 60)	-	89.20
Transferred on sale of Dahanu Thermal Power Plant (refer note 62)	-	(19.44)
Capitalised during the year	(9,390.52)	(3,082.73)
Closing Balance	2,053.60	5,695.36

Notes to Consolidated Financial Statements

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6.3 Capital Work-In-Progress (Contd...)

Notes :

(i) CWIP Ageing Schedule

(₹ in crore)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at March 31, 2026					
- Projects in progress	1,751.73	127.32	95.40	79.15	2,053.60
- Projects temporarily suspended	-	-	-	-	-
Total	1,751.73	127.32	95.40	79.15	2,053.60
As at March 31, 2025					
- Projects in progress	3,910.91	1,056.30	354.90	373.25	5,695.36
- Projects temporarily suspended	-	-	-	-	-
Total	3,910.91	1,056.30	354.90	373.25	5,695.36

6.4 Intangible Assets under Development

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	6.88	-
Additions during the year	8.42	6.88
Capitalised during the year	(15.30)	-
Closing Balance	-	6.88

Notes :

(i) Intangible Assets under Development Ageing Schedule

(₹ in crore)

Particulars	Amount in intangible assets under development for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Intangible Assets under Development ageing schedule:					
As at March 31, 2026					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at March 31, 2025					
- Projects in progress	6.88	-	-	-	6.88
- Projects temporarily suspended	-	-	-	-	-
Total	6.88	-	-	-	6.88

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6.5 Depreciation and Amortisation Expense

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Property, Plant and Equipment	1,925.92	1,843.44
Amortisation of Intangible Assets	19.24	41.40
Depreciation / Amortisation of Right of Use	36.17	28.66
Less : Transferred to Capital work in progress	(3.11)	(7.55)
Total	1,978.22	1,905.95

7 Non Current Investments

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments (unquoted) at fair value through profit or loss		
North Maharashtra Power Limited : 10,000 (March 31, 2025 : 10,000) equity shares of ₹ 10 each.	0.01	0.01
Investment in Government Securities at amortised cost		
Contingency Reserve Investment (Quoted)	407.28	348.71
Total	407.29	348.72
Aggregate book value of quoted Investments	407.28	348.71
Aggregate market value of quoted Investments	380.64	341.61
Aggregate amount of unquoted investments	0.01	0.01

8 Non Current Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Unbilled Receivables	101.97	106.30
Total	101.97	106.30

9 Non Current Loans- At Amortised Cost

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	6.74	9.02
(Unsecured, Considered good)		
Loan to employees	3.84	6.86
Total	10.58	15.88

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for the year ended March 31, 2026

10 Non-current Financial Assets- Others

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Balances held as Margin Money or security against borrowings*	1,616.57	2,173.59
Receivables Under Service Concession Arrangement (SCA)	6,247.23	1,675.27
Receivables from contracts with customers with deferred consideration	220.01	-
Derivative instruments	3,561.44	1,117.49
Security deposit - Considered Good	24.74	24.23
Security deposit - Considered doubtful	6.37	6.37
Interest receivable	11.14	8.69
Other Receivable	210.15	85.41
	11,897.65	5,091.05
Less : Provision For Doubtful Deposits	(6.37)	(6.37)
Total	11,891.28	5,084.68

* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

11 Non-Current Tax Assets (Net)

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current Tax Assets (Net)	159.63	99.47
Total	159.63	99.47

12 Other Non-current Assets

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Advance to Employees	1.91	1.54
Capital advances (Considered Good)	3,300.58	1,088.46
Contract Assets	7,165.53	4,257.81
Prepaid Expenses	0.71	-
Balances with Government Authorities	0.15	-
Deferred Assets (recoverable) / adjustable (Refer Note 29)	1,017.90	968.28
Total	11,486.78	6,316.09

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

13 Inventories

(At lower of Cost and Net Realisable Value)

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Stores & spares	166.15	130.32
Smart Meters	503.30	494.92
Total	669.45	625.24

14 Current Investments

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Mutual Funds units at FVTPL (Unquoted)	2,236.20	2,246.60
Total (a)	2,236.20	2,246.60
Investments in Government Securities (Quoted) at amortised cost		
Contingency Reserve Investment (Quoted)	-	33.09
Total (b)	-	33.09
Treasury Bills at FVTPL (Quoted)	0.12	10.00
Total (c)	0.12	10.00
Total (a) + (b) + (c)	2,236.32	2,289.69
Aggregate book value of quoted Investments	0.12	43.09
Aggregate market value of quoted Investments	0.12	43.09
Aggregate amount of unquoted investments	2,236.20	2,246.60

15 Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured, Considered good	156.29	147.82
Unsecured, Considered good	3,430.19	2,184.61
Having significant increase in credit risk	33.86	50.23
Credit Impaired	22.61	24.00
	3,642.95	2,406.66
Less : Provision for doubtful Trade receivables	(22.61)	(24.00)
	3,620.34	2,382.66
Unbilled Receivables	2,113.41	1,835.20
Total	5,733.75	4,217.86

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

15 Trade Receivables (Contd...)

15.1 Trade Receivable Ageing Schedule

As at March 31, 2026

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,215.38	874.82	2,164.78	114.64	213.86	209.17	0.32	5,792.97
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	21.96	5.03	2.85	3.81	-	-	33.65
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	13.00	13.00
(iv) Disputed Trade Receivables considered good	-	0.04	0.05	0.28	1.45	-	7.07	8.89
(v) Disputed Trade Receivables -which have significant increase in credit risk	-	0.03	0.18	-	-	-	-	0.21
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	9.61	9.61
Total	2,215.38	896.85	2,170.04	117.77	219.12	209.17	30.00	5,858.33

As at March 31, 2025

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables –considered good	1,941.50	715.48	1,190.24	39.12	150.25	225.75	9.48	4,271.82
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	-	25.16	16.73	3.39	4.83	-	-	50.11
(iii) Undisputed Trade Receivables –credit impaired	-	-	-	-	1.39	13.00	-	14.39
(iv) Disputed Trade Receivables considered good	-	0.29	1.80	0.01	0.01	-	-	2.11
(v) Disputed Trade Receivables -which have significant increase in credit risk	-	0.01	0.11	-	-	-	-	0.12
(vi) Disputed Trade Receivables –credit impaired	-	-	-	-	-	-	9.61	9.61
Total	1,941.50	740.94	1,208.88	42.52	156.48	238.75	19.09	4,348.16

Note : Ageing includes Non Current and Current Trade Receivables.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

15 Trade Receivables (Contd...)

Movement in the allowance for doubtful trade receivables

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	24.00	24.45
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	(1.39)	(0.45)
Balance at the end of the year	22.61	24.00

Notes :

- The Group holds security deposits (refer note 33) in respect of trade receivables of Distribution business. Trade receivables to the extent covered by such deposits are presented as secured.
- The average credit period for the Group's receivables from its distribution business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff / Transmission Service charges is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- The Group considers for impairment its receivables from customers in its Distribution business. Trade receivable balance mainly comprise 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.
- Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 23)
- In case of transmission and smart metering business of the Group, the concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments. While in case of power trading business, the group does not have history of defaults in trade receivables. Provision for doubtful trade receivables if any is estimated based on assessment of each case.

16 Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
In current accounts	907.40	606.72
Fixed Deposits (with original maturity for three months or less)	818.80	1,574.44
Cheques / Drafts on Hand	6.84	8.18
Cash on Hand	1.53	1.04
Total	1,734.57	2,190.38

Note : Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage for respective companies.

For charge created on aforesaid assets, refer note 23.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

17 Bank Balance other than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances held as Margin Money or security against borrowings	1,301.10	455.05
Fixed Deposits (with original maturity of more than 3 months)	911.67	973.25
Total	2,212.77	1,428.30

For charge created on aforesaid assets, refer note 23.

18 Current Financial Assets - Loans

(At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, Considered good)		
Loans to employees	3.87	4.48
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	1.90	1.97
Total	5.77	6.45

19 Current Financial Assets- Others

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest receivable	17.11	20.10
Receivables Under Service Concession Arrangement (SCA)	121.04	89.45
Security deposit	42.06	29.38
Derivative instruments	1,323.84	95.83
Other Receivables	21.54	28.14
Total	1,525.59	262.90

20 Other Current Assets

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance to Suppliers (Unsecured, Considered Good)	1,280.36	703.18
Balances with Government authorities	2,179.13	1,004.49
Contract Assets	28.72	765.40
Prepaid Expenses	216.08	87.29
Advance to Employees	3.25	5.33
Total	3,707.54	2,565.69

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

21 Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised Share Capital		
1,50,00,00,000 (As at 31 st March 2025-1,50,00,00,000) equity shares of ₹ 10 each.	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, Subscribed and Fully paid-up equity shares		
1,20,12,82,642 (As at 31 st March 2025- 1,20,12,82,642) fully paid up equity shares of ₹ 10 each.	1,201.28	1,201.28
Total	1,201.28	1,201.28

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	As at March 31, 2026		As at March 31, 2025	
Equity Shares	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
At the beginning of the year	1,20,12,82,642	1,201.28	1,11,54,92,683	1,115.49
Issued during the year	0	-	8,57,89,959	85.79
Outstanding at the end of the year	1,20,12,82,642	1,201.28	1,20,12,82,642	1,201.28

Note :

During the previous financial year, the Company, had successfully completed its ₹ 8,373.10 crore (USD 1 billion) Qualified Institutional Placement ("QIP"). The Management Committee of the Board of Directors of the Company, at its meeting held on August 3, 2024, approved the allotment of 8,57,89,959 equity shares of face value ₹ 10 each to eligible investors at a price ₹ 976 per equity share (including a premium of ₹ 966 per equity share). Pursuant to the allotment of these share the paid-up equity share capital of the Company increased from ₹ 1,115.49 crore comprising 1,11,54,92,683 fully paid-up equity shares to ₹ 1,201.28 crore comprising 1,20,12,82,642 fully paid-up equity shares.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

21 Equity Share Capital (Contd...)

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Shri Gautam S. Adani / Shri Rajesh S. Adani (On the behalf of S.B. Adani Family Trust)	60,16,34,660	50.08%	60,16,34,660	50.08%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,76,17,325	8.13%	9,76,17,325	8.13%
Gelt Bery Trade and Investment Limited	6,47,60,500	5.39%	5,51,33,600	4.59%
	76,40,12,485	63.60%	75,43,85,585	62.81%

d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2026			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	50.08%	-
Adani Tradeline Private Limited	9,76,17,325	8.13%	-
Afro Asia Trade and Investments Limited	3,02,49,700	2.52%	-
Adani Infra (India) Limited	1,84,50,000	1.53%	100.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.52%	-
Flourishing Trade And Investment Limited	36,88,000	0.31%	-
Gelt Bery Trade and Investment Limited	6,47,60,500	5.39%	17.46%
Emerging Market Investment DMCC	2,70,33,500	2.25%	24.96%
	87,36,83,387	72.73%	
As at March 31, 2025			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	50.08%	-
Adani Tradeline Private Limited	9,76,17,325	8.13%	1.89%
Afro Asia Trade and Investments Limited	3,02,49,700	2.52%	-
Fortitude Trade and Investment Limited	-	-	-
Worldwide Emerging Market Holding Limited	3,02,49,700	2.52%	-
Flourishing Trade And Investment Limited	36,88,000	0.31%	-
Gelt Bery Trade and Investment Limited	5,51,33,600	4.59%	-
Emerging Market Investment DMCC	2,16,33,500	1.80%	-100.00%
	84,02,06,487	69.93%	

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

22 Other Equity

(₹ in crore)

		As at March 31, 2026	As at March 31, 2025
a. Capital Reserve (Refer note (i) below)			
Opening Balance		208.87	208.87
Add : Addition during the year		-	-
Closing Balance	Total (a)	208.87	208.87
b. Effective portion of cashflow Hedge (Refer note (ii) below)			
Opening Balance		(682.91)	(845.55)
Effective portion of cash flow hedge for the year		1,068.59	162.64
Closing Balance	Total (b)	385.68	(682.91)
c. General Reserve (Refer note (iii) below)			
Opening Balance		1,147.53	1,152.27
Less: Appropriation to Self Insurance Reserve		(19.50)	(4.74)
Closing Balance	Total (c)	1,128.03	1,147.53
d. Capital Redemption Reserve (Refer note (iv) below)			
Opening Balance		2,436.53	2,436.53
Add : Addition during the year		-	-
Closing Balance	Total (d)	2,436.53	2,436.53
e. Debenture Redemption Reserve (Refer note (v) below)			
Opening Balance		23.94	24.39
Transfer from/(to) Retained Earning		(0.87)	(0.45)
Closing Balance	Total (e)	23.07	23.94
f. Contingency Reserve (Refer note (vi) below)			
Opening Balance		405.89	381.72
Addition during the year		29.26	24.17
Closing Balance	Total (f)	435.15	405.89
g. Self Insurance Reserve (Refer note (vii) below)			
Opening Balance		73.07	68.33
Addition during the year		30.46	4.74
Closing Balance	Total (g)	103.53	73.07
h. Retained Earnings (Refer note (viii) below)			
Opening Balance		5,305.19	4,265.18
Add : Profit for the year		2,282.54	1,059.97
Add / (Less) : Other comprehensive income arising from remeasurement of Defined Benefit Plans		5.54	1.77
(Less) : Transfer to Contingency reserve		(26.42)	(22.18)
Add / (Less) : Transfer to Debenture Redemption Reserve		0.87	0.45
Add / (Less) : Transfer to Self Insurance Reserve		(10.96)	-
Add / (Less) : Changes in ownership interests in subsidiaries without loss of control		(0.17)	-
Closing Balance	Total (h)	7,556.59	5,305.19

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

22 Other Equity (Contd...)

		(₹ in crore)	
		As at March 31, 2026	As at March 31, 2025
i. Securities Premium Account (Refer note (ix) below)			
Opening Balance		11,948.81	3,834.32
Add: Addition on account of issue of shares during the year		-	8,287.31
Less : Share Issue Expenses in relation Qualified Institutional Placement		-	(172.82)
Closing Balance	Total (i)	11,948.81	11,948.81
	Total (a+b+c+d+e+f+g+h+i)	24,226.26	20,866.92

Notes :

- i) It has been created on acquisition of subsidiary companies.
- ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
- iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportion purposes.
- iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'
- v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.
- vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies.
- vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.
- viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.
- ix) Securities Premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013. During the previous year, the Company, had successfully completed its ₹ 8,373.10 crore (USD 1 billion) Qualified Institutional Placement ("QIP"). The Management Committee of the Board of Directors of the Company, at its meeting held on August 3, 2024, approved the allotment of 8,57,89,959 equity shares of face value ₹ 10 each to eligible investors at a price ₹ 976 per equity share (including a premium of ₹ 966 per equity share). Pursuant to the allotment of these share the paid-up equity share capital of the Company increased from ₹ 1,115.49 crore comprising 1,11,54,92,683 fully paid-up equity shares to ₹ 1,201.28 crore comprising 1,20,12,82,642 fully paid-up equity shares.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings

(₹ in crore)

	Non-current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Secured				
Bonds				
5.20% US private Placement	2,988.56	2,790.99	110.48	99.33
4.25% USD Bonds	2,850.42	2,822.15	282.12	253.51
3.949% USD Bonds	7,843.04	7,480.27	-	-
4.00% USD Bonds	4,741.74	4,255.58	-	-
3.867% Sustainability Linked Notes	2,405.63	2,545.38	-	-
Term Loans				
From Banks				
Rupee loan	9,303.91	5,226.02	754.02	186.76
Foreign currency loan	6,460.27	4,288.96	10.51	99.46
From Financial Institutions	4,339.78	4,889.84	47.00	129.33
Non Convertible Debentures	1,691.77	854.61	152.21	52.63
Unsecured				
Non Convertible Debentures	1,336.85	269.37	86.29	-
Shareholders Affiliated Debt	1,405.35	1,569.12	-	410.28
Total	45,367.32	36,992.29	1,442.63	1,231.30
Amount disclosed under the head 'Current Financial Liabilities - Borrowings' (Refer Note 30)	-	-	(1,442.63)	(1,231.30)
Net amount	45,367.32	36,992.29	-	-

Note (i)

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Adani Transmission Step-One Limited. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company. (d) All assets (moveable and immovable) of ATIL & MEGPTCL including its current assets.	332.50 Million USD Bonds aggregating to ₹ 3,153.26 crore (March 31, 2025 - 362.50 Million USD Bonds aggregating to ₹ 3,098.47 crore) are redeemable by Half yearly payment starting from May 2020 to May 2036.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
4.00% USD Bonds	(e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans") (f) Corporate guarantee given by the Adani Energy Solutions Limited.	500 Million USD Bonds aggregating to ₹ 4,741.75 crore (March 31, 2025 - 500 Million USD Bonds aggregating to ₹ 4,273.75 crore) are redeemable by bullet payment in FY 2026-27. Subsequent to the reporting period and prior to approval of the financial statements, the Group has refinanced these bonds.
3.949% USD Bonds	a) a first pari passu mortgage over certain Identified immovable Properties of AEML. b) a first pari passu charge on the movable assets of the AEML (both present and future);	3.949% Bond amounting to ₹ 7,876.06 crore (March 31, 2025 - ₹ 7,521.81 crore) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.
Sustainability Linked Notes - 3.867%	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 or capex in relation to existing business of AEML (both present and future); d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the AEML; g) a non-disposal undertaking over immovable properties other than certain identified immovable properties;	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
	h) a non-disposal undertaking over the immovable and movable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited (PDSL) (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of PDSL. In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of AEML, and such future obligors. Ranking of Security The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of AEML in accordance with the Senior Secured Note Documents and the intercreditor agreement.	
6.365% Shareholders Affiliated Debts	(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts of AEML. (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account of AEML.	Following the occurrence of a Cash Sweep Event, amounts which are available for distribution or repayment of facility will be applied towards prepayment : (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; (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

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
		(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. 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.
Rupee Term Loans, Foreign Currency Loans, Rupee Term Loan from Financial Institution	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval for respective companies. Respective companies shares are pledged.	(A) Rupee term loans from Banks of ₹ 10,100.01 crore (March 31, 2025 - ₹ 5,451.08 crore) and Rupee Term Loan from Financial Institution of ₹ 4,413.35 crore (March 31, 2025 - ₹ 5,045.87 crore) carry interest rates ranging from 7.50% to 9.50% p.a. The loan is repayable at different maturities ending on FY 2052-53. (B) Foreign Currency loan (ECB Loan) from bank (i) aggregating ₹ 79.57 crore (as at March 31, 2025 :- ₹ 74.90 crore carries an Interest @ 3 Months Euribor plus 1.52% per annum. The loan is repayable in quarterly installments commencing from December 18, 2017 which initial tenure was ending in August 2022 but extended with effect of supplemental agreement as on August 08, 2022 to August 2027 for additional five years. (ii) aggregating to ₹ 958.69 crore (As on March 31, 2025 - ₹ 2,224.16 crore), having an interest rate of Overnight SOFR + Spread. The repayment schedule started from FY 2023-24 by way of First Semi Annually installment due on May-23 and will end on FY 2026-27. The Group is at an advanced stage of refinancing its existing outstanding foreign currency borrowing, which will maintain the same tenure and security cover requirements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
		(iii) aggregating to ₹ 4,571.05 crore (As on March 31, 2025 - ₹ 2,165.94 crore), having an interest rate of Overnight SOFR + Spread repayable by way of first semi-annual installment due on August-2027 and further repayment ending in FY 2028-29. (iv) aggregating to ₹ 967.32 crore (As on March 31, 2025 - Nil), having an interest rate of Overnight SOFR + Spread repayable by way of bullet repayment on Feb-31.
5.20% US private Placement	5.20% US private Placement Notes are issued by six (6) transmission companies of USPP Group. The Notes are secured/to be secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the company held by Holding Company, i.e. Adani Energy Solutions Limited.	5.20%, 329.20 Million USD Denominated Notes aggregating to ₹ 3,121.97 crore, (March 31, 2025 - 341.00 Million USD Denominated Notes aggregating to ₹ 2,914.70 crore) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.
Non Convertible Debentures	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹ 69.58 crore (as at March 31, 2025 - ₹ 79.73 crore) having an interest rate of 8.91% to 9.91% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Non Convertible Debentures	Non-Convertible Debentures are secured by having first charge over movable/intangible assets created out of project on pari passu basis.	NCD aggregating to ₹ 792.50 crore (as at March 31, 2025 - ₹ 836.00 crore) having an interest rate of 7.95% to 8.27% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2022-23 to FY 2040-41.
Non Convertible Debentures	Non-Convertible Debentures are secured by having a. First charge over movable fixed assets, all accounts, current assets, all revenues & receivables, investments, and intangible assets of the Issuer, both present and future, until the final settlement date.	NCD aggregating to ₹ 994.80 crore (as at March 31, 2025 - Nil) having an interest rate of 7.70% to 7.99% p.a. which is governed by NCD agreement and redeemable starting from December 2025 to September 2042.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

23 Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
Non Convertible Debentures	b. First ranking pledge of 51% of the equity share capital of the Co-obligor & Adani Transmission Step-Two Limited on a fully diluted basis till final settlement date and non-disposal undertaking in respect to remaining 49% of the equity shares in both. c. the non-disposal undertaking to be executed by the Co-obligor in relation to all of its assets.	
Non Convertible Debentures	Unsecured	NCD aggregating to ₹ 1,439.87 crore (as at March 31, 2025 - ₹ 275.00 crore) having an interest rate of 7.70% to 8.70% p.a. which is governed by NCD agreement redeemable at different maturities ending on September 2044.

Note ii

During the year ended March 31, 2026, Adani Electricity Mumbai Limited (AEML), pursuant to the approval of management committee had completed partial re-purchase of its Senior Secured Notes of 49.50 Million USD of its outstanding 3.949% 880.00 Million USD due in 2030 and Sustainability Linked Notes of its 44.661 Million USD of its outstanding 3.867% 300.00 Million USD due in FY 2031, through cash open market repurchase.

Post re-purchase, in current year, AEML has recognised one time income of ₹ 72.22 crore on derecognition of liability and AEML has cancelled the aforementioned 3.949% 49.50 Million USD Senior Secured Notes and 3.867% 44.661 Million USD Sustainability Linked Notes.

24 Lease Liabilities

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Lease Liabilities	260.60	50.83	17.38	18.37
Total	260.60	50.83	17.38	18.37

25 Non Current Trade Payables

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	40.06	38.88
Total	40.06	38.88

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

26 Non Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Payable on purchase of Property, Plant and Equipment	922.32	729.01
Derivative instruments	2.56	86.41
Refundable to customers on truing up	86.26	63.73
Other Payable towards Bilateral Charges & Liquidated Damages	232.19	139.36
Other Liabilities	3.46	1.43
Deposits from customer and Other	0.62	0.40
Total	1,247.41	1,020.34

27 Other Non Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Revenue- Service Line Contributions from Consumers	610.37	474.75
Deferred Revenue - OPGW	44.54	48.02
Total	654.91	522.77

28 Provisions

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity (Refer note 55)	354.60	243.52	35.31	30.40
Provision for Compensated Absences	306.84	292.86	36.90	44.09
Provision for Other Employment Benefits	19.55	17.19	105.41	1.78
Provision for Stamp Duty	-	-	15.65	15.65
Provision towards Encashed Bank Guarantee	-	-	13.60	13.60
Total	680.99	553.57	206.87	105.52

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

29 Deferred Tax Assets / Liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets (net)	78.17	57.85
Deferred Tax Liabilities (net)	2,490.14	1,753.76
Deferred Tax Liabilities		
Mark to Market Gain on Mutual Funds	(1.88)	(4.46)
Difference between book base and tax base of property, plant and equipment, Right of use and SCA	(5,753.60)	(4,796.79)
Impact of measuring derivative financial instrument at fair value	(113.81)	-
Deferred Tax Liabilities (a)	(5,869.29)	(4,801.25)
Deferred Tax Assets		
Provision for Employee Benefits	279.36	245.08
Lease Liabilities	0.56	0.40
Provision for Bilateral Charges	32.67	30.73
Unabsorbed Depreciation	2,709.41	2,244.24
Unabsorbed Business Losses & MAT Credit Entitlement	428.35	347.74
Allowance for Doubtful Debts, Deposits, Advances	6.97	13.92
Impact of measuring derivative financial instrument at fair value	-	223.23
Deferred Tax Assets (b)	3,457.32	3,105.34
Deferred Tax Assets/(Liabilities) Total (a + b)	(2,411.97)	(1,695.91)

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability get converted into current tax.

a. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2025-26

(₹ in crore)

Particulars	Opening Balance as at April 1, 2025	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2026	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax liabilities:							
Mark to Market gain on Mutual Funds	(4.46)	2.58	-	-	(1.88)	(0.31)	(1.57)
Difference between book base and tax base of property, plant and equipment and SCA	(4,796.79)	(956.81)	-	-	(5,753.60)	(495.95)	(5,257.65)
Impact of measuring derivative financial instrument at fair value	-	(113.81)	-	-	(113.81)	-	(113.81)
Total	(4,801.25)	(1,068.04)	-	-	(5,869.29)	(496.26)	(5,373.03)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

29 Deferred Tax Assets / Liabilities (net) (Contd...)

(₹ in crore)

Particulars	Opening Balance as at April 1, 2025	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2026	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax assets:							
Provision for Employee Benefits	245.08	34.43	-	(0.15)	279.36	4.37	274.99
Provision for Bilateral Charges	30.73	1.94	-	-	32.67	24.04	8.63
Lease Liabilities	0.40	0.16	-	-	0.56	0.10	0.46
Unabsorbed Depreciation	2,244.24	465.17	-	-	2,709.41	523.34	2,186.07
Unabsorbed Business Losses & MAT Credit Entitlement	347.74	80.61	-	-	428.35	19.31	409.04
Allowance for Doubtful Debts, Deposits and Advances	13.92	(6.95)	-	-	6.97	3.27	3.70
Impact of measuring derivative financial instrument at fair value	223.23	113.78	-	(337.01)	-	-	-
Total	3,105.34	689.14	-	(337.16)	3,457.32	574.43	2,882.89
Net Deferred Tax Asset / (Liabilities)	(1,695.91)	(378.90)	-	(337.16)	(2,411.97)	78.17	(2,490.14)

b. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2024-25

(₹ in crore)

Particulars	Opening Balance as at April 1, 2024	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2025	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax Liabilities:							
Mark to Market gain on Mutual Funds	(1.09)	(3.37)	-	-	(4.46)	(1.39)	(3.07)
Difference between book base and tax base of property, plant and equipments and SCA	(4,119.98)	(512.91)	(163.90)	-	(4,796.79)	(343.80)	(4,452.99)
Total	(4,121.07)	(516.28)	(163.90)	-	(4,801.25)	(345.19)	(4,456.06)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

29 Deferred Tax Assets / Liabilities (net) (Contd...)

(₹ in crore)

Particulars	Opening Balance as at April 1, 2024	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2025	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax assets:							
Provision for Employee Benefits	261.66	(16.54)	0.02	(0.06)	245.08	4.42	240.66
Provision for Bilateral Charges	28.22	2.51	-	-	30.73	24.04	6.69
Lease Liabilities	0.25	0.15	-	-	0.40	0.01	0.39
Unabsorbed Depreciation	1,878.20	249.40	116.64	-	2,244.24	370.59	1,873.65
Unabsorbed Business Losses & MAT Credit Entitlement	47.89	299.22	0.63	-	347.74	0.71	347.03
Allowance for Doubtful Debts, Deposits and Advances	16.33	(2.41)	-	-	13.92	3.27	10.65
Impact of measuring derivative financial instrument at fair value	276.17	-	-	(52.94)	223.23	-	223.23
Total	2,508.72	532.33	117.29	(53.00)	3,105.34	403.04	2,702.30
Net Deferred Tax Asset / (Liabilities)	(1,612.35)	16.05	(46.61)	(53.00)	(1,695.91)	57.85	(1,753.76)

Note (i) - Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

30 Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
From Banks		
Working Capital Loan / Cash Credit / Bank Overdraft	1,534.15	1,353.20
Rupee Loan	317.00	220.00
Total (a)	1,851.15	1,573.20
Unsecured		
From Banks		
Rupee loan	237.35	60.00
Total (b)	237.35	60.00
Current maturities of long-term borrowings (Refer note 23) Total (c)	1,442.63	1,231.30
Total (a+b+c)	3,531.13	2,864.50

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

30 Current Financial Liabilities - Borrowings (Contd...)

Notes :

Borrowings	Security	Terms of Repayment
Working Capital Loan / Cash Credit / Bank Overdraft	i) First charge on receivables and on immovable and movable assets created out of project on paripassu basis. ii) First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the respective company.	Loan aggregating ₹ 1,534.15 crore (March 31, 2025- ₹ 1,353.20 crore) from banks at the rate of interest ranges from 7.00% to 8.46% p.a.
Secured Loan from banks	First pari passu charge by way of hypothecation over all current assets of Adani Transmission Step-One Limited (ATSOL) and its subsidiaries viz, Adani Transmission (India) Limited (ATIL) & Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) and negative lien on fixed assets of ATIL and MEGPTCL.	The Secured Term Loan from bank amounting to ₹ 317.00 crore. (March 31, 2025 - ₹ 220.00 crore) having rate of interest ranging from 7.25% to 8.08% p.a. repayable by September 2026.
Unsecured Loan from bank	Unsecured Loan	Loan aggregating ₹ 237.35 crore (March 31, 2025- ₹ 60.00 crore) from banks at the rate of interest ranging from 6.10% to 9.10% p.a. repayable by September 2026.

31 Trade acceptances

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
From Banks		
Trade acceptances	2,415.92	349.29
Total	2,415.92	349.29

Notes :

Borrowings	Security	Terms of Repayment
Trade Acceptances	Secured Letter of Credit	Letter of Credits from Banks aggregating to ₹ 2,415.92 crore (as on March 31, 2025 - ₹ 349.29 crore) having an interest rate range 6.20% to 7.55% p.a. will be repaid on due date basis.

The Group enters into the deferred payments arrangements whereby lenders make payments to supplier's bank for the purchase made by the Group. The lenders are subsequently repaid by the Group at a later date providing working capital benefits. These arrangements are in the nature of credit extended in normal operating cycle and these are recognized as Acceptances. Interest borne by the Group on such arrangements is accounted as finance cost and exclusive charge by way of hypothecation / security interest / charge on all material procured under the facility. Having regard to the nature and substance of the underlying arrangement, the Group has reassessed the presentation of such short term interest bearing acceptances availed from lenders for settlement of trade payables. Accordingly, these have been presented as a separate line item in the consolidated financial statements. Previous year figures have been regrouped from short term borrowings to acceptance with corresponding equivalent reclassification impact from financing activities to operating activities in cashflow statement, to align with the current year presentation.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

32 Trade Payables

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Payables		
Micro and Small Enterprises	95.86	52.97
Other than Micro and Small Enterprises	4,897.79	2,902.65
Total	4,993.65	2,955.62

32.1 Trade Payables ageing schedule

As at March 31, 2026

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) MSME	83.28	6.72	1.78	2.60	1.48	95.86
(b) Others	3,368.85	1,278.52	36.05	8.02	154.33	4,845.77
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	92.07	92.07
Total	3,452.13	1,285.24	37.83	10.62	247.88	5,033.70

As at March 31, 2025

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(a) MSME	43.72	2.27	3.84	1.35	1.79	52.97
(b) Others	1,482.62	1,167.70	12.09	80.03	107.02	2,849.46
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	92.07	92.07
Total	1,526.34	1,169.97	15.93	81.38	200.88	2,994.50

Note : Ageing includes Long term and Short term Trade payable.

33 Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings / deposits	298.12	315.42
Payable on purchase of Property, Plant and Equipment	1,857.36	1,589.48
Payables to Employees	206.06	304.61
Derivative Instruments	-	44.21
Security Deposits from Consumers, Customers & Vendors	822.89	657.54
Other Payables	0.62	5.30
Refundable to customers on truing up	197.02	85.26
Total	3,382.07	3,001.82

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

34 Other Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities	510.29	439.39
Revenue received in advance	324.77	147.03
Other Payables	8.94	13.08
Deferred Revenue - Service Line Contributions from Consumers	26.27	22.97
Total	870.27	622.47

35 Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2025
Current Tax Liabilities (Net)	28.99	5.09
Total	28.99	5.09

36 Revenue from Operations

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Income from sale of Power (Distribution), Transmission Charges and Smart Metering business		
Income from sale of Power and Transmission Charges (net)	17,457.22	16,955.10
Construction Income relating to Service Concession Arrangements (SCA)	7,842.45	5,064.71
Income under Service Concession Arrangements (SCA)	514.54	145.90
Income from Operation and maintenance	297.41	28.80
Total (a)	26,111.62	22,194.51
b) Income from Trading Business		
Sale of Traded Goods	1,007.34	1,368.45
Income from power trading (net)	83.67	11.99
Total (b)	1,091.01	1,380.44
c) Other Operating Revenue		
Interest income on deferred consideration receivables	25.90	-
Street Light Maintenance Charges	290.99	128.56
Sale of Coal Rejects / Fly Ash	-	3.34
Rent Income	0.93	0.51
Amortisation of Service Line Contribution	25.11	22.75
Others	42.47	36.98
Total (c)	385.40	192.14
Total (a+b+c)	27,588.03	23,767.09

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

36 Revenue from Operations (Contd...)

Note :

Disaggregation of revenue from contracts with customers:

	(₹ in crore)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Based on business Segment		
Transmission	9,823.88	8,330.59
Distribution	12,450.02	12,266.48
Smart Meter	3,574.90	1,572.10
Trading	1,091.01	1,380.44
Others	648.22	217.48
Total	27,588.03	23,767.09

	(₹ in crore)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(ii) Based on timing of revenue recognition		
Revenue recognised over a period of time	26,538.22	22,358.32
Revenue recognised at a point of time	1,049.81	1,408.77
Total	27,588.03	23,767.09

37 Other Income

	(₹ in crore)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Particulars		
Interest Income		
Bank	267.28	336.42
Others	204.99	151.94
Gain/(Loss) on Investments		
Gain on Sale/Fair Value of Current Investments measured at FVTPL	118.90	125.92
Other Non-operating Income		
Gain on buy-back of bond	72.22	-
Profit on Sale / Retirement of property, plant and equipment (Net)	-	3.80
Rent Income	0.30	0.41
Sale of Scrap	14.51	12.57
Bad debt recovery	26.33	33.38
Unclaimed liabilities / Excess provision written back	28.25	11.94
Miscellaneous Income	4.35	3.08
Total	737.13	679.46

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

38 Purchases of Stock - in - Trade

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases of Stock - in - Trade	1,004.14	1,365.74
Total	1,004.14	1,365.74

39 Employee Benefits Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus (refer note below)	847.09	848.14
Contribution to provident fund and other funds	55.31	61.07
Gratuity Expenses (refer note 55)	123.77	51.93
Staff Welfare Expenses	66.47	71.80
Total	1,092.64	1,032.94

Note : In financial year 2024-25, a Voluntary Retirement Scheme (VRS) 2025, was rolled out for employees of AEML from March 8, 2025, to March 29, 2025 and an amount of ₹ 57.20 crore was charged for the financial year 2024-25 towards expected payout and same was discharged in the current financial year. Additionally, in the current financial year, the Company launched Voluntary Retirement Scheme (VRS-2) 2025 for its employees from August 11, 2025 to August 20, 2025 and an amount of ₹ 9.36 crore was discharged during the year. Further in the financial year 2025-26, the group has recognised a provision of ₹ 103.64 crore towards Voluntary Retirement Scheme (VRS), arising from a constructive obligation.

40 Finance costs

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on Loans & Debentures	2,345.46	2,177.14
Interest on Trade Credits	206.03	111.54
Interest on Lease Obligation	18.16	7.14
Bank Charges & Other Borrowing Costs	222.00	123.99
Interest - Hedging Cost	841.25	839.35
Total	3,632.90	3,259.16

41 Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Stores and Spares	648.15	256.24
Transmission Charges	896.46	597.21
Repairs and Maintenance - Plant and Equipment	484.23	495.41
Repairs and Maintenance - Building	29.02	14.82
Repairs and Maintenance - Others	63.32	48.68
Short Term Lease Rental (Refer note 45)	34.02	32.38
Rates and Taxes	18.32	10.79

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

41 Other Expenses (Contd...)

(₹ in crore)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Legal & Professional Expenses	315.06	292.37
Payment to Auditors (including component auditors)	5.13	4.43
Communication Expenses	85.56	19.57
Travelling & Conveyance Expenses	55.11	55.57
Insurance Expenses	26.54	22.08
Bad Debt Written Off	17.23	16.64
Foreign Exchange Fluctuation Loss	0.52	1.13
Corporate Social Responsibility expenses	53.88	43.84
Security Charges	31.37	29.03
Advertisement & Selling expense	49.55	29.82
Loss on sale/scrapping of Property, Plant and Equipment	16.58	-
Bilateral Charges & Liquidated Damages*	-	7.72
Miscellaneous Expenses	93.57	36.03
Total	2,923.62	2,013.76

***Note :** In respect of certain subsidiaries of Adani Energy Solutions Limited, on account of delay in commissioning of transmission assets for reasons beyond the control of the respective subsidiaries, a sum of ₹ Nil (PY : ₹ 7.72 crore) has been provided toward bilateral charges and liquidated damages. The subsidiaries have filed appeals against the same.

42 Income Tax

(₹ in crore)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current Tax :		
In respect of current year	392.86	195.09
In respect of Previous years	(0.06)	(0.05)
Deferred Tax	378.91	(16.05)
Total	771.71	178.99

Tax recognised in other comprehensive income

(₹ in crore)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement of Defined Benefit Plans		
Total income tax recognised in other comprehensive income	(0.15)	(0.18)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Tax relating to items that will be reclassified to Profit or Loss	(337.01)	(52.94)
Total	(337.16)	(53.12)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

42 Income Tax (Contd...)

	(₹ in crore)	
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Accounting profit before tax	3,114.84	1,074.85
Tax Rate	25.168%	25.168%
Income tax expense at tax rate applicable	783.94	270.52
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Current year Losses for which no Deferred Tax Asset is created	93.88	125.70
ii) Adjustments in respect of current income tax of previous year	(72.11)	2.22
iii) Non deductible Expenses	27.94	15.38
iv) Subsidiary charged at different rate	147.73	10.88
v) MAT Credit not recognised	12.53	50.27
vi) 80IA claims	(198.00)	(195.44)
vii) Difference between sale consideration of Dahanu Thermal Power Plant as per books and income tax	-	406.75
viii) Unrecognized Deferred Tax upto Previous year	(55.33)	(362.81)
ix) Credit Taken for Previous year losses for which no deferred tax was recognized	-	(148.86)
x) Others (Includes Tax at different rate)	31.13	4.38
Gross Tax	771.71	178.99

The Group has recognised income tax expenses for the year in accordance with the provision of the Income Tax Act, 1961.

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following expiry as per details below :

	(₹ in crore)			
As at March 31, 2026	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	2.22	-	-	2.22
Greater than one year, less than five years	9.15	-	136.01	145.16
Greater than five years	64.79	766.90	617.63	1,449.32
No expiry date	-	406.13	-	406.13
Total	76.16	1,173.03	753.64	2,002.83

	(₹ in crore)			
As at March 31, 2025	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	0.10	-	-	0.10
Greater than five years	1,167.28	-	1,437.91	2,605.19
No expiry date	-	923.35	-	923.35
Total	1,167.38	923.35	1,437.91	3,528.64

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

43 Earnings per share (EPS)

(₹ in crore)

Particulars			For the year ended March 31, 2026	For the year ended March 31, 2025
A	After net Movement in Regulatory Deferral Balance			
	Profit after tax attributable to the owners of the Company	(₹ in crore)	2,282.54	1,059.97
	Net Profit attributable to Equity Shareholders including Regulatory income/(expense)	(₹ in crore)	2,282.54	1,059.97
	Weighted average number of equity shares outstanding during the year	No.	1,20,12,82,642	1,17,14,32,437
	Nominal Value of equity share	₹	10	10
	Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Deferral Balance	₹	19.00	9.05
B	Before net Movement in Regulatory Deferral Balance			
	Profit after tax attributable to the owners of the Company	(₹ in crore)	2,282.54	1,059.97
	Add/(Less): Regulatory Income / (expense) (net)	(₹ in crore)	682.81	831.31
	Net Profit attributable to Equity Shareholders before Regulatory income/(expense)	(₹ in crore)	2,965.35	1,891.28
	Weighted average number of equity shares outstanding during the year	No.	1,20,12,82,642	1,17,14,32,437
	Nominal Value of equity share	₹	10	10
	Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Deferral Balance	₹	24.68	16.14

44 Contingent liabilities and Commitments

(i) Contingent liabilities :

(₹ in crore)

Particulars		As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as Debts			
(a)	Direct & Indirect tax	31.24	27.08
(b)	Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges (Refer note 1)	353.55	353.55

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

44 Contingent liabilities and Commitments (Contd...)

Particulars	(₹ in crore)	
	As at March 31, 2026	As at March 31, 2025
(c) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended March 31, 2019 (Refer Note 1)	1,381.28	1,381.28
(d) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)	28.43	28.43
(e) Other claims against the Group not acknowledged as debts	2.12	2.12
(f) Property related disputes (Refer Note 1)	2.59	2.59
Total	1,799.21	1,795.05

- 1 In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.
- 2 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- 3 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

(ii) Commitments :

Particulars	(₹ in crore)	
	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advance)	38,254.77	12,312.10
	38,254.77	12,312.10

(iii) Other Commitments:

- a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years Power Purchase Agreement of 700 MW per annum with a group entity (Adani Hybrid Energy Jaisalmer Four Limited), to purchase 700 MW per annum of Hybrid Renewable Power at ₹ 3.24 per unit.
- b) For procurement of Thermal power on long term basis, AEML has entered into a long term 5 years power purchase agreement 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 Eastern Regulatory Commission.
- c) MPSEZ Utilities Limited (MUL) has entered into Power Purchase Agreement with Adani Power Limited (APL) for (i) procurement of power 360 MW per annum for fixed charge at ₹ 5 per kWh @ 85% plant load factor for term of 15 years (ii) procurement of power 800 MW per annum for fixed charge at ₹ 4.6 kWh for term of 15 years and (iii) procurement of power 40 MW and 10 MW per annum for fixed charge at ₹ 4.669 kWh for term of 25 years.

- (iv) The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML.

On August 21, 2022, R-Infra has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. During the year, the parties have amicably resolved their disputes, and a settlement has reached between the parties. In light of this settlement, RInfra has withdraw all claims filed, in connection with the share purchase agreement.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

45 Leases

Disclosure under Ind AS 116 Leases:

- (i) The following is the movement in Lease liabilities during the year ended March 31, 2026

Particulars	(₹ in crore)	
	As at March 31, 2026	As at March 31, 2025
Opening Balance	69.20	60.78
Lease Liabilities on account of Leases entered / terminated during the year	218.25	20.56
Lease Liabilities on account of acquisition	-	0.11
Finance Costs incurred during the year	18.20	7.37
Net Payments of Lease Liabilities	(27.67)	(19.62)
Closing Balance (Refer note 24)	277.98	69.20

- (ii) The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, and warehouses taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.
- (iii) Leasing arrangements with respect to land range between 20 years to 99 years generally. The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- (iv) The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows:

Low Value leases & Short-term leases - ₹ 34.02 crore (March 31, 2025 : ₹ 32.38 crore)

46 Related Party Disclosure

Name of related parties & description of relationship	
(A) Ultimate Controlling Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Mr. Kandarp Patel, Whole-time Director and Chief Executive Officer
	Mr. Kunjal Mehta, Chief Financial Officer (Appointed w.e.f 1 st April, 2024)
	Ms. Lisa Caroline Maccallum - Non Executive - Independent Director
	Ms. Chandra Iyengar - Non Executive - Independent Director (w.e.f. May 31, 2025)
	Mr. Hemant Madhusudan Nerurkar - Non Executive - Independent Director (w.e.f. May 31, 2025)
	Mr. Anil Ahuja Satya - Non Executive - Independent Director (w.e.f. November 29, 2025)
	Dr. Ravindra H. Dholakia - Non Executive - Independent Director (upto August 31, 2024)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

Name of related parties & description of relationship	
(B) Key Management Personnel:	Mr. K. Jairaj - Non Executive - Independent Director (upto June 30, 2025)
	Ms. Meera Shankar - Non Executive - Independent Director (upto June 30, 2025)
(C) Enterprises over which (A) or (B) above have control or significant influence :	ACC Limited
	Adani Airport Holdings Limited
	Adani Bulk Terminals (Mundra) Limited
	Adani Capital Private Limited
	Adani Cement Industries Limited
	Adani CMA Mundra Terminal Private Limited
	Adani Community Empowerment Foundation
	Adani Container Terminal Limited
	Adani Digital Labs Private Limited
	Adani Ennore Container Terminal Private Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Esyasoft Smart Services Private Limited
	Adani Esyasoft Smart Solutions
	Adani Foundation
	Adani Green Energy Limited
	Adani Green Energy Twenty Five A Limited
	Adani Green Energy Twenty Five B Limited
	Adani Green Energy Twenty Five C Limited
	Adani Green Energy Twenty Five Limited
	Adani Green Energy Twenty Four A Limited
	Adani Green Energy Twenty Four Limited
	Adani Green Energy Twenty Six A Limited
	Adani Green Energy Twenty Six B Limited
	Adani Hospitals Mundra Private Limited
	Adani Hybrid Energy Jaisalmer Five Limited (Formerly known as Adani Green Energy Twenty Nine Limited)
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	Adani Hybrid Energy Jaisalmer One Limited (Formerly know as Adani Green Energy Eighteen Limited)
	Adani Infra (India) Limited
	Adani Infrastructure Management Services Limited
	Adani International Container Terminal Private Limited
	Adani Krishnapatnam Port Limited
	Adani Logistics Limited
	Adani Medicity And Research Center
	Adani Mining Limited
	Adani Murmugao Port Terminal Private Limited

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

Name of related parties & description of relationship	
(C) Enterprises over which (A) or (B) above have control or significant influence :	Adani New Industries Limited
	Adani Ports And Special Economic Zone Limited
	Adani Power (Jharkhand) Limited
	Adani Power Limited
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Fifty Five Limited
	Adani Renewable Energy Fifty Seven Limited
	Adani Renewable Energy Fifty Six Limited
	Adani Renewable Energy Forty Eight Limited
	Adani Renewable Energy Forty Five Limited
	Adani Renewable Energy Forty Limited
	Adani Renewable Energy Forty One Limited
	Adani Renewable Energy Forty Three Limited
	Adani Renewable Energy Forty Two Limited
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)
	Adani Renewable Energy Holding Three Limited (Formerly known as Adani Renewable Energy Park Gujarat Limited)
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)
	Adani Renewable Energy Park Rajasthan Limited
	Adani Renewable Energy Three Limited
	Adani Road Transport Limited
	Adani Skill Development Center
	Adani Solar Energy Jaisalmer One Private Limited (Formerly known as SBE Renewables Ten Projects Private Limited)
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)
	Adani Solar Energy Jodhpur Six Private Limited (Formerly known as SBE Renewables Twenty Four Project Private Limited)
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)
	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)
	Adani Sportline Private Limited
	Adani Total Gas Limited
	Adani Total Energies E-Mobility Limited

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

Name of related parties & description of relationship	
(c) Enterprises over which (A) or (B) above have control or significant influence	Adani Tracks Management Services Limited
	Adani University
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)
	Adani Saur Urja (KA) Limited
	Adani Connex Private Limited
	Agnel Developers LLP
	Ahmedabad International Airport Limited
	Akshar Elecinfra Pvt Limited
	Alwar Alluvial Resources Limited
	Ambuja Cements Limited
	Asian Concretes and Cements Private Limited
	Asian Fine Cements Private Limited
	Aviserve Facilities Private Limited
	AWL Agri Business Limited
	Belvedere Golf and Country Club Private Limited
	Buildcast Solutions Pvt Limited
	Cemindia Projects Ltd (Formerly, ITD Cementation India Limited)
	Cleartrip Packages And Tours Private Limited
	DC Development Hyderabad Private Limited
	DC Development Noida Limited
	Dharavi Redevelopment Project Pvt Limited
	Empezar Clearing Agency Private Limited
	Gare Palma II Collieries Private Limited
	Jaipur International Airport Limited
	Jeevanjyoti Education & Research Foundation
	Korba Power Limited
	Lucknow International Airport Limited
	Mahan Energen Limited
	Mangaluru International Airport Limited
	Marine Infrastructure Developer Private Limited
	Mettube Copper India Private Limited
	Mining Tech Consultancy Services Limited
	Mirzapur Thermal Energy (UP) Private Limited (Formerly known as Welspun Energy UP Private Limited)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

Name of related parties & description of relationship	
(C) Enterprises over which (A) or (B) above have control or significant influence	Moxie Power Generation Limited
	Mumbai International Airport Limited
	Mundra Crude Oil Terminal Private Limited
	Mundra LPG Terminal Private Limited
	Mundra Petrochem Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Mundra Solar Energy Limited
	Mundra Solar PV Limited
	Mundra Solar Technology Limited
	Mundra Solar Technopark Private Limited
	Navi Mumbai International Airport Private Limited
	New Delhi Television Limited
	North Maharashtra Power Limited
	Orient Cement Limited
	Penna Cement Industries Limited
	PLR Systems (India) Limited
	PLR Systems Private Limited
	Sanghi Industries Limited
	Sirius Digitech International Limited
	Stratatech Mineral Resources Private Limited
	Superheights Infraspaces Private Limited
	The Dhamra Port Company Limited
	Tribastion Technologies Private Limited
	TRV (Kerala) International Airport Limited
	Valuable Properties Private Limited
	Veracity Supply Chain Limited
	Vidarbha Industries and Power Limited
	Vishakha Renewables Private Limited
	West Coast Corrotech Service LLP
	Wind Five Renergy Limited

Enterprises having control / significant influence of Ultimate Controlling Entity or Key management personnel, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
CSR Expenditure	Adani Foundation	38.86	36.66
	Adani Skill Development Center	-	1.84
	Adani Community Empowerment Foundation	-	0.50
Deposit Taken Paid Back	Vishakha Renewables Private Limited	-	0.14
EMD Deposit Received	Adani Enterprises Limited	-	1.46
	Sirius Digitech International Limited	-	0.03
EMD Deposit Refunded	Adani Enterprises Limited	-	1.46
Employee balance transfer	Adani Airport Holdings Limited	0.09	0.09
	Adani Enterprises Limited	0.19	0.79
	Adani Green Energy Limited	0.13	0.71
	Adani Infra (India) Limited	0.83	0.76
	Adani CMA Mundra Terminal Private Limited	0.01	-
	Adani Infrastructure Management Services Limited	0.14	0.59
	Adani Medicity And Research Center	0.02	-
	Lucknow International Airport Limited	0.02	0.01
	Adani New Industries Limited	-	0.26
	Adani Ports And Special Economic Zone Limited	0.35	0.12
	Adani Renewable Energy Forty Two Limited	0.23	0.01
	Adani Total Gas Limited	0.18	0.40
	Adani Road Transport Limited	0.01	-
	Adani Power Limited	0.82	0.64
	Ahmedabad International Airport Limited	0.05	-
	Ambuja Cements Limited	1.42	0.22
	Adani Sportline Private Limited	0.07	-
	Sirius Digitech International Limited	-	0.27
	The Dhamra Port Company Limited	0.01	0.04
	Mumbai International Airport Limited	0.02	0.05
	Adani Tracks Management Services Limited	0.01	-
	Mundra Solar Energy Limited	0.02	-
	PLR Systems (India) Limited	-	0.03
	PLR Systems Private Limited	0.05	-
	Adani Logistics Limited	0.01	0.10
	Agnel Developers LLP	-	0.02
	Dharavi Redevelopment Project Private Limited	-	0.04

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Employee balance transfer	Alwar Alluvial Resources Limited	0.54	-
	Buildcast Solutions Pvt Limited	0.01	-
	DC Development Hyderabad Private Limited	0.01	-
	Dharavi Redevelopment Project Pvt Limited	0.51	-
	Mahan Energen Limited	0.27	-
	Mining Tech Consultancy Services Limited	0.26	-
	Mirzapur Thermal Energy (UP) Private Limited (Formerly known as Welspun Energy UP Private Limited)	0.01	-
	TRV (Kerala) International Airport Limited	-	0.02
Interest Expenses	Adani Infra (India) Limited	-	19.38
	Adani Green Energy Limited	-	0.01
	Adani Rail Infra Private Limited	-	7.84
	Adani Properties Private Limited	-	28.54
	Adani Sportline Private Limited	-	8.20
Interest Income	Adani Enterprises Limited	-	19.66
	Adani Infra (India) Limited	-	2.68
Loan Repaid	Adani Infra (India) Limited	-	585.52
	Adani Green Energy Limited	-	0.16
	Adani Properties Private Limited	-	992.36
	Adani Rail Infra Private Limited	-	335.82
	Adani Sportline Private Limited	-	350.00
Loan Taken	Adani Infra (India) Limited	-	100.00
	Adani Rail Infra Private Limited	-	346.00
	Adani Sportline Private Limited	-	350.00
	Adani Properties Private Limited	-	965.55
Purchase of Goods / Receiving of Services	Adani Esyasoft Smart Services Private Limited	22.87	-
	Adani Connex Private Limited	47.35	53.19
	Adani Enterprises Limited	147.29	1,478.76
	Adani Estate Management Private Limited	-	0.06
	Adani Esyasoft Smart Solutions	15.97	-
	Adani Green Energy Twenty Five C Limited	35.05	-
	Adani Green Energy Twenty Four A Limited	207.05	25.00
	Adani Hospitals Mundra Private Limited	-	0.01
	Cleartrip Packages And Tours Private Limited	-	1.27
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	945.81	1,238.10
	Adani Infra (India) Limited	1,268.72	866.18

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Goods / Receiving of Services	Adani Infrastructure Management Services Limited	84.55	88.85
	Adani Ports And Special Economic Zone Limited	179.07	45.02
	Adani Hybrid Energy Jaisalmer Five Limited (Formerly known as Adani Green Energy Twenty Nine Limited)	123.57	-
	Adani Power Limited	9,883.83	3,389.85
	Adani Renewable Energy (KA) Limited	13.89	12.59
	Adani Sportline Private Limited	0.01	0.01
	Adani Renewable Energy Forty Five Limited	88.65	-
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)	459.46	105.72
	Adani Total Gas Limited	0.00	0.00
	Adani Total Energies E-Mobility Limited	1.26	-
	Adani Renewable Energy Forty Three Limited	3.66	-
	Ambuja Cements Limited	186.69	14.39
	Adani Renewable Energy Three Limited	25.17	-
	ACC Limited	15.39	2.97
	Belvedere Golf and Country Club Private Limited	0.00	0.06
	Adani Solar Energy Jodhpur Six Private Limited (Formerly known as SBE Renewables Twenty Four Project Private Limited)	25.77	-
	Mumbai International Airport Limited	2.49	1.14
	Mundra Sez Textile And Apparel Park Private Limited	0.06	0.05
	Akshar Elecinfra Pvt Limited	18.76	-
	Aviserve Facilities Private Limited	0.01	-
	Mahan Energen Limited	2,545.49	632.95
	Adani University	0.01	0.02
	Adani Green Energy Twenty Five A Limited	248.85	92.92
	Adani Green Energy Twenty Five B Limited	489.66	166.19
	Adani Green Energy Twenty Five Limited	234.43	64.47
	Adani Green Energy Twenty Four Limited	351.66	65.42
	Adani Green Energy Twenty Six A Limited	9.28	2.82
	Adani Green Energy Twenty Six B Limited	207.49	27.32

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for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of Goods / Receiving of Services	Adani Renewable Energy Fifty Five Limited	91.24	45.18
	Adani Renewable Energy Fifty Seven Limited	326.59	12.22
	Adani Renewable Energy Fifty Six Limited	418.66	7.20
	Adani Renewable Energy Forty One Limited	684.75	92.72
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	515.47	269.10
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)	85.56	29.73
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)	23.64	10.77
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)	-	13.78
	Korba Power Limited	4.24	1.68
	Moxie Power Generation Limited	1,008.14	210.71
	Wind Five Renergy Limited	35.81	8.93
	Adani New Industries Limited	0.00	-
	Empezar Clearing Agency Private Limited	0.00	-
	Jeevanjyoti Education & Research Foundation	0.01	-
	Kutch Copper Tubes Limited	0.18	-
	Mettube Copper India Private Limited	0.21	-
	NEW DELHI TELEVISION Limited	0.08	-
	Sirius Digitech International Limited	0.70	-
	Tribastion Technologies Private Limited	0.28	-
	Vidarbha Industries and Power Limited	1,081.06	-
	Cemindia Projects Ltd (Formerly, ITD Cementation India Limited)	1.63	-
	Adani Renewable Energy Holding Three Limited (Formerly known as Adani Renewable Energy Park Gujarat Limited)	32.28	-
	Adani skill Development Center	0.03	-
	West Coast Corrotech Service LLP	1.09	-
	Veracity Supply Chain Limited	5.99	3.23
Towards acquisition of lease hold land received back	Superheights Infraspac Private Limited	-	396.05
Purchase of Land	Adani Enterprises Limited	-	0.35

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchase of assets	Adani Total Energies E-Mobility Limited	-	0.16
Reimbursement of Expenses	Mumbai International Airport Limited	-	0.02
Advance Received back	Adani Infra (India) Limited	-	116.35
Balance take over by Related Party	Adani Infra (India) Limited	-	56.78
Purchase consideration received towards sale of Dahanu Thermal Power Plant	North Maharashtra Power Limited	-	815.00
Sale of Goods / Rendering of Services	Adani Enterprises Limited	-	0.13
	Adani Bulk Terminals (Mundra) Limited	-	3.65
	Adani Capital Private Limited	-	0.01
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	-	0.04
	Adani Road Transport Limited	-	0.01
	Adani Infrastructure Management Services Limited	0.93	0.52
	Adani Container Terminal Limited	2.93	-
	Adani Power Limited	720.31	51.55
	DC Development Hyderabad Private Limited	0.09	64.03
	DC Development Noida Limited	-	1.12
	Mundra Sez Textile And Apparel Park Private Limited	0.05	0.07
	Adani Ennore Container Terminal Private Limited	1.02	-
	Kutch Copper Limited	2.46	0.15
	ACC Limited	4.33	1.00
	Adani Mining Limited	4.36	8.11
	Adani New Industries Limited	4.53	0.10
	Adani Cement Industries Limited	-	0.05
	Adani Ports and Special Economic Zone Limited	15.73	0.18

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Goods / Rendering of Services	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)	-	0.05
	Asian Concretes and Cements Private Ltd	-	0.02
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)	-	0.00
	Ambuja Cements Limited	47.00	25.12
	Mahan Energen Limited	147.50	29.58
	Asian Fine Cements Private Limited	-	0.02
	Buildcast Solutions Private Limited	-	0.01
	Moxie Power Generation Limited	269.21	51.85
	Mumbai International Airport Limited	7.59	2.30
	Mundra Crude Oil Terminal Private Limited	-	0.33
	Penna Cement Industries Limited	3.75	3.25
	Sanghi Industries Limited	-	0.07
	Adani Green Energy Twenty Five A Limited	2.20	-
	Adani Green Energy Twenty Five B Limited	3.49	-
	Adani Green Energy Twenty Five C Limited	0.04	-
	Adani Green Energy Twenty Five Limited	2.05	-
	Adani Green Energy Twenty Four A Limited	1.70	-
	Adani Green Energy Twenty Four Limited	2.40	-
	Adani Green Energy Twenty Six A Limited	0.05	-
	Adani Green Energy Twenty Six B Limited	1.18	-
	Adani Hybrid Energy Jaisalmer Five Limited (Formerly known as Adani Green Energy Twenty Nine Limited)	0.64	-
	Adani International Container Terminal Private Limited	4.90	-
	Adani Renewable Energy Fifty Five Limited	0.74	-
	Adani Renewable Energy Fifty Seven Limited	2.61	-
	Adani Renewable Energy Fifty Six Limited	3.41	-
	Adani Renewable Energy Forty Five Limited	0.68	-
	Adani Renewable Energy Forty One Limited	2.55	-
	Adani Renewable Energy Forty Two Limited	89.08	-
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	4.27	-
	Adani Renewable Energy Three Limited	0.14	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of Goods / Rendering of Services	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)	0.47	-
	Adani Solar Energy Jodhpur Six Private Limited (Formerly known as SBE Renewables Twenty Four Project Private Limited)	0.17	-
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)	0.22	-
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)	1.73	-
	Adani Saur Urja (KA) Limited	0.04	-
	AdaniConnex Private Limited	1.99	-
	Ahmedabad International Airport Limited	5.71	-
	AWL Agri Business Limited	13.51	-
	Buildcast Solutions Pvt Limited	0.07	-
	Jaipur International Airport Limited	1.37	-
	Korba Power Limited	0.03	-
	Mangaluru International Airport Limited	4.89	-
	Marine Infrastructure Developer Private Limited	2.39	-
	Mundra Petrochem Limited	89.30	-
	Mundra Solar Energy Limited	3.20	-
	Mundra Solar Technopark Private Limited	2.16	-
	Vidarbha Industries and Power Limited	11.10	-
	West Coast Corrotech Service LLP	0.14	-
	Wind Five Renergy Limited	0.15	-
	Stratatech Mineral Resources Private Limited	-	4.24
Service line contribution received	Adani Ports and Special Economic Zone Limited	-	2.41
	Mundra Petrochem Limited	-	34.93
	Mundra Solar Technology Limited	-	2.56
Purchase of Power Trading Licence	Adani Enterprises Limited	-	8.50
Contribution to Employee Benefits	AEML Superannuation Fund	-	8.17
Professional and Consultancy Fees	Key Managerial Personnel	-	2.08

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2026	For the year ended March 31, 2025
Director Sitting Fees	Director Sitting Fees	2.11	0.53
Commission to Director	Key Managerial Personnel	-	0.81
Compensation of Key Management Personnel	Short-term benefits	40.27	29.09
Compensation of Key Management Personnel	Post-employment benefits	0.42	1.23

Note :

- (i) All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.
- (ii) Adani Electricity Mumbai Limited, AEML Seepz Limited and MPSEZ Utilities Limited, a subsidiary and a wholly owned subsidiary respectively of Adani Energy Solutions Limited is dealing in the distribution of Power to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of Sale of Power to the Related Parties in ordinary course of business, as all such transactions are done at Arm's Length Price Only. As per Para 11(C) (iii) of IND AS -24 "Related Party Disclosures", normal dealings of Company with Related Parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.
- (iii) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2026, the Group/Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (iv) Compensation of Key Management Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Payable	Adani Airport Holdings Limited	0.12	0.06
	ACC Limited	5.64	3.32
	Adani Enterprises Limited	34.07	16.96
	Adani Green Energy Limited	0.03	0.65
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	82.58	83.72

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Payable	Adani Infra (India) Limited	362.10	373.61
	Adani Infrastructure Management Services Limited	31.54	44.56
	Adani International Container Terminal Private Limited	0.00	0.00
	Adani Krishnapatnam Port Limited	0.00	0.00
	AdaniConnex Private Limited	15.40	27.10
	Lucknow International Airport Limited	-	0.03
	Adani New Industries Limited	0.26	0.26
	Adani Ports And Special Economic Zone Limited	57.96	15.72
	Adani Power (Jharkhand) Limited	-	3.82
	Adani Power Limited	1,041.41	495.04
	Adani Properties Private Limited	-	0.02
	Adani Renewable Energy (KA) Limited	0.00	0.15
	Adani Road Transport Limited	0.00	-
	Adani Total Gas Limited	0.16	0.34
	Adani TotalEnergies E-Mobility Limited	1.10	0.44
	Ambuja Cements Limited	15.57	0.77
	Belvedere Golf and Country Club Private Limited	0.00	-
	DC Development Hyderabad Private Limited	0.01	-
	Mangaluru International Airport Limited	0.00	0.00
	Mumbai International Airport Limited	4.26	2.04
	Mundra Sez Textile And Apparel Park Private Limited	0.01	0.00
	Mundra Solar Energy Limited	0.01	0.01
	Mundra Solar PV Limited	0.96	0.96
	PLR Systems Private Limited	0.05	0.00
	PLR Systems (India) Limited	-	0.03
	TRV (Kerala) International Airport Limited	-	0.02
	Valuable Properties Private Limited	0.00	-
	Wind Five Renergy Limited	6.36	0.43
	Adani Estate Management Private Limited	0.00	0.00
	Adani Esyasoft Smart Solutions	166.69	193.58
	Adani Murmugao Port Terminal Private Limited	0.00	0.00
	Adani Renewable Energy Park Rajasthan Limited	0.04	0.04
	Gare Palma II Collieries Private Limited	0.00	0.00
	Mahan Energen Limited	49.81	87.95

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Payable	Navi Mumbai International Airport Private Limited	0.00	0.00
	Sirius Digitech International Limited	0.01	0.30
	Veracity Supply Chain Limited	-	0.75
	Adani Green Energy Twenty Five A Limited	3.12	3.70
	Adani Green Energy Twenty Five B Limited	27.92	5.19
	Adani Green Energy Twenty Five Limited	18.60	2.73
	Adani Green Energy Twenty Four A Limited	17.13	2.59
	Adani Green Energy Twenty Four Limited	27.34	3.00
	Adani Green Energy Twenty Six A Limited	2.23	0.09
	Adani Green Energy Twenty Six B Limited	9.85	1.49
	Adani Hybrid Energy Jaisalmer One Limited (Formerly known as Adani Green Energy Eighteen Limited)	0.00	0.00
	Adani Logistics Limited	0.11	0.10
	Adani Renewable Energy Fifty Five Limited	3.31	1.20
	Adani Renewable Energy Fifty Seven Limited	9.53	1.80
	Adani Renewable Energy Fifty Six Limited	6.93	2.31
	Adani Renewable Energy Forty One Limited	17.60	4.02
	Adani Renewable Energy Forty Two Limited	0.10	9.63
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	52.93	18.12
	Adani Solar Energy Jaisalmer One Private Limited (Formerly known as SBE Renewables Ten Projects Private Limited)	-	0.00
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)	21.02	5.83
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)	10.26	1.20
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)	0.01	0.01
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)	48.71	8.12
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)	0.00	0.00
	Agnel Developers LLP	0.02	0.02

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for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Payable	DC Development Noida Limited	0.00	0.01
	Dharavi Redevelopment Project Private Limited	0.51	0.04
	Korba Power Limited	74.16	0.15
	Moxie Power Generation Limited	110.75	11.20
	New Delhi Television Limited	0.00	0.00
	Penna Cement Industries Limited	0.00	0.00
	Sanghi Industries Limited	-	0.00
	The Dhamra Port Company Limited	0.02	0.06
	Adani Esyasoft Smart Services Private Limited	2.53	-
	Adani Green Energy Twenty Five C Limited	6.76	-
	Adani Hybrid Energy Jaisalmer Five Limited (Formerly known as Adani Green Energy Twenty Nine Limited)	1.52	-
	Adani Medicity And Research Center	0.02	-
	Adani Renewable Energy Forty Five Limited	2.42	-
	Adani Renewable Energy Forty Limited	43.96	-
	Adani Renewable Energy Forty Three Limited	3.66	-
	Adani Renewable Energy Holding Three Limited (Formerly known as Adani Renewable Energy Park Gujarat Limited)	10.74	-
	Adani Renewable Energy Three Limited	1.11	-
	Adani Solar Energy Jodhpur Six Private Limited (Formerly known as SBE Renewables Twenty Four Project Private Limited)	4.26	-
	Adani Sportline Private Limited	0.05	-
	ADANI UNIVERSITY	0.00	-
	Akshar Elecinfra Pvt Limited	8.26	-
	Alwar Alluvial Resources Limited	0.54	-
	AWL Agri Business Limited	2.67	-
	Buildcast Solutions Pvt Limited	0.01	-
	Jeevanjyoti Education & Research Foundation	0.00	-
	Key Managerial Personnel	0.03	-
	KUTCH COPPER TUBES LTD	0.18	-
	Mettube Copper India Private Limited	0.21	-
	Mining Tech Consultancy Services Limited	0.26	-
	Mirzapur Thermal Energy (UP) Private Limited (Formerly known as Welspun Energy UP Private Limited)	7.47	-
	Orient Cement Limited	0.00	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Payable	Tribastion Technologies Private Limited	0.08	-
	Vidarbha Industries and Power Limited	331.30	-
	West Coast Corrotech Service LLP	0.73	-
Balance Receivable	Adani CMA Mundra Terminal Private Limited	0.01	0.00
	Adani Enterprises Limited	5.20	0.00
	Adani Green Energy Limited	0.05	0.05
	Adani Infra (India) Limited	0.00	-
	Adani Infrastructure Management Services Limited	10.74	1.62
	Adani International Container Terminal Private Limited	0.01	0.01
	Adani Krishnapatnam Port Limited	0.00	0.00
	Adani Logistics Limited	0.00	0.00
	Adani New Industries Limited	0.42	0.25
	Adani Ports And Special Economic Zone Limited	-	0.07
	Adani Power (Jharkhand) Limited	-	0.06
	Adani Power Limited	-	0.00
	DC Development Noida Limited	0.01	0.01
	Ahmedabad International Airport Limited	4.19	0.05
	Kutch Copper Limited	5.91	3.03
	Mumbai International Airport Limited	-	0.05
	Mundra LPG Terminal Private Limited	0.00	0.00
	Mundra Solar Energy Limited	0.02	-
	Mundra Solar PV Limited	0.02	0.02
	Vishakha Renewables Private Limited	0.00	0.00
	ACC Limited	4.77	4.66
	Adani Cement Industries Limited	0.00	0.05
	Adani Ennore Container Terminal Private Limited	0.20	0.19
	Adani Total Gas Limited	0.24	0.06
	Asian Concretes and Cements Private Limited	-	0.02
	Asian Fine Cements Private Limited	-	0.02
	Adani Mining Limited	5.65	3.19
	Marine Infrastructure Developer Private Limited	0.82	0.39
	Penna Cement Industries Limited	0.98	0.34
	Sanghi Industries Limited	0.32	0.39
	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)	0.06	0.06

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

46 Related Party Disclosure (Contd...)

(₹ in crore)			
Closing Balance	Name of Related Party	As at March 31, 2026	As at March 31, 2025
Balance Receivable	Adani Sportline Private Limited	0.02	-
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)	0.00	0.00
	Ambuja Cements Limited	1.04	8.72
	DC Development Hyderabad Private Limited	2.75	2.63
	Mahan Energen Limited	3.25	3.72
	Adani Foundation	6.29	-
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	0.00	-
	Adani Renewable Energy Forty Two Limited	37.28	-
	Adani Road Transport Limited	0.01	-
	Adani Tracks Management Services Limited	0.01	-
	Akshar Elecinfra Private Limited	1.79	-
	Cemindia Projects Ltd (Formerly, ITD Cementation India Limited)	0.17	-
	Jaipur International Airport Limited	1.37	-
	Jeevanjyoti Education & Research Foundation	0.00	-
	Lucknow International Airport Limited	0.02	-
	Mangaluru International Airport Limited	1.38	-
	Mundra Solar Technopark Private Limited	0.00	-

47 Fair Value Measurement

a) The carrying value of financial instruments by categories as of March 31, 2026 is as follows :

(₹ in crore)					
Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	2,236.20	-	2,236.20	2,236.20
Investments in Government securities	-	0.12	407.28	407.40	380.76
Investment in equity Instruments at FVTPL	-	0.01	-	0.01	0.01
Trade Receivables	-	-	5,835.72	5,835.72	5,835.72
Cash and Cash equivalents	-	-	1,734.57	1,734.57	1,734.57
Bank Balances other than Cash and cash equivalents above	-	-	2,212.77	2,212.77	2,212.77

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

47 Fair Value Measurement (Contd...)

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Loans	-	-	16.35	16.35	16.35
Derivative instruments	4,885.28	-	-	4,885.28	4,885.28
Other Financial Assets	-	-	8,531.59	8,531.59	8,531.59
Total	4,885.28	2,236.33	18,738.28	25,859.89	25,833.25
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	49,196.57	49,196.57	47,898.35
Derivative instruments	2.56	-	-	2.56	2.56
Lease Liabilities	-	-	277.98	277.98	277.98
Trade Acceptances	-	-	2,415.92	2,415.92	2,415.92
Trade Payables	-	-	5,033.71	5,033.71	5,033.71
Other Financial Liabilities	-	-	4,328.80	4,328.80	4,328.80
Total	2.56	-	61,252.98	61,255.54	59,957.32

b) The carrying value of financial instruments by categories as of March 31, 2025 is as follows :

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	2,246.60	-	2,246.60	2,246.60
Investments in Government securities	-	10.00	381.80	391.80	384.70
Investment in equity Instruments at FVTPL	-	0.01	-	0.01	0.01
Trade Receivables	-	-	4,324.16	4,324.16	4,324.16
Cash and Cash Equivalents	-	-	2,190.38	2,190.38	2,190.38
Bank Balances other than Cash and Cash Equivalents above	-	-	1,428.30	1,428.30	1,428.30
Loans	-	-	22.33	22.33	22.33
Derivative instruments	1,213.32	-	-	1,213.32	1,213.32
Other Financial Assets	-	-	4,134.26	4,134.26	4,134.26
Total	1,213.32	2,256.61	12,481.23	15,951.16	15,944.06

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

47 Fair Value Measurement (Contd...)

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	40,172.21	40,172.21	37,994.96
Derivative instruments	130.62	-	-	130.62	130.62
Lease Liabilities	-	-	69.20	69.20	69.20
Trade Acceptances	-	-	349.29	349.29	349.29
Trade Payables	-	-	2,994.50	2,994.50	2,994.50
Other Financial Liabilities	-	-	3,576.12	3,576.12	3,576.12
Total	130.62	-	47,161.32	47,291.94	45,114.69

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

- Fair value of mutual funds are based on the price quotations near the reporting date.
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.
- The fair value of USD Bonds which are listed on stock exchange have been determined based on prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.
- The management assessed that the carrying amount of Trade receivables, cash and cash equivalents, other balance with banks, loans, trade payable, lease liabilities and other financial assets and liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

48 Fair Value hierarchy

(₹ in crore)

Particulars	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025	As at March 31, 2025
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	2,236.20	-	2,246.60
Derivative Instruments	-	4,885.28	-	1,213.32
Investments in treasury bills at FVTPL	0.12	-	10.00	-
Asset for which Fair Value are disclosed				
Investments in Government Securities	380.64	-	374.70	-
Total	380.76	7,121.48	384.70	3,459.92
Liabilities measured at fair value				
Derivative Instruments	-	2.56	-	130.62
Liabilities for which fair values are disclosed				
Borrowings (Including current maturities and Interest Accrued)	16,964.86	30,933.49	16,356.25	21,988.00
Total	16,964.86	30,936.05	16,356.25	22,118.62

Note :

- The fair values of investments in mutual fund units is based on the net asset value ('NAV').
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The fair value of USD Bonds which are listed on stock exchange have been determined based on prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

49 Capital Management

The Group's objectives to manage capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Group's policy is to use borrowings to meet anticipated funding requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at March 31, 2026 and as at March 31, 2025.

(₹ in crore)			
Particulars	Refer Note	As at March 31, 2026	As at March 31, 2025
Total Borrowings (Including Current Maturities of Long Term Debt)	23 & 30	48,898.45	39,856.79
Less: Cash and bank balances	16 & 17	3,947.34	3,618.68
Less: Current Investments	14	2,236.32	2,289.69
Net Debt (A)		42,714.79	33,948.42
Equity Share Capital & Other Equity	21 & 22	25,427.54	22,068.20
Total Equity (B)		25,427.54	22,068.20
Total Equity and Net Debt (C=A+B)		68,142.33	56,016.62
Gearing Ratio : (A)/(C)		0.63	0.61

50 Financial Risk Management Objectives

The Group's principal financial liabilities comprises borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations/projects. The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, Cross Currency Swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

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

In the ordinary course of business, the Group is exposed to Market risk, Credit risk, and Liquidity risk.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

50 Financial Risk Management Objectives (Contd...)

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, price risk and foreign currency risk.

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or cross currency swap contracts to manage its exposure to changes in the underlying benchmark interest rates.

During the year 2021-22, AEML issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 percent p.a. for SPT 1 in March 2027 and further 0.15 percent p.a. for SPT 2 for March 2029.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit before tax and consequential impact on Equity before tax for the year ended March 31, 2026 would decrease / increase by ₹ 115.34 crore (Previous Year ₹ 84.07 crore). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

Price Risk

The Group 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 Group 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.

Commodity Price Risk

The Group is affected by the price volatility of Copper and Aluminum products. Continuous supply of copper and aluminum are required for its under construction subsidiaries for construction of transmission lines. Due to the significantly increased volatility of the price of the commodity, the Group entered into various purchase contracts for Copper and Aluminum (for which there is an active market). The prices in these purchase contracts are linked to the price of London Metal Exchange (LME).

The Group has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The forward contracts do not result in physical delivery of copper and aluminum products but are designated as cash flow hedges to offset the effect of price changes in copper and aluminum products. The Group hedges its expected copper and aluminum products purchases considered to be highly probable.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

50 Financial Risk Management Objectives (Contd...)

For Hedging commodity related risks :

Nature	As at March 31, 2026		As at March 31, 2025	
	Buy	Sell	Buy	Sell
Copper (MT)	6,475.00	-	2,500.00	-
Aluminium (MT)	94,650.00	-	3,500.00	-

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

- a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:

Nature	Purpose	As at March 31, 2026		As at March 31, 2025	
		₹ in crore	Foreign Currency (in Million)	₹ in crore	Foreign Currency (in Million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	8,532.30	USD 899.70	8,214.15	USD 961.00
(ii) Forward covers	a. Hedging of foreign currency interest liability	221.58	USD 23.37	185.19	USD 21.67
	b. Hedging against foreign currency risk arising from commodity transaction	3,114.76	USD 328.44	2,564.25	USD 300.00
(iii) Cross Currency Swaps	Hedging of foreign currency borrowing principal & interest liability	20,925.82	USD 2,182.93 EUR 7.30	18,629.72	USD 2,170.11 EUR 8.76
(iv) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	2,375.62	USD 250.50	2,564.25	USD 300.00

The Group has entered into the below-mentioned hedge contracts for periods ranging from one year to five years, which will become effective upon the expiry of the existing contracts.

Nature	Purpose	As at March 31, 2026		As at March 31, 2025	
		₹ in crore	Foreign Currency (in Million)	₹ in crore	Foreign Currency (in Million)
(i) Cross Currency Swaps	Hedging of foreign currency borrowing principal & interest liability	6,327.29	USD 667.19	1,589.84	USD 186.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

50 Financial Risk Management Objectives (Contd...)

b) The details of foreign currency exposures not hedged by derivative instruments are as under :

Particulars	As at March 31, 2026		As at March 31, 2025	
	₹ in crore	Foreign Currency (in Million)	₹ in crore	Foreign Currency (in Million)
Creditors	10.54	USD 1.11	200.03	AED 85.96
	0.11	EUR 0.01	8.75	USD 1.02
			0.09	EUR 0.01
			0.66	GBP 0.06

A change of 1% in Foreign currency would have following impact on profit before tax and consequential impact on equity before tax

(₹ in crore)

Particulars	For the Year 2025-26		For the Year 2024-25	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency				
RUPEES / AED -	(0.11)	0.11	(2.00)	2.00
RUPEES / USD -	(0.00)	0.00	(0.09)	0.09
RUPEES / EUR -	-	0.00	(0.00)	0.00
RUPEES / GBP -	-	0.00	(0.01)	0.01

Derivative Financial Instrument

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

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

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

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2026.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

50 Financial Risk Management Objectives (Contd...)

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 Group has established a hedge ratio of 1:1 for its hedging relationships, as the underlying risk of the foreign exchange and interest rate are identical to the hedged risk components. To test the hedge effectiveness, the Group compares the changes in the fair value of the hedging instruments against the changes in fair value of the hedged items attributable to the hedged risks.

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

(₹ in crore)

Derivative Financials Instruments	As at March 31, 2026		As at March 31, 2025	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Cross Currency Swaps	1,154.72	2.56	242.24	81.44
Foreign Currency Swaps	1,317.90	-	162.68	-
Coupon Only Swaps	30.47	-	-	4.97
Forward	667.94	-	1.81	44.21
Principal Only Swaps	1,714.25	-	806.59	-
Total	4,885.28	2.56	1,213.32	130.62

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group is dealing with Sovereign equivalent counterparties and state counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an Inter State and Intra State transmission Licensee (ISTS), the responsibility for billing and collection on behalf of the Group lies with the Central Transmission Utility (CTU) / State Transmission Utility (STU). Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are central / state government organizations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

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

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

50 Financial Risk Management Objectives (Contd...)

The table below is analysis of derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in crore)

As at March 31, 2026	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings [#]	11,883.81	27,278.57	31,527.49	70,689.87
Trade Payables	4,993.65	-	40.06	5,033.71
Derivative Liabilities	-	2.56	-	2.56
Lease Liabilities*	14.19	58.82	205.39	278.40
Trade Acceptances	2,415.92	-	-	2,415.92
Other financial Liabilities	3,083.95	1,244.85	-	4,328.80

*Carrying Value of lease liabilities is ₹ 277.98 crore

(₹ in crore)

As at March 31, 2025	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings [#]	6,766.42	28,988.82	24,677.88	60,433.12
Trade Payables	2,955.62	-	38.88	2,994.50
Derivative Liabilities	44.21	86.41	-	130.62
Lease Liabilities*	16.43	52.17	44.69	113.29
Trade Acceptances	349.29	-	-	349.29
Other financial Liabilities	2,957.61	933.93	-	3,891.54

*Carrying Value of lease liabilities is ₹ 69.20 crore

[#]The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

51 Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in crore)	Relation with the struck off company, if any, to be disclosed
As at March 31, 2026			
Receivables			
Sky Whisper Real Estate Private Limited	Sale of Power	0.05	Consumer
SDC Infrastructure Private Limited	Sale of Power	0.03	Consumer
Solaris Developers Private Limited	Sale of Power	0.02	Consumer
Mumbai Hotels Private Limited	Sale of Power	0.02	Consumer
Comet Plast Machinery Private Limited	Sale of Power	0.01	Consumer
Lokhandwala Premises Private Limited	Sale of Power	0.01	Consumer
Shreesai Seva Kripasra Society Limited	Sale of Power	0.01	Consumer
Virat Engineering Private Limited	Sale of Power	0.01	Consumer
Navdurga Development Private Limited	Sale of Power	0.01	Consumer
Nendej Tieup Private Limited	Sale of Power	0.01	Consumer

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

51 Transaction with Struck Off Companies (Contd...)

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in crore)	Relation with the struck off company, if any, to be disclosed
Akanksha Dev Private Limited	Sale of Power	0.01	Consumer
Empire India Private Limited	Sale of Power	0.01	Consumer
Others - 656 Parties less than ₹ 50,000*	Sale of Power	0.10	Consumer
As at March 31, 2025			
Receivables			
United Glass Works Private Limited	Sale of Power	0.08	Consumer
Comet Plast Machinery Private Limited	Sale of Power	0.01	Consumer
Echar Clothing Private Limited	Sale of Power	0.01	Consumer
V. V. R. Infotech Private Limited	Sale of Power	0.01	Consumer
Nendej Tieup Private Limited	Sale of Power	0.01	Consumer
Akansha Dev Private Limited	Sale of Power	0.01	Consumer
N R Enterprises Limited	Sale of Power	0.01	Consumer
Navdurga Development Private Limited	Sale of Power	0.01	Consumer
Others - 662 Parties < 50K	Sale of Power	0.12	Consumer

Note :

If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off etc., during the same financial year such that the balance outstanding is Nil as at March 31, 2026 is less than ₹ 50,000.00(March 31, 2025 : Less than ₹ 50,000.00)

52 Note on service concession arrangement

Particulars	Transmission	Smart Meter
Description of the arrangement	The Group has been awarded projects for establishing, commissioning, setting up, operating and maintaining electric power transmission systems / network on design, build, finance, own, operate and transfer basis.	The Group has been awarded the advance metering infrastructure (AMI) projects for deploying smart prepaid metering systems. The projects include provision of smart prepaid metering infrastructure, billing services, and customer support on design, built, finance, own, operate and transfer basis. These projects aims to enhance electricity distribution efficiency, reduce energy losses, improve revenue collection, and empower consumers with real-time consumption data and flexible payment options.
Type of Project	Design, built, finance, own, operate and transfer basis (DBFOOT)	Design, built, finance, own, operate and transfer basis (DBFOOT)
Contract Term	Initial period approxing 25 years.	Approxing 120 months (varies from project to project based on contract terms)
Payment Terms	Payment of transmission charges on monthly basis as per the tariff defined in respective agreements.	Payment on per meter per month basis as per the rate defined in respective agreements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

52 Note on service concession arrangement (Contd...)

Particulars	Transmission	Smart Meter
Ownership Transfer at the end of the contract	Ownership, rights and title to the transmission network / infrastructure i.e. project assets shall be transferred to the respective authority.	Ownership, rights and title to the AMI System and other equipment's installed for operation of AMI System pursuant to the contracts shall transferred to the respective authority.
Renewal Option	The Group is obligated to make an application to the authority within the timeframe specified in the respective transmission agreement before the license expiry date seeking approval for extension of term beyond the initial defined term upto the Expiry date as defined in agreement.	Nil
Termination Option	Yes, on the event of default.	Yes, on the event of default.
Classification of Service Arrangement	In terms of appendix D to Ind AS 115, Service concession arrangements, the company recognizes the rights granted by these arrangements as a financial asset. Please refer material accounting policy information 3(j)(c).	In terms of appendix D to Ind AS 115, Service concession arrangements, the company recognizes the rights granted by these arrangements as a financial asset. Please refer material accounting policy information 3(j)(c).

53 Segment information : Operating Segments

The reportable segments of the Group are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

- (i) Transmission : providing transmissison line for power transmission.
- (ii) Distribution Business : Transmission and Distribution of Power business for Mumbai City and Mundra Distribution.
- (iii) Smart Meter Business
- (iii) Trading : Trading activity of goods and services.
- (iv) Others : EPC Activities.

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

In line with Ind AS 108, operating segments have been disclosed as regularly reviewed by the CODM. Effective FY2025-26, the Group has identified a new segment 'Smart Meter' business, previously included under "Others" till FY 2024-25. Accordingly, comparatives presented for the year ended March 31, 2025 have also been restated to reflect financial information of Smart Meter business segment separately for such periods. For review of CODM, smart meters & its related installation cost are capitalized as Property, Plant and Equipment (PPE) and depreciated over the contract period, while monthly billing (per month per meter) and amortised

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

53 Segment information : Operating Segments (Contd...)

portion of lumpsum billing over the tenor of contract is recognised as revenue. Under Ind AS, the arrangement is accounted for as a service concession arrangement in accordance with Appendix D to Ind AS 115 according to which the Group recognizes the rights granted arising from these arrangements as a financial asset for the services performed over time and recognise the corresponding cost as expense in profit and loss account, rather than capitalising it as a PPE and recognising depreciation.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the company's reportable segments is presented below:

(₹ in crore)

Particulars	Transmission	Distribution	Smart Meter (Non Ind AS)	Trading	Others	Elimination	Total
1. Revenue							
External Sales	9,823.88	12,450.02	828.25	1,091.01	648.22	-	24,841.38
	8,330.59	12,266.48	75.26	1,380.44	217.48	-	22,270.25
Total Revenue from Operations*	9,823.88	12,450.02	828.25	1,091.01	648.22	-	24,841.38
	8,330.59	12,266.48	75.26	1,380.44	217.48	-	22,270.25
Results							
Segment Results before exceptional item	3,964.84	1,238.75	367.99	83.86	132.05	-	5,787.49
	3,428.66	1,525.12	19.27	14.22	49.07	-	5,036.34
Less : Exceptional item (refer note 62)	-	-		-	-	-	-
	-	(1,506.02)		-	-	-	(1,506.02)
Segment Results after exceptional item	3,964.84	1,238.75	367.99	83.86	132.05	-	5,787.49
	3,428.66	19.10	19.27	14.22	49.07	-	3,530.32
Unallocated Corporate Income (Net)							737.13
							679.46
Operating Profit							6,524.62
							4,209.78
Less: Finance Expense							(3,632.90)
							(3,259.16)
Profit before tax*							2,891.72
							950.62
Current Taxes							392.80
							195.04
Deferred Tax							329.29
							(41.88)
Total Tax							722.09
							153.16
Profit after tax							2,169.63
							797.46
Less: Non-Controlling Interests							(110.21)
							138.28

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

53 Segment information : Operating Segments (Contd...)

(₹ in crore)

Particulars	Transmission	Distribution	Smart Meter (Non Ind AS)	Trading	Others	Elimination	Total
Net profit							2,059.42
							935.74
2. Other Information							
Segment Assets	49,626.90	21,148.01	5,395.78	2,038.90	654.29	-	78,863.88
	39,285.49	20,578.34	2,887.66	1,107.99	265.90	-	64,125.38
Unallocated Corporate Assets							13,862.68
							9,933.95
Total Assets*							92,726.56
							74,059.33
Segment Liabilities	3,371.87	5,384.03	1,863.57	2,074.96	443.90	-	13,138.33
	2,709.94	4,350.39	890.40	771.25	35.00	-	8,756.98
Unallocated Corporate Liabilities							54,134.17
							42,417.12
Total liabilities*							67,272.50
							51,174.10

Disclosure of material items

(₹ in crore)

Particulars	Transmission	Distribution	Smart Meter (Non Ind AS)	Trading	Others	Elimination	Total
Cost of Power Purchased	-	6,347.88		-	-	-	6,347.88
	-	5,584.14		-	-	-	5,584.14
Construction expenses relating to Service Concession Arrangements	4,250.55	-	2,884.80	-	-	-	7,135.35
	3,329.54	-	1,410.16	-	-	-	4,739.70
Depreciation / Amortisation	1,125.27	850.98	1.98	-	-	-	1,978.23
	1,119.30	786.41	0.24	-	-	-	1,905.95
Non Cash Expenditure other than Depreciation/ Amortisation	0.26	34.07		-	-	-	34.33
	1.31	12.66		-	-	-	13.97

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

53 Segment information : Operating Segments (Contd...)

RECONCILIATION OF CONSOLIDATED SEGMENT WISE REVENUE, RESULTS, SEGMENT ASSETS AND LIABILITIES WITH RECOGNITION IN FINANCIAL STATEMENT :

(₹ in crore)

Particulars	Total Revenue from Operations	Profit Before Tax	Total Assets	Total Liabilities
Segment as reported above	24,841.38	2,891.72	92,726.56	67,272.50
	22,270.25	950.62	74,059.33	51,174.10
Add / (Less) : Reconciling item for smart meter segment	2,746.65	223.12	108.36	(963.22)
	1,496.84	124.23	(99.23)	(225.26)
Total as reported in consolidated financial statements	27,588.03	3,114.84	92,834.92	66,309.28
	23,767.09	1,074.85	73,960.10	50,948.84

Previous figures are given in italics

Note 1: The business operations of the Group are entirely based in India accordingly the entity has no separate geographical segment to disclose.

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
1	Adani Energy Solutions Limited	49.08%	20,916.89	22.67%	571.09	57.69%	647.03	33.46%	1,218.12
	Subsidiaries								
2	Maharashtra Eastern Grid Power Transmission Company Limited	11.25%	4,795.45	16.03%	403.77	0.09%	1.00	11.12%	404.77
3	Adani Transmission (India) Limited	8.18%	3,486.24	13.26%	333.87	0.09%	0.99	9.20%	334.86
4	Sipat Transmission Limited	0.47%	200.10	1.29%	32.54	0.79%	8.91	1.14%	41.45
5	Raipur-Rajnandgaon-Warora Transmission Limited	1.02%	436.73	2.20%	55.29	1.80%	20.17	2.07%	75.46
6	Chhattisgarh-WR Transmission Limited	0.83%	354.28	2.55%	64.33	1.30%	14.60	2.17%	78.93
7	Adani Transmission (Rajasthan) Limited	0.17%	70.68	0.47%	11.76	0.00%	-	0.32%	11.76
8	North Karanpura Transco Limited	0.10%	41.47	-0.11%	(2.88)	0.01%	0.14	-0.08%	(2.74)
9	Maru Transmission Service Company Limited	0.15%	61.92	0.41%	10.40	-0.00%	(0.01)	0.29%	10.39
10	Aravali Transmission Service Company Limited	0.04%	18.33	0.21%	5.23	0.05%	0.61	0.16%	5.84

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013(Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
11	Western Transco Power Limited	0.64%	271.66	0.68%	17.12	0.00%	-	0.47%	17.12
12	Western Transmission (Gujarat) Limited	0.43%	185.10	0.55%	13.93	-0.00%	(0.01)	0.38%	13.92
13	Hadoti Power Transmission Service Limited	0.37%	157.41	0.61%	15.31	0.22%	2.47	0.49%	17.78
14	Barmer Power Transmission Service Limited	0.30%	128.03	0.47%	11.89	0.16%	1.74	0.37%	13.63
15	Thar Power Transmission Service Limited	0.26%	110.41	0.41%	10.27	0.14%	1.61	0.33%	11.88
16	Fatehgarh-Bhadla Transmission Limited	-0.08%	(34.33)	-0.36%	(8.97)	0.00%	-	-0.25%	(8.97)
17	Ghatampur Transmission Limited	1.00%	424.90	2.85%	71.84	0.00%	0.02	1.97%	71.86
18	Adani Transmission Bikaner Sikar Limited (Formerly known as Adani Transmission Bikaner Sikar Private Limited)	0.25%	108.34	0.52%	13.20	0.00%	-	0.36%	13.20
19	OBRA-C Badaun Transmission Limited	0.31%	133.12	1.01%	25.35	0.01%	0.06	0.70%	25.41
20	Adani Electricity Mumbai Limited	11.13%	4,745.08	17.30%	435.65	16.87%	189.25	17.17%	624.90
21	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	-0.00%	(0.09)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
22	Bikaner-Khetri Transmission Limited	0.55%	232.36	1.30%	32.64	0.00%	-	0.90%	32.64
23	WRSS XXI (A) Transco Limited	-0.11%	(47.26)	-0.05%	(1.18)	0.14%	1.54	0.01%	0.36
24	Lakadia Banaskantha Transco Limited	-0.07%	(31.71)	0.33%	8.33	0.11%	1.23	0.26%	9.56
25	Jam Khambaliya Transco Limited	0.07%	29.66	0.12%	2.98	0.00%	-	0.08%	2.98
26	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	0.00%	0.45	0.01%	0.16	0.00%	-	0.00%	0.16
27	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	-0.02%	(7.86)	-0.10%	(2.50)	0.00%	-	-0.07%	(2.50)
28	Power Distribution Services Limited	0.03%	11.50	0.08%	1.92	0.00%	-	0.05%	1.92

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013(Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
29	Adani Electricity Mumbai Infra Limited	4.28%	1,826.25	0.21%	5.27	0.31%	3.47	0.24%	8.74
30	Alipurduar Transmission Limited	1.01%	432.86	2.12%	53.70	0.00%	-	1.48%	53.70
31	Kharghar Vikhroli Transmission Limited (Formerly known as Kharghar Vikhroli Transmission Private Limited)	0.81%	347.17	7.07%	178.12	0.21%	2.40	4.96%	180.52
32	Warora Kurnool Transmission Limited	0.63%	267.87	0.69%	17.50	0.00%	0.02	0.48%	17.52
33	AEML Seepz Limited	0.02%	6.65	0.05%	1.18	0.00%	-	0.03%	1.18
34	Adani Transmission Step One Limited	-7.25%	(3,089.06)	-11.29%	(284.47)	12.83%	143.96	-3.86%	(140.51)
35	MP Power Transmission Package-II Limited	0.44%	186.18	0.36%	9.12	-0.00%	(0.02)	0.25%	9.10
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	0.33%	139.92	0.39%	9.73	0.00%	-	0.27%	9.73
37	Karur Transmission Limited	-0.02%	(9.15)	-0.25%	(6.29)	0.00%	-	-0.17%	(6.29)
38	Khavda-Bhuj Transmission Limited	0.34%	143.00	0.57%	14.44	0.01%	0.08	0.40%	14.52
39	ATL HVDC Limited	4.11%	1,749.91	-0.91%	(23.02)	6.62%	74.24	1.41%	51.22
40	Adani Electricity Jewar Limited	-0.00%	(0.07)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
41	Adani Transmission Step-Two Limited	2.27%	969.06	0.00%	-	0.00%	-	0.00%	-
42	Adani Transmission Mahan Limited	-0.00%	(0.03)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
43	BEST Smart Metering Limited	0.02%	9.65	0.34%	8.56	0.00%	-	0.24%	8.56
44	Adani Cooling Solutions Limited	-0.00%	(1.81)	-0.00%	(0.02)	0.00%	-	-0.00%	(0.02)
45	WRSR Power Transmission Limited	0.38%	160.07	0.01%	0.30	-0.00%	(0.02)	0.01%	0.28
46	Adani Transmission Step-Three Limited	-0.00%	(0.11)	-0.00%	(0.02)	0.00%	-	-0.00%	(0.02)
47	Adani Transmission Step-Four Limited	0.00%	0.51	0.00%	0.02	0.00%	-	0.00%	0.02
48	Adani Transmission Step-Five Limited	0.00%	0.94	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
49	Adani Transmission Step-Six Limited	0.51%	219.00	8.10%	204.08	0.00%	-	5.61%	204.08

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013(Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
50	Adani Transmission Step-Seven Limited	0.08%	33.81	1.22%	30.72	0.00%	-	0.84%	30.72
51	Adani Transmission Step-Eight Limited	0.02%	8.91	0.28%	7.12	0.00%	-	0.20%	7.12
52	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	-0.00%	(1.38)	-0.15%	(3.84)	0.00%	-	-0.11%	(3.84)
53	Adani Electricity Marathwada Limited (Formerly known as Adani Electricity Aurangabad Limited)	-0.00%	(0.01)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
54	Adani Electricity Nashik Limited	-0.00%	(0.01)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
55	Khavda II-A Transmission Limited	0.22%	95.04	0.33%	8.41	0.01%	0.10	0.23%	8.51
56	Adani Green Energy Thirty Limited	0.11%	48.13	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
57	KPS 1 Transmission Limited	0.23%	96.60	0.98%	24.71	0.00%	-	0.68%	24.71
58	Sangod Transmission Service Limited	-0.00%	(0.16)	0.01%	0.14	-0.00%	(0.01)	0.00%	0.13
59	Halvad Transmission Limited	0.49%	209.23	0.00%	0.12	0.02%	0.25	0.01%	0.37
60	Sunrays Infra Space Two Limited	0.12%	49.99	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
61	Arasan Infra Two Limited	-0.00%	(0.00)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
62	Adani Energy Solutions Step-Twelve Limited	-0.00%	(0.00)	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
63	Powerpulse Trading Solutions Limited (Adani Energy Solutions Step-Thirteen Limited)	0.36%	154.12	2.47%	62.24	-0.00%	(0.01)	1.71%	62.23
64	Pointleap Projects Private Limited	0.21%	89.15	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
65	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	1.51%	645.23	1.67%	42.04	0.01%	0.14	1.16%	42.18
66	Gopalaya Build Estate Private Limited	0.00%	0.23	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
67	Khavda IVA Power Transmission Limited	0.66%	280.92	0.02%	0.47	0.00%	-	0.01%	0.47
68	Navinal Transmission Limited	0.40%	169.09	0.00%	0.10	-0.00%	(0.02)	0.00%	0.08

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013(Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
69	Jamnagar Transmissoin Limited	0.53%	225.06	0.00%	0.07	0.00%	-	0.00%	0.07
70	Progressive Grid Network Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
71	Pune III Transmission Limited	0.80%	341.54	0.53%	13.43	-0.01%	(0.10)	0.37%	13.33
72	Adani Energy Solutions Global Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
73	AESL Projects Limited (Formerly known as Adani Energy Solutions Step-Ten Limited)	0.03%	10.92	0.43%	10.91	0.00%	-	0.30%	10.91
74	Adani Energy Solutions Step-Eleven Limited	0.00%	0.01	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
75	Superheights Infraspace Private Limited	0.00%	0.01	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
76	Rajasthan Part I Power Transmission Limited	0.01%	5.63	0.02%	0.44	0.52%	5.82	0.17%	6.26
77	Mundra I Transmission Limited	0.00%	0.08	0.00%	0.07	0.00%	-	0.00%	0.07
78	Mahan Transmission Limited	0.00%	0.12	0.00%	0.09	-0.00%	(0.02)	0.00%	0.07
79	WRNES Talegaon Power Transmission Limited	0.00%	0.04	0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
80	Adani Electricity Kalyan Dombivli Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
81	Adani Electricity Pune Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
82	Adani Electricity Vidharbha Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
83	Adani Electricity Vasai-Virar Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
84	Adani Energy Solutions Step-Sixteen Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
85	Adani Electricity Puducherry Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
86	Adani Energy Solutions Step-Fifteen Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
87	Adani Energy Solutions Step-Fourteen Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
88	KPS III HVDC Transmission Limited	-0.00%	(0.01)	0.00%	(0.02)	0.00%	-	-0.00%	(0.02)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

54 Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013(Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2026	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2026	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2026	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2026	₹ in crore
89	ATSOL Global IFSC Limited	0.00%	1.92	0.00%	-	0.00%	-	0.00%	-
90	Nextgen Energy Networks Limited	0.00%	0.05	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
91	A-One Energy Networks Limited	0.00%	0.05	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
92	South Kalamb Power Transmission Limited	-0.00%	(0.00)	0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
	Total	100%	42,622.05	100%	2,518.64	100%	1,121.63	100%	3,640.27
	Less: Adjustment of Consolidation		14,998.31		125.89		-		125.89
	Less: Non Controlling Interest		1,098.10		110.21		47.50		157.71
	Consolidated Net Assets/Profit after tax		26,525.64		2,282.54		1,074.13		3,356.67

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below.

(a) Defined Contribution Plan

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

The Group has recognised the following amounts as expense in the financial statements for the year:

(₹ in crore)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contribution to Provident Fund	41.76	44.95
Contribution to Employees Superannuation Fund	4.31	5.22
Contribution to Employees Pension Scheme	4.19	5.23
Total	50.26	55.40

(b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

Particulars	(₹ in crore)	
	As at March 31, 2026	As at March 31, 2025
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	644.29	681.88
Current Service Cost	38.12	40.38
Interest Cost	45.29	49.14
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(1.88)	(0.71)
- Change in financials assumptions	(7.12)	19.88
- Experience variance (i.e. Actual experience vs assumptions)	(0.08)	(7.64)
(Gains)/ Losses on Curtailment	-	(6.20)
Past Service cost	67.22	-
Benefits paid	(95.02)	(38.65)
Liabilities Transfer In/Out	0.46	(93.79)
Present Value of Defined Benefit Obligations at the end of the Year	691.28	644.29
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	370.37	425.27
Investment Income	23.47	30.66
Contributions	0.79	0.85
Assets Transferred Out/ Divestments	(0.61)	(46.27)
Benefits paid	(93.50)	(37.64)
Return on plan assets, excluding amount recognised in net interest expenses	0.85	(2.50)
Fair Value of Plan assets at the end of the Year	301.37	370.37
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	691.28	644.29
Fair Value of Plan assets at the end of the Year	(301.37)	(370.37)
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(389.91)	(273.92)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
iv. Composition of Plan Assets		
100% of Plan Assets are administered by LIC	-	-
v. Gratuity Cost for the Year		
Current service cost	38.12	40.38
Interest cost	45.29	49.14
(Gains)/Losses on Curtailments And Settlements	-	(6.20)
Past Service Cost	67.22	-
Expected return on plan assets	(23.47)	(30.66)
Amount Capitalised	(3.39)	(0.73)
Net Gratuity cost recognised in the statement of Profit and Loss	123.77	51.93
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	(1.88)	(0.71)
Change in financial assumptions	(7.12)	19.88
Experience variance (i.e. Actual experiences assumptions)	(0.08)	(7.64)
Return on plan assets, excluding amount recognised in net interest expense	(0.85)	2.50
Components of defined benefit costs recognised in other comprehensive income	(9.93)	14.03
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.65% to 6.93%	6.90% to 7.20%
Annual Increase in Salary Cost (per annum)	8% to 10.50%	8% to 10.50%
Attrition Rate (per annum)	0.00% to 32.90%	0.00% to 30.56%
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14
viii. Maturity profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	2 to 32 years	1 to 28 years

ix. Expected contribution during the next annual reporting period

The Group's best estimate of contribution during the next year is ₹ 38.30 crore.

x. Maturity Profile of Defined Benefit Obligation

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)		
1 year	41.64	68.91
2 to 5 years	225.21	161.49
6 to 10 years	332.92	308.97
Beyond 10 years	768.36	713.96

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

55 As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

xi. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

(c) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Sensitivity analysis	As at March 31, 2026		As at March 31, 2025	
	Decrease	Increase	Decrease	Increase
Discount rate	89.92	79.56	83.19	71.65
Salary Growth Rate	77.20	85.57	69.18	79.27
Attrition Rate	44.57	41.36	40.48	38.42
Mortality Rate	30.21	30.20	27.53	27.52

These plans typically expose the Group to actuarial risks such as below

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

56 Disclosure as per Ind AS 115 - "Revenue from Contracts with Customers"

- (a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	(₹ in crore)		
	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Trade receivables including unbilled revenue (Refer note 8 and 15)	5,835.72	4,324.16	3,946.22
Contract Assets on account of Service Concession Arrangements (refer note 12 and 20)	7,194.25	5,023.21	892.89
Contract liabilities (Refer note 34)	324.77	147.03	196.34
Recoverable from / (Liabilities) towards consumers - regulatory assets / (liabilities) other than distribution	(98.35)	10.71	(19.36)

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilities

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

- (b) Significant changes in contract assets during the year :

Particulars	(₹ in crore)	
	As at March 31, 2026	As at March 31, 2025
Opening Balance of contract assets	5,023.21	892.89
Add :		
Addition on account of acquisition of new subsidiaries / SPVs	49.60	117.23
Additions arising from revenue recognised on ongoing transmission and smart meter projects	7,842.45	5,064.71
Other adjustment		
Less :		
Transferred to Receivables Under Service Concession Arrangement	(5,721.01)	(1,048.93)
Other adjustment	-	(2.69)
Closing Balance of contract assets	7,194.25	5,023.21

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

56 Disclosure as per Ind AS 115 - "Revenue from Contracts with Customers" (Contd...)

(c) Significant changes in contract liabilities during the year :

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance		
Recoverable from consumers	10.71	-
Liabilities towards consumers	-	(19.36)
(A)	10.71	(19.36)
Income / (Expenses) to be adjusted in future tariff determination (Net)	(108.92)	29.33
Movement in Regulatory deferral balance other comprehensive income	(0.14)	0.74
(B)	(109.06)	30.07
Recoverable from consumers	-	10.71
Liabilities towards consumers	(98.35)	-
Closing Balance (A+B)	(98.35)	10.71

(d) Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in crore)		
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	26,511.67	22,424.14
Adjustments		
Discounts	109.06	97.73
Revenue from contract with customers	26,402.61	22,326.41

57 Regulatory Deferral Account

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Regulatory Deferral Account - Liability		
Regulatory Liabilities	121.57	93.72
Regulatory Deferral Account - Assets		
Regulatory Assets	2,015.92	3,087.61
Net Regulatory Assets/(Liabilities)	1,894.35	2,993.89

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

57 Regulatory Deferral Account (Contd...)

Rate Regulated Activities

- 1 As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC) & Gujarat Electricity Regulatory Commission (GERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- 2 MERC Multi Year Tariff Regulations, 2024 (MYT Regulations), is applicable for the period beginning from April 1, 2025 to March 31, 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 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.
- 4 Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

(₹ in crore)			
S.No.	Particulars	As at March 31, 2026	As at March 31, 2025
1	Opening Regulatory deferral account balances (net)	2,993.89	1,517.53
2	Movement		
2.1	Add:		
	Regulatory assets under approval (Refer note ii below)	-	2,802.00
2.2	Less:		
	Revenue Gap / (surplus) of current year	(238.63)	(453.65)
	(Recovery) / Repayment of RAC for past years	(861.03)	(884.91)
	Accrued in respect of earlier year consequent to receipt of tariff order	-	(0.03)
	Other adjustments	0.12	12.95
2.3	Net Movement during the year	(1,099.54)	1,476.36
3	Closing Balance	1,894.35	2,993.89

Note :

- i) The Group will repay regulatory surplus of ₹ 506.95 crore (PY : recovery of regulatory gap of ₹ 861.03 crore) in financial year 2026-27, out of ₹ 2,015.92 crore while balance will be recovered over the life of the projects as per existing MERC regulations.
- ii) The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML. 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 AEML, and consequently, RInfra retained the RAUA Matters. RInfra novated these at a commercially agreed consideration of ₹ 2,802.00 crore to the Company pursuant to the security novation agreement dated September 17, 2024.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

58 (i) Impairment testing of intangible Assets

The Transmission license granted to AEML is an asset specific license 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", AEML as at March 31, 2026 tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹ 981.62 crore) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.60% (March 31, 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 (March 31, 2025: 7 years) and thereafter in perpetuity considering a terminal growth rate of 2% (March 31, 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 during the year (March 31, 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% (March 31, 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 (March 31, 2025: 7 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 600 crore per annum (March 31, 2025: ₹ 550 crore per annum).
- Terminal growth rate considered at 2% per annum (March 31, 2025 - 2% per annum).

(ii) Goodwill

(₹ in crore)		
Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	598.29	598.29
Arising on account of Business combination	-	-
Balance at end of the year	598.29	598.29
Segment wise information of Goodwill generated on account of acquisitions over the years		
Transmission Segment	330.74	330.74
Distribution Segment	267.55	267.55
	598.29	598.29

Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹ 576.02 crore (March 31, 2025 : ₹ 576.02 crore) which has been allocated to the respective Cash Generating Unit ("CGU") (ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

58 (ii) Goodwill (Contd...)

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions).

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs. Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 7.97% to 10.27% p.a (Post Tax) (March 31, 2025 : 8.31% to 10.27% p.a (Post Tax))

For goodwill impairment testing, a 3% terminal growth rate has been considered only for the Distribution segment, while the Transmission assets assumes zero growth, given its regulated tariff framework and long-term contractual arrangements.

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

59 Non Controlling Interests (NCI)

Summary of financial information for Adani Electricity Mumbai Limited and its subsidiaries that has non-controlling interests (Shareholding of NCI : 25.10%) that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

(₹ in crore)		
Summarised Balance Sheet	As at March 31, 2026	As at March 31, 2025
Total Non-Current Assets	18,161.73	20,960.06
Total Current Assets	4,333.00	3,966.96
Regulatory Deferral Account - Assets	2,015.92	3,087.61
Total Assets	24,510.65	28,014.63
Non-Current Liabilities	15,903.04	17,922.25
Current Liabilities	3,852.10	4,543.43
Regulatory Deferral Account - Liabilities	17.44	17.15
Total Liabilities	19,772.58	22,482.83
Accumulated NCI	1,189.26	1,388.48

(₹ in crore)		
Summarised statement of Profit and Loss	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit /(Loss) for the year	437.84	(553.02)
Other Comprehensive Income / (Loss) for the year	189.25	86.65
Total Comprehensive Income /(Loss) for the year	627.09	(466.37)
Profit/(Loss) Allocated to NCI	109.90	(138.81)
Total Comprehensive Income /(Loss) allocated to NCI	157.40	(117.06)

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

59 Non Controlling Interests (NCI) (Contd...)

	(₹ in crore)	
Summarised Cash Flow allocated	For the year ended March 31, 2026	For the year ended March 31, 2025
Net cash from operating activities for the year	3,467.87	3,536.77
Net cash (used in) investing activities for the year	(2,830.12)	(3,274.43)
Net cash generated from / (used in) financing activities for the year	(887.81)	44.03
Net increase / (decrease) in cash and cash equivalents	(250.06)	306.37

60 During the year, Adani Energy Solutions Limited (the Parent Company)

- Signed a Share Purchase Agreement (SPA) and completed the acquisition of WRNES Talegaon Power Transmission Limited, incorporated by REC Power Development and Consultancy Limited to evacuate 1.5 GW of green power from upcoming hydro Pumped Storage Projects (PSP) in the region and will help meet demand from Mumbai and surrounding areas.
- Signed a Share Purchase Agreement (SPA) and completed the acquisition of KPS III HVDC Transmission Limited, incorporated by PFC Consulting Limited to facilitate the evacuation of 2.5 GW of renewable energy, comprising of Phase-V scheme of Khavda which has been planned to enable evacuation of an additional 8 GW RE power from Khavda RE park.
- Signed a Share Purchase Agreement (SPA) and completed the acquisition of South Kalamb Power Transmission Limited, incorporated by PFC Consulting Limited to strengthen South Kalamb's evacuation capability by upgrading the 765/400 kV transformation and downstream network, ensuring reliable high-capacity power supply to Mumbai and readiness for the upcoming 6 GW $\pm$ 800 kV HVDC renewable injection.

The above entities are with fixed tariff revenues as approved under the respective Transmission Service Agreement's / tariff orders. The only key activity for these entities, once it is operational, is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has concluded that all the above acquisition as asset acquisition.

Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below :

Net amount of Assets and Liabilities

	(₹ in crore)		
Particulars	WRNES Talegaon Power Transmission Limited	KPS III HVDC Transmission Limited	South Kalamb Power Transmission Limited
Date of Acquisition	May 30, 2025	December 12, 2025	March 30, 2026
Assets			
Non-current assets			
Contract Assets	17.85	19.89	11.86
	17.85	19.89	11.86

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

60 During the year, Adani Energy Solutions Limited (the Parent Company) (Contd...)

(₹ in crore)			
Particulars	WRNES Talegaon Power Transmission Limited	KPS III HVDC Transmission Limited	South Kalamb Power Transmission Limited
Date of Acquisition	May 30, 2025	December 12, 2025	March 30, 2026
Current assets			
Cash and cash equivalents	0.05	0.01	0.01
Other current assets	2.00	-	-
	2.05	0.01	0.01
Total Assets(i)	19.90	19.90	11.87
Liabilities			
Current liabilities			
Other Current Liabilities	-	1.16	0.01
	-	1.16	0.01
Total Liabilities(ii)	-	1.16	0.01
Net Assets (i-ii)	19.90	18.74	11.86

Consideration Transferred :

(₹ in crore)			
Particulars	WRNES Talegaon Power Transmission Limited	KPS III HVDC Transmission Limited	South Kalamb Power Transmission Limited
Consideration Paid in cash	19.90	18.74	11.86

- 61** During the previous financial year, Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated March 28, 2025, has approved for (i) truing up of FY 2022-23 and FY 2023-24, (ii) Provisional truing up for FY 24-25 for Adani Electricity Mumbai Limited and Maharashtra Eastern Grid Power Transmission Company Limited. Accordingly based on the MERC order, during the previous year ended March 31, 2025, Group has recognised revenue of ₹ 148.51 crore.
- 62** During the previous financial year, Adani Electricity Mumbai Limited (AEML), a subsidiary of the Company, has divested Dahanu Thermal Power Plant to honour its ESG Commitment. AEML in its meeting of Board of Directors concluded on July 24, 2024 has approved the transaction for carving said power plant to one of the related party at the transaction price of ₹ 815.00 crore against the carrying value in books of ₹ 2,321.02 crore and hence ₹ 1,506.02 crore has been charged in the statement of profit and loss as exceptional item in accordance with Ind AS 105.
- 63** 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 March 31, 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

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

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 Company as at year ended March 31, 2025. There are no changes to the above conclusions as at and for the year ended March 31, 2026.

64 The Group uses an accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the accounting software except that evidence of the audit trail feature being enabled and operated for direct changes to underlying database of the ERP software used by the Holding Company and its eighty five subsidiaries from May 27, 2025 to December 12, 2025, and for four subsidiaries from April 1, 2025 to December 12, 2025, and audit trail logs was purged due to technical constraints with retention period of the storage solution. Further, there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Additionally, the audit trail of relevant prior years has been preserved for record retention to the extent it was enabled and recorded in those respective years by the Group as per the statutory requirements for record retention.

65 Ultimate Beneficiary Disclosure

- (i) During the year, the loan amount of ₹ 983.55 crore was advanced by Adani Energy Solutions Limited (Parent Company) on various dates involving 6 transactions in months of April 2025, July 2025 and March 2026 to ATL HVDC Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (ii) During the year, ATL HVDC Limited (a subsidiary of the company) has received ₹ 1,637.87 crore by way of foreign currency loan on various dates involving 3 transactions in months of April 2025, July 2025 and March 2026, which has been further advanced on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (iii) During the year, the loan amount of ₹ 600.00 crore was advanced by Adani Transmission Step-One Limited (a wholly owned subsidiary of the company) in month of December 2025 to Maharashtra Eastern Grid Power Transmission Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same date to Adani Energy Solutions Limited (Parent Company).
- (iv) During the previous year, the loan amount of ₹ 460.58 crore was advanced by Adani Energy Solutions Limited (Parent Company) on various dates involving 10 transactions in months of October 2024, December 2024, February 2025 and March 2025 to ATL HVDC Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (v) During the previous year, ATL HVDC Limited (a subsidiary of the company) has received ₹ 1,411.18 crore by way of foreign currency loan on various dates involving 3 transactions in months of April 2024, June 2024 and December 2024, which has been further advanced on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).

The intra-group loan transactions with subsidiaries / fellow subsidiaries during the year are in compliance with the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act, 2013 and not in violation of Prevention of Money-Laundering Act, 2002 (15 of 2003) and are in normal course of business to optimize the group cash flows and are eliminated in full in the consolidated financial statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

66 Statutory disclosures

- (i) As on November 21, 2025, the Government of India notified four Labour Codes (the 'Labour Codes') effective immediately replacing the existing 29 labour laws.

The impact of implementation of Labor Codes has been measured and recognised based on management assessment on such implementation during the year ended March 31, 2026. The Company continues to monitor the finalization of Central and State Rules, as well as Government clarification on other aspects of the Labour Codes, and will recognize the consequential impact, if any, based on such developments.

- (ii) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (iii) The quarterly returns or statements of Current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts.

67 Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements.

Subsequent to the reporting date but before the approval of these consolidated financial statements

- (i) Scheme of amalgamation of Gopalaya Build Estate Private Limited and Adani Transmission Step-Five Limited, wholly owned subsidiaries of the Company, with Halvad Transmission Limited was approved by the appropriate authority. Accordingly, the same has been considered as a non adjusting event in accordance with Ind AS 10.
- (ii) ATSOL Global IFSC Limited, a step-down subsidiary of the company, has entered a commitment in March 2026 to issue USD 500 million Notes on a private placement basis to eligible investors. The drawdown proceeds relating to the Notes were duly received by the Company on April 9, 2026 pursuant to the terms of the private placement arrangement. This event does not require adjustment to the consolidated financial statements as at the reporting date.

- 68** The Consolidated Financial Statements for the year ended March 31, 2026 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on April 23, 2026.

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration No : 001076N/N500013

Neeraj Goel

Partner

Membership No : 99514

For and on behalf of the Board of Directors

Adani Energy Solutions Limited

Gautam S. Adani

Chairman

DIN: 00006273

Anil Sardana

Managing Director

DIN: 00006867

Kandarp Patel

Whole-time Director and

Chief Executive Officer

DIN: 02947643

Kunjal Mehta

Chief Financial

Officer

Jaladhi Shukla

Company Secretary

Place : Ahmedabad

Date : April 23, 2026

Place : Ahmedabad

Date : April 23, 2026

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Dividend Taxation	% of Shareholding
1	Maharashtra Eastern Grid Power Company Limited	2025-26	INR	707.50	-	-	4,087.95	8,180.13	3,384.68	117.44	878.84	489.47	85.70	403.77	100%
2	Adani Transmission (India) Limited	2025-26	INR	118.08	-	-	3,368.15	5,391.30	1,905.06	19.20	584.15	404.50	70.63	333.87	100%
3	Sipat Transmission Limited	2025-26	INR	44.00	-	-	156.10	823.57	623.47	12.76	90.33	43.71	11.16	32.55	100%
4	Rajpur-Rajnandgaon-Warora Transmission Limited	2025-26	INR	91.10	-	-	345.63	1,854.80	1,418.07	16.59	186.80	74.31	19.02	55.29	100%
5	Chhattisgarh-WR Transmission Limited	2025-26	INR	68.00	-	-	286.28	1,492.86	1,138.58	30.20	173.72	86.32	21.99	64.33	100%
6	Adani Transmission (Rajasthan) Limited	2025-26	INR	8.50	-	-	62.18	150.10	79.42	5.65	23.50	15.72	3.96	11.76	100% ³
7	North Karanpura Transco Limited	2025-26	INR	0.05	-	31.57	9.85	882.98	841.50	-	59.93	(3.74)	(0.86)	(2.88)	100%
8	Maru Transmission Service Company Limited	2025-26	INR	8.94	-	-	52.98	206.20	144.27	3.35	38.43	15.28	4.88	10.40	100%
9	Aravalli Transmission Service Company Limited	2025-26	INR	5.23	-	-	13.10	132.54	114.20	40.13	23.83	7.05	1.82	5.23	100%
10	Fatehgarh-Bhadla Transmission Limited	2025-26	INR	25.50	-	-	(59.83)	615.51	649.84	23.57	67.19	(11.90)	(2.94)	(8.97)	100%
11	Ghatampur Transmission Limited	2025-26	INR	121.96	-	-	302.94	1,647.96	1,223.06	82.50	255.14	95.81	23.97	71.85	100%
12	Hadoti Power Transmission Service Limited	2025-26	INR	10.00	-	-	147.41	332.57	175.16	3.44	33.85	20.82	5.51	15.31	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Instruments Perpetual Equity Instrument	Reserves Entirely Equity in & Surplus Nature	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Dividend Taxation	% of Shareholding
13	Barmer Power Transmission Service Limited	2025-26	INR	8.00	-	-	255.80	127.77	2.78	27.11	16.09	4.20	11.89	100%
14	Thar Power Transmission Service Limited	2025-26	INR	7.00	-	-	228.73	118.32	-	24.36	13.91	3.63	10.27	100%
15	Western Transco Power Limited	2025-26	INR	10.00	-	-	540.97	269.30	5.88	48.10	23.38	6.26	17.12	100%
16	Western Transmission (Gujarat) Limited	2025-26	INR	10.00	-	-	348.97	163.87	8.07	27.56	18.91	4.97	13.94	100%
17	OBRA-C Badaun Transmission Limited	2025-26	INR	55.50	-	-	702.43	569.30	33.67	111.44	33.94	8.61	25.33	100%
18	Adani Transmission Bikaner Sikar Limited	2025-26	INR	10.00	-	-	281.75	173.40	4.41	27.66	17.36	4.16	13.20	100% ⁴
19	Bikaner-Khetri Transmission Limited	2025-26	INR	54.00	-	74.27	864.66	632.31	47.91	131.80	43.76	11.13	32.64	100%
20	WRSS XXI (A) Transco Limited	2025-26	INR	0.05	-	-	1,275.74	1,323.00	7.83	149.85	(1.19)	(0.01)	(1.18)	100%
21	Lakadia Banaskantha Transco Limited	2025-26	INR	0.05	-	-	944.97	976.67	28.48	113.88	(2.52)	(10.85)	8.33	100%
22	Jam Khambaliya Transco Limited	2025-26	INR	21.25	-	-	359.32	329.65	52.78	45.38	3.99	1.00	2.98	100%
23	Arasan Infra Limited	2025-26	INR	0.01	-	2.50	715.95	715.49	-	0.04	0.15	-	0.15	100%
24	Sunrays Infra Space Limited	2025-26	INR	0.01	-	-	17.45	25.31	-	-	(2.50)	-	(2.50)	100%
25	Kharghar Vikhroli Transmission Limited	2025-26	INR	0.05	-	-	2,154.21	1,807.04	440.72	403.71	237.54	59.42	178.12	100%
26	Alipurduar Transmission Limited	2025-26	INR	55.63	-	-	1,304.92	872.06	-	154.09	72.10	18.40	53.70	100% ⁵
27	Adani Transmission Step-One Limited	2025-26	INR	0.01	-	4,500.00	6,651.29	9,740.35	1,698.99	944.94	(284.47)	-	(284.47)	100%
28	Warora Kurnool Transmission Limited	2025-26	INR	537.00	-	186.07	4,160.41	3,892.54	61.49	435.80	23.38	5.88	17.50	100%
29	Power Distribution Services Limited	2025-26	INR	0.01	-	-	14.56	3.06	-	12.71	2.56	0.64	1.92	74.90%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in & Surplus' Nature	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
30	Adani Electricity Mumbai Limited	2025-26	INR	4,020.82	-	-	724.26	25,045.75	20,300.67	1,918.18	11,588.85	631.93	196.28	435.65	-	74.90%
31	Adani Electricity Navi Mumbai Limited	2025-26	INR	0.01	-	-	(0.10)	11.56	11.65	-	-	(0.01)	-	(0.01)	-	100%
32	Adani Electricity Mumbai Infra Limited	2025-26	INR	1,818.51	-	-	7.74	6,484.12	4,657.87	-	47.32	7.44	2.17	5.27	-	99.99%
33	AEML Seepz Limited	2025-26	INR	13.51	-	-	(6.86)	56.09	49.44	0.17	81.57	2.10	0.92	1.18	-	74.90%
34	MP Power Transmission Package-II Limited	2025-26	INR	141.31	-	-	44.87	1,480.23	1,294.05	31.03	182.76	14.03	4.91	9.12	-	100%
35	ATL HVDC Limited	2025-26	INR	0.01	-	1,768.50	(18.60)	6,479.00	4,729.09	1,818.50	694.60	(23.02)	-	(23.02)	-	100%
36	MPSEZ Utilities Limited	2025-26	INR	13.14	-	-	126.78	743.21	603.29	-	779.60	13.90	4.17	9.73	-	100%
37	Karur Transmission Limited	2025-26	INR	0.01	-	-	(9.16)	248.09	257.24	-	23.01	(8.40)	(2.11)	(6.29)	-	100%
38	Khavda-Bhuj Transmission Limited	2025-26	INR	138.16	-	-	4.84	1,432.78	1,289.78	108.29	159.83	20.90	6.46	14.44	-	100%
39	Adani Transmission Step-Two Limited	2025-26	INR	0.01	-	950.00	19.05	2,020.26	1,051.19	1,837.12	372.22	-	-	-	-	100%
40	Adani Transmission Mahan Limited	2025-26	INR	0.01	-	-	(0.04)	0.05	0.08	-	-	(0.01)	-	(0.01)	-	100%
41	Adani Electricity Jewar Limited	2025-26	INR	0.01	-	-	(0.08)	0.02	0.08	-	-	(0.01)	-	(0.01)	-	100%
42	BEST Smart Metering Limited	2025-26	INR	0.01	-	-	9.64	328.78	319.13	-	118.38	11.42	2.85	8.57	-	100%
43	Adani Cooling Solutions Limited	2025-26	INR	0.01	-	-	(1.82)	43.10	44.91	-	0.92	(0.02)	-	(0.02)	-	100%
44	WRSR Power Transmission Limited	2025-26	INR	160.82	-	-	(0.75)	2,238.08	2,078.01	-	414.46	0.25	(0.05)	0.30	-	100%
45	Adani Transmission Step-Three Limited	2025-26	INR	0.01	-	-	(0.12)	0.23	0.34	-	-	(0.03)	(0.01)	(0.02)	-	100%
46	Adani Transmission Step-Four Limited	2025-26	INR	0.50	-	-	0.01	0.52	0.01	-	-	0.03	0.01	0.02	-	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in & Surplus' Nature	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Dividend Taxation	% of Shareholding
47	Adani Transmission Step-Five Limited	2025-26	INR	0.01	-	1.00	(0.07)	136.44	135.49	-	-	(0.00)	-	(0.00)	100%
48	Adani Transmission Step-Six Limited	2025-26	INR	0.01	-	-	218.99	2,676.90	2,457.90	-	2,008.18	271.60	67.52	204.08	100%
49	Adani Transmission Step-Seven Limited	2025-26	INR	0.01	-	-	33.80	1,686.06	1,652.25	-	875.62	40.94	10.23	30.72	100%
50	Adani Transmission Step-Eight Limited	2025-26	INR	0.01	-	-	8.90	202.43	193.52	-	115.75	8.76	1.65	7.12	100%
51	NE Smart Metering Limited	2025-26	INR	0.01	-	-	(1.39)	289.46	290.84	-	144.77	(3.05)	0.78	(3.84)	100%
52	Adani Electricity Aurangabad Limited	2025-26	INR	0.01	-	-	(0.02)	0.02	0.03	-	-	(0.01)	-	(0.01)	100%
53	Adani Electricity Nashik Limited	2025-26	INR	0.01	-	-	(0.02)	0.02	0.02	-	-	(0.01)	-	(0.01)	100%
54	Khavda II-A Transmission Limited	2025-26	INR	87.38	-	-	7.66	1,402.60	1,307.56	37.08	251.87	11.80	3.39	8.41	100%
55	Adani Green Energy Thirty Limited	2025-26	INR	3.51	-	47.67	(3.05)	48.15	0.02	-	-	-	-	-	100%
56	KPS1 Transmission Limited	2025-26	INR	0.05	-	72.41	24.14	947.65	851.06	-	114.75	33.04	8.33	24.71	49% ⁶
57	Sangod Transmission Service Limited	2025-26	INR	0.05	-	-	(0.21)	158.09	158.25	-	19.64	0.01	(0.12)	0.14	100%
58	Halvad Transmission Limited	2025-26	INR	208.76	-	-	0.47	2,597.92	2,388.68	0.25	1,334.97	0.12	-	0.12	100%
59	Sunrays Infra Space Two Limited	2025-26	INR	0.01	-	50.00	(0.01)	261.83	211.83	-	-	(0.00)	-	(0.00)	100%
60	Arasan Infra Two Limited	2025-26	INR	0.01	-	-	(0.01)	75.45	75.45	-	-	(0.00)	-	(0.00)	100%
61	Adani Energy Solutions Step-Twelve Limited	2025-26	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	100%
62	Powerpulse Trading Solutions Limited	2025-26	INR	80.01	-	-	74.11	2,462.13	2,308.01	52.89	83.67	82.69	20.45	62.24	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in & Surplus ¹ Nature	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
63	Pointleap Projects Private Limited	2025-26	INR	0.07	-	-	89.08	89.21	0.06	-	-	(0.01)	-	(0.01)	-	74.90%
64	Adani Energy Solutions Mahan Limited	2025-26	INR	0.05	-	447.78	197.40	1,660.38	1,015.16	-	249.63	6.60	(35.44)	42.04	-	100%
65	Gopalaya Build Estate Private Limited	2025-26	INR	0.00	-	0.25	(0.02)	99.49	99.26	-	-	(0.01)	-	(0.01)	-	100%
66	Khavda IVA Power Transmission Limited	2025-26	INR	280.36	-	-	0.56	2,867.56	2,586.63	-	1,594.37	0.47	-	0.47	-	100%
67	Navinal Transmission Limited	2025-26	INR	169.01	-	-	0.08	833.70	664.61	-	304.11	0.14	0.04	0.10	-	100%
68	Jamnagar Transmissoin Limited	2025-26	INR	225.00	-	-	0.06	533.38	308.32	-	375.19	0.09	0.03	0.07	-	100%
69	Progressive Grid Network Limited ⁷	2025-26	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
70	Pune-III Transmission Limited	2025-26	INR	330.95	-	-	10.59	638.83	297.29	-	377.63	17.92	4.49	13.43	-	100%
71	Adani Energy Solutions Global Limited ⁷	2025-26	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
72	Adani Energy Solutions Step-Ten Limited	2025-26	INR	0.01	-	-	10.91	2,491.71	2,480.79	-	786.59	14.58	3.67	10.91	-	100%
73	Adani Energy Solutions Step-Eleven Limited	2025-26	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	-	100%
74	Superheights Infraspace Private Limited	2025-26	INR	0.03	-	-	(0.02)	34.96	34.95	-	-	(0.00)	-	(0.00)	-	74.90%
75	Rajasthan Part I Power Transmission Limited	2025-26	INR	0.05	-	-	5.58	2,415.94	2,410.30	-	117.56	0.44	-	0.44	-	100%
76	Mundra I Transmission Limited	2025-26	INR	0.01	-	-	0.07	18.64	18.56	-	0.11	0.09	0.02	0.07	-	100%
77	Mahan Transmission Limited	2025-26	INR	0.05	-	-	0.07	409.25	409.14	-	337.53	0.09	-	0.09	-	100%
78	WRNES Talegaon Power Transmission Limited ²	2025-26	INR	0.05	-	-	(0.01)	18.79	18.75	-	18.39	(0.01)	-	(0.01)	-	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in & Surplus ¹ Nature	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Dividend Taxation	% of Shareholding
79	Adani Electricity Kalyan Dombivli Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
80	Adani Electricity Pune Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
81	Adani Electricity Vidharbha Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
82	Adani Electricity Vasai-Virar Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
83	Adani Energy Solutions Step-Sixteen Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
84	Adani Electricity Puducherry Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
85	Adani Energy Solutions Step-Fifteen Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
86	Adani Energy Solutions Step-Fourteen Limited	2025-26	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	100%
87	KPS III HVDC Transmission Limited ²	2025-26	INR	0.01	-	-	(0.02)	20.12	20.13	-	18.95	(0.02)	-	(0.02)	100%
88	ATSOL Global IFSC Limited	2025-26	INR	1.86	-	-	0.05	2.68	0.76	-	-	(0.02)	-	(0.02)	100%
89	Nextgen Energy Networks Limited	2025-26	INR	0.05	-	-	(0.00)	0.05	0.00	-	-	(0.00)	-	(0.00)	100%
90	A-One Energy Networks Limited	2025-26	INR	0.05	-	-	(0.00)	0.05	0.00	-	-	(0.00)	-	(0.00)	100%
91	South Kalamb Power Transmission Limited ²	2025-26	INR	0.01	-	-	(0.00)	11.87	11.88	-	11.86	(0.02)	-	(0.02)	100%

1. Reserves & Surplus includes Other Comprehensive Income

2. Date of Acquisition by the company:

WRNES Talegaon Power Transmission Limited - May 30, 2025

KPS III HVDC Transmission Limited - December 12, 2025

South Kalamb Power Transmission Limited - March 30, 2026

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

3. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
4. Adani Transmission Bikaner Sikar Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
5. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
6. The Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the previous year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.
7. **Strike off Entity / Liquidation of Entity**

During the year, Adani Energy Solutions Global Limited, an overseas wholly owned subsidiary incorporated in UAE, was struck off from the register of companies in accordance with the applicable laws of the said jurisdiction.

During the year, the Group initiated liquidation proceedings in respect of Progressive Grid Network Limited, an overseas subsidiary incorporated in Kenya, in accordance with the applicable laws of the said jurisdiction.

Both the subsidiaries Adani Energy Solutions Global Limited and Progressive Grid Network Limited did not have any material operations, assets, or liabilities, and accordingly, its striking off or liquidation respectively do not have any material impact on the consolidated financial statements.
8. In respect of entities acquired (refer note 2 above); the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year, whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

9. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	WRSR Power Transmission Limited
2	Halvad Transmission Limited
3	Khavda IVA Power Transmission Limited
4	Navinal Transmission Limited
5	Jamnagar Transmissoin Limited
6	Pune III Transmission Limited
7	Rajasthan Part I Power Transmission Limited
8	Mundra I Transmission Limited
9	Mahan Transmission Limited
10	Adani Electricity Navi Mumbai Limited (Formerly Known As Aeml Infrastructure Limited)
11	WRNES Talegaon Power Transmission Limited
12	KPS III HVDC Transmission Limited
13	South Kalamb Power Transmission Limited
14	Adani Energy Solutions Limited*#
15	BEST Smart Metering Limited*#
16	Adani Transmission Step-Six Limited*#
17	Adani Transmission Step-Seven Limited*#
18	Adani Transmission Step-Eigth Limited*#
19	NE Smart Metering Limited*#

* Part Capacity Commissioned; #Smart Metering Business

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of the Board

Adani Energy Solutions Limited

Gautam S. Adani

Chairman
DIN: 00006273

Anil Sardana

Managing Director
DIN: 00006867

Kandarp Patel

Whole-time Director and
Chief Executive Officer
DIN: 02947643

Kunjal Mehta

Chief Financial Officer

Jaladhi Shukla

Company Secretary

Independent Auditor's Report

**To the Members of Adani Energy Solutions Limited
(formerly known as Adani Transmission Limited)**

**Report on the Audit of the Consolidated
Financial Statements**

Opinion

1. We have audited the accompanying consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2025, and their consolidated profit (including other comprehensive income),

consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

5. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Accrual of regulatory deferral income / expense and corresponding assets / liability Refer note 3(o) in material accounting policy information and note 55 in notes forming part of consolidated financial statements. The Group recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Group as per the Electricity Act, 2003 and regulations framed thereunder by the respective State Electricity Regulatory Commission (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders. Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances. The Group has recognised net regulatory deferral assets of ₹ 2,993.89 crores as at 31 March 2025 (including expense of ₹ 1,340.75 crores for the year recognised in statement of profit and loss and income of ₹ 15.88 crores recognised in other comprehensive income). Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.	Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following: - Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals; - Evaluated the Group's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts' - Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and - Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards.
Impairment assessment of Transmission Cash Generating Unit (TCGU) Refer note 3(b) in material accounting policy information and note 56(i) in notes forming part of the consolidated financial statements. The Group's TCGU includes a transmission license having an indefinite life with a carrying value of ₹ 981.62 crores as at 31 March 2025. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts.	Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following: - Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license. - Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU; - Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU;

Key audit matter	How our audit addressed the key audit matter
The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates. Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.	d. Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections; e. Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU; f. Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and g. Evaluated the appropriateness and adequacy of the disclosure made in the consolidated financial statements, in accordance with the applicable Indian Accounting Standards.
Valuation of derivative financial instruments and hedge accounting Refer note 3(e) and 48 for material accounting policy information and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting. In line with Group's risk management policy, the Group had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt. The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments. The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates. In view of material impact on the Group's consolidated financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.	Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following: a. Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting; b. Obtained an understanding of management's process and the risk management policies of the Group in respect of derivative transactions; c. Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments; d. Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks; e. Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and f. Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

6. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of

Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view 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 consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
9. Those respective Board of Directors and those charged with governance are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

10. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and

maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the

entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

15. We did not audit the financial statements of 64 subsidiaries, whose financial statements reflect total assets of ₹ 39,894.45 crores as at 31 March 2025, total revenues of ₹ 9,110.18 crores and net cash inflows amounting to ₹ 573.48 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the

amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

16. We did not audit the financial statements of 2 subsidiaries, whose financial statements reflects total assets of ₹ nil as at 31 March 2025, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 15, on separate financial statements of the subsidiaries, we report that the Holding Company and 13 subsidiaries incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that 62 subsidiaries incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us and by the respective other auditors as mentioned in paragraph 15 above, of companies included in the consolidated financial statements and covered under the Act we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) Except for the matters stated in paragraph 19(h) (vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, respectively, and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Holding Company and its subsidiaries are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 19(b) above

on reporting under section 143(3)(b) of the Act and paragraph 19(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

- g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed an unmodified opinion; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 42(i) to the consolidated financial statements;
 - ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 45 to the consolidated financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies covered under the Act, during the year ended 31 March 2025;
 - iv. a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in note 66(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its

subsidiary companies or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 66(i) and 66(ii) to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Holding Company and its subsidiary companies have not declared or paid any dividend during the year ended 31 March 2025.
- vi. As stated in Note 65 to the consolidated financial statements and based on our examination which included test checks, and

that performed by the respective auditors of the subsidiaries of the Holding Company which are companies incorporated in India and audited under the Act, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining their books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, the audit trail feature was enabled to log any direct data changes at the database from 17 March 2025.

During the course of our audit, we and respective auditors of the above referred subsidiaries did not come across any instance of audit trail feature being tampered with in

respect of the accounting software where audit trail was enabled.

The audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention from the date the audit trail was enabled for the accounting software.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Place: Ahmedabad
Date: 24 April 2025
Membership No.: 99514
UDIN: 25099514BMJKDB3818

Annexure A to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March 2025

List of entities included in the consolidated financial statements -

S. No.	Name of entities
A	Holding Company
1	Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)
B	Subsidiaries
1	Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary)
2	Adani Transmission (India) Limited (step-down subsidiary)
3	Sipat Transmission Limited
4	Raipur-Rajnandgaon-Warora Transmission Limited
5	Chhattisgarh-WR Transmission Limited
6	Adani Transmission (Rajasthan) Limited
7	North Karanpura Transco Limited
8	Maru Transmission Service Company Limited
9	Aravali Transmission Service Company Limited
10	Fatehgarh-Bhadla Transmission Limited
11	Ghatampur Transmission Limited
12	Hadoti Power Transmission Service Limited
13	Barmer Power Transmission Service Limited
14	Thar Power Transmission Service Limited
15	Western Transco Power Limited
16	Western Transmission (Gujarat) Limited
17	Obra-C Badaun Transmission Limited
18	Adani Transmission Bikaner Sikar Limited (formerly known as Adani Transmission Bikaner Sikar Private Limited)
19	Bikaner-Khetri Transmission Limited
20	WRSS XXI (A)Transco Limited
21	Lakadia Banaskantha Transco Limited
22	Jam Khambaliya Transco Limited
23	Arasan Infra Limited (formerly known as Arasan Infra Private Limited)
24	Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited)
25	Kharghar Vikhroli Transmission Limited
26	Alipurduar Transmission Limited
27	Adani Transmission Step-One Limited
28	Warora Kurnool Transmission Limited
29	MP Power Transmission Package-II Limited
30	ATL HVDC Limited
31	MPSEZ Utilities Limited
32	Karur Transmission Limited
33	Khavda-Bhuj Transmission Limited
34	Power Distribution Services Limited
35	Adani Electricity Mumbai Limited

S. No.	Name of entities
36	Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited)
37	Adani Electricity Mumbai Infra Limited (Step-down subsidiary)
38	AEML Seepz Limited (Step-down subsidiary)
39	Adani Electricity Jewar Limited
40	Adani Transmission Mahan Limited (Step-down subsidiary)
41	Adani Transmission Step-Two Limited
42	BEST Smart Metering Limited
43	Adani Cooling Solutions Limited
44	WRSR Power Transmission Limited
45	Adani Transmission Step-Three Limited
46	Adani Transmission Step-Four Limited
47	Adani Transmission Step-Five Limited
48	Adani Transmission Step-Six Limited
49	Adani Transmission Step-Seven Limited
50	Adani Transmission Step-Eight Limited
51	NE Smart Metering Limited (formerly Adani Transmission Step Nine Limited)
52	Adani Electricity Aurangabad Limited
53	Adani Electricity Nashik Limited
54	Khavda II-A Transmission Limited
55	Adani Green Energy Thirty Limited (Step-down subsidiary)
56	KPS 1 Transmission Limited
57	Halvad Transmission Limited
58	Sangod Transmission Service Limited
59	Sunrays Infra Space Two Limited
60	Arasan Infra Two Limited
61	Adani Energy Solutions Step-Twelve Limited
62	Powerpulse Trading Solutions Limited (formerly known as Adani Energy Solutions Step-Thirteen Limited)
63	Essar Transco Limited (w.e.f. May 15, 2024) (Step-down subsidiary)
64	Pointleap Projects Private Limited (w.e.f. May 3, 2024) (Step-down subsidiary)
65	Gopalaya Build Estate Private Limited (w.e.f. June 11, 2024) (Step-down subsidiary)
66	Khavda IVA Power Transmission Limited (w.e.f. August 30, 2024)
67	Adani Energy Solutions Global Limited (w.e.f. October 4, 2024)
68	Navinal Transmission Limited (w.e.f. October 14, 2024)
69	Jamnagar Transmission Limited (w.e.f. October 14, 2024)
70	Progressive Grid Network Limited (w.e.f. November 7, 2024) (Step-down subsidiary)
71	Pune III Transmission Limited (w.e.f. November 19, 2024)
72	Adani Energy Solutions Step-Ten Limited (w.e.f. December 17, 2024)
73	Adani Energy Solutions Step-Eleven Limited (w.e.f. December 18, 2024)
74	Superheights Infraspaces Private Limited (w.e.f. February 12, 2025)
75	Rajasthan Part I Power Transmission Limited (w.e.f. January 20, 2025)
76	Mundra I Transmission Limited (w.e.f. March 20, 2025)
77	Mahan Transmission Limited (w.e.f. March 26, 2025)
C	Partnership Firm
1	Adani-LCC JV

Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2025

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the financial statements criteria established by the respective companies considering the essential component of Internal Control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and

its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted

accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were

operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to 64 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 39,894.45 crores and net assets of ₹ 7,038.66 crores as at 31 March 2025, total revenues of ₹ 9,110.18 crores and net cash inflows amounting to ₹ 573.48 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner

Place: Ahmedabad
Date: 24 April 2025

Membership No.: 99514
UDIN: 25099514BMJKDB3818

Consolidated Balance Sheet

as at March 31, 2025

(₹ in crore)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	5.1	37,049.07	36,436.74
Right of Use Assets	5.2	796.15	783.11
Capital Work-In-Progress	5.3	5,695.36	3,002.69
Goodwill	56(ii)	598.29	598.29
Intangible Assets	5.1	1,111.24	1,101.60
Intangible Assets Under Development	5.4	6.88	-
Financial Assets			
(i) Investments	6	348.72	323.79
(ii) Trade Receivables	7	106.30	201.68
(iii) Loans	8	15.88	22.51
(iv) Other Financial Assets	9	5,084.68	3,639.44
Deferred Tax Assets (Net)	28	57.85	40.43
Income Tax Assets (Net)	10	99.47	57.55
Other Non-current Assets	11	6,316.09	2,752.86
Total Non-current Assets		57,285.98	48,960.69
Current Assets			
Inventories	12	625.24	255.28
Financial Assets			
(i) Investments	13	2,289.69	442.69
(ii) Trade Receivables	14	4,217.86	3,744.54
(iii) Cash and Cash Equivalents	15	2,190.38	742.06
(iv) Bank Balances other than (iii) above	16	1,428.30	1,486.08
(v) Loans	17	6.45	407.78
(vi) Other Financial Assets	18	262.90	181.18
Other Current Assets	19	2,565.69	787.15
Total Current Assets		13,586.51	8,046.76
Total Assets before Regulatory Deferral Account		70,872.49	57,007.45
Regulatory Deferral Account - Assets	55	3,087.61	1,571.36
Total Assets		73,960.10	58,578.81
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	20	1,201.28	1,115.49
Other Equity	21	20,866.92	11,526.06
Total Equity attributable to Equity Owners of the Company		22,068.20	12,641.55
Non-Controlling Interests		943.06	1,061.58
Total Equity		23,011.26	13,703.13
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
(i) Borrowings	22	36,992.29	33,559.62
(ia) Lease Liabilities	23	50.83	45.49
(ii) Trade Payables	24	-	-
(A) total outstanding dues of micro enterprises and small enterprises;		38.88	37.39
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iii) Other Financial Liabilities	25	1,020.34	513.12
Other Non-Current Liabilities	26	522.77	420.37
Provisions	27	553.57	630.23
Deferred Tax Liabilities (Net)	28	1,753.76	1,652.78
Total Non-current Liabilities		40,932.44	36,859.00
Current Liabilities			
Financial Liabilities			
(i) Borrowings	29	3,213.79	3,449.25
(ia) Lease Liabilities	23	18.37	15.29
(ii) Trade Payables	30	-	-
(A) total outstanding dues of micro enterprises and small enterprises;		52.97	50.92
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		2,902.65	1,465.00
(iii) Other Financial Liabilities	31	3,001.82	2,250.02
Other Current Liabilities	32	622.47	630.68
Provisions	27	105.52	98.51
Current Tax Liabilities (Net)	33	5.09	3.18
Total Current Liabilities		9,922.68	7,962.85
Total Liabilities before Regulatory Deferral Account		50,855.12	44,821.85
Regulatory Deferral Account-Liabilities	55	93.72	53.83
Total Equity and Liabilities		73,960.10	58,578.81
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

KANDARP PATEL

Chief Executive Officer

JALADHI SHUKLA

Company Secretary

ANIL SARDANA

Managing Director

DIN: 00006867

KUNJAL MEHTA

Chief Financial Officer

Place : Ahmedabad

Date : April 24, 2025

Place : Ahmedabad

Date : April 24, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

Particulars	Notes	(₹ in crore)	
		For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from Operations	34	23,767.09	16,607.36
Other Income	35	679.46	610.95
Total Income		24,446.55	17,218.31
Expenses			
Cost of Power Purchased		5,584.14	4,340.30
Cost of Fuel		623.54	1,119.09
Construction expenses relating to Service Concession Arrangements (SCA)		4,739.70	842.22
Purchases of Stock-in-Trade	36	1,365.74	1,028.95
Employee Benefits Expense	37	1,032.94	951.70
Finance Costs	38	3,259.16	2,766.51
Depreciation and Amortisation Expense	5.5	1,905.95	1,776.08
Other Expenses	39	2,013.76	2,153.89
Total Expenses		20,524.93	14,978.74
Profit Before Rate Regulated Activities, Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year		3,921.62	2,239.57
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	55	(1,340.75)	(460.01)
Profit Before Exceptional items, Tax and Deferred Assets recoverable/adjustable for the year		2,580.87	1,779.56
Exceptional Items (refer note 61)		(1,506.02)	-
Profit Before Tax and Deferred Assets recoverable/adjustable for the year		1,074.85	1,779.56
Tax Expense:	40		
Current Tax		195.04	298.60
Deferred Tax		(16.05)	281.53
Total Tax expenses		178.99	580.13
Profit After Tax for the year but before Deferred Assets recoverable/adjustable		895.86	1,199.43
Deferred assets recoverable/adjustable		25.83	(3.82)
Profit After Tax for the year		921.69	1,195.61
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		(14.03)	(14.76)
- Movement in Regulatory Deferral Balance		15.88	13.99
- Tax relating to items that will not be reclassified to Profit or Loss		(0.18)	0.01
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		237.43	(375.33)
- Tax relating to items that will be reclassified to Profit or Loss		(52.94)	93.62
Other Comprehensive Income/ (Loss) for the year (Net of Tax)		186.16	(282.47)
Total Comprehensive Income for the year		1,107.85	913.14
Profit for the year attributable to:			
Owners of the Company		1,059.97	1,137.28
Non-controlling interests		(138.28)	58.33
		921.69	1,195.61
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company		164.41	(246.65)
Non-controlling interests		21.75	(35.82)
		186.16	(282.47)
Total Comprehensive Income for the year attributable to:			
Owners of the Company		1,224.38	890.63
Non-controlling interests		(116.53)	22.51
		1,107.85	913.14
Earnings Per Share (EPS) (in ₹)	41		
(Face Value ₹ 10 Per Share)			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		9.05	10.20
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		16.14	12.87
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

KANDARP PATEL

Chief Executive Officer

JALADHI SHUKLA

Company Secretary

ANIL SARDANA

Managing Director

DIN: 00006867

KUNJAL MEHTA

Chief Financial Officer

Place : Ahmedabad

Date : April 24, 2025

Place : Ahmedabad

Date : April 24, 2025

Statement of Consolidated Cash Flows

for the year ended March 31, 2025

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flows from operating activities		
Profit before tax	1,074.85	1,779.56
Adjustments for:		
Depreciation and Amortisation Expense	1,905.95	1,776.08
Amortisation of Service Line Contribution	(22.75)	(17.46)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(125.92)	(43.10)
Finance Costs	3,259.16	2,766.51
Interest Income	(488.36)	(386.62)
Gain on buy-back of bond	-	(136.49)
Unclaimed liabilities / Excess provision written back	(11.94)	(8.39)
Bad Debt Written Off	16.64	17.09
(Gain) / Loss on sale/scraping of Property, Plant and Equipment	(3.80)	(3.73)
Foreign Exchange Fluctuation Loss	1.13	0.40
Exceptional Item on account of divestment of Dahanu Thermal Power Plant	1,506.02	-
Bad debt recovery	(33.38)	-
Operating profit before working capital changes	7,077.60	5,743.85
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets:		
Inventories	(476.10)	(103.37)
Trade Receivables	327.32	(604.78)
Other Financial Assets and Other Assets	(450.33)	498.86
Regulatory Deferral Account - Assets	1,285.75	392.47
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	967.18	92.97
Other Financial Liabilities, Other Liabilities and Provisions	152.61	263.87
Regulatory Deferral Account - Liabilities	39.89	53.83
Cash generated from operations	8,923.92	6,337.70
Income taxes paid (Net)	(228.70)	(300.08)
Net cash generated from operating activities (A)	8,695.22	6,037.62
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment (including capital advance and contract assets under Service Concession arrangements)	(9,378.14)	(5,429.54)
Acquisition of Subsidiaries	(2,581.63)	(34.79)
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)	(17.63)	(16.10)
Proceeds/(Purchase) of current investment (net)	(1,727.04)	682.85
Deposits in Bank deposits (net) (Including Margin money deposit)	(489.08)	(494.39)
Acquisition of regulatory assets under approval	(2,802.00)	-
Proceeds from sale of business	815.00	-
Non-current Loans Given	4.57	-
Non-current Loans received back	400.00	-
Current Loan (Given to) / Received back (net)	(1.33)	3.83
Interest Received	549.69	345.11
Net cash used in investing activities (B)	(15,227.59)	(4,943.03)

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2025

			(₹ in crore)
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024	
C. Cash flows from financing activities			
Increase in Service Line Contribution	84.86	107.21	
Proceeds from issue of shares	8,373.10	-	
Proceeds from Long-term borrowings	7,251.80	5,458.95	
Repayment of Long-term borrowings	(4,172.98)	(3,140.78)	
Proceeds/(repayment) from Short-term borrowings (net)	(565.38)	361.25	
Payment of Dividend on Equity Shares	-	(85.78)	
Finance Cost paid	(2,976.56)	(3,221.95)	
Payment of Lease Liabilities (including interest paid on lease liabilities CY: ₹ 7.37 Cr [PY : ₹ 7.73 Cr])	(19.62)	(22.14)	
Net cash generated from / (used in) financing activities (C)	7,975.22	(543.24)	
Net increase in cash and cash equivalents (A+B+C)	1,442.85	551.35	
Cash and cash equivalents at the beginning of the year	742.06	190.64	
Cash and cash equivalents acquired on acquisition business	5.47	0.07	
Cash and cash equivalents at the end of the year	2,190.38	742.06	

			(₹ in crore)
Cash and Cash Equivalents includes (Refer note 15)	As at March 31, 2025	As at March 31, 2024	
Balances with banks			
In current accounts	606.72	225.15	
Fixed Deposits (with original maturity for three months or less)	1,574.44	501.35	
Cheque / Draft on Hand	8.18	14.18	
Cash on Hand	1.04	1.38	
Total Cash and Cash Equivalents	2,190.38	742.06	

Notes to Statement of Consolidated Cash Flows:

- The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) (Amendment) Rules, 2017 is given below:

					(₹ in crore)
Particulars	April 1, 2024	Cash Flows (net)	Non-cash transactions	March 31, 2025	
Long-term Borrowings (Including Current Maturities of Long Term Debt)*	34,461.00	3,078.82	683.77	38,223.59	
Short term Borrowings	2,547.87	(565.38)	-	1,982.49	
Lease Liabilities	60.78	(19.62)	28.04	69.20	
Interest Accrued	290.99	(2,976.56)	3,000.99	315.42	
TOTAL	37,360.64	(482.74)	3,712.80	40,590.70	

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2025

(₹ in crore)

Particulars	April 1, 2023	Cash Flows (net)	Non-cash transactions	March 31, 2024
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	32,012.22	2,318.17	130.61	34,461.00
Short term Borrowings	2,186.62	361.25	-	2,547.87
Lease Liabilities	71.19	(22.14)	11.73	60.78
Interest Accrued	272.66	(3,221.95)	3,240.28	290.99
TOTAL	34,542.69	(564.67)	3,382.62	37,360.64

3 Previous year's figures have been regrouped wherever necessary, to conform to this year's classification (refer note 67).

#Non cash trasactions includes Interest accrued converted to loan, Unrealised foreign exchange gain/loss and amortised cost of borrowings.

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

ANIL SARDANA

Managing Director

DIN: 00006867

KANDARP PATEL

Chief Executive Officer

KUNJAL MEHTA

Chief Financial Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 24, 2025

Place : Ahmedabad

Date : April 24, 2025

Consolidated Statement of Changes in Equity

for the year ended March 31, 2025

A. Equity Share Capital

Particulars	No. of Shares	(₹ in crore)
Balance as at April 1, 2023	1,11,54,92,683	1,115.49
Issue of shares during the year	-	-
Balance As at March 31, 2024	1,11,54,92,683	1,115.49
Issue of shares during the year	8,57,89,959	85.79
Balance As at March 31, 2025	1,20,12,82,642	1,201.28

(₹ in crore)

Particulars	Attributable to owners of the Company										Non - controlling interest	Total
	Reserves and Surplus								Item of other comprehensive income	Total Attributable to owners of the Company		
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium				
Balance as at April 1, 2023	208.87	1,176.94	3,149.38	2,436.53	25.04	43.66	358.48	3,834.32	(599.54)	10,633.68	1,126.60	11,760.28
Profit for the year	-	-	1,137.28	-	-	-	-	-	-	1,137.28	58.33	1,195.61
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(0.64)	-	-	-	-	-	(246.01)	(246.65)	(35.82)	(282.47)
Total Comprehensive Income	-	-	1,136.64	-	-	-	-	-	(246.01)	890.63	22.51	913.14
(Less): Dividend paid	-	-	-	-	-	-	-	-	-	-	(85.78)	(85.78)
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.49)	-	-	-	23.24	-	-	1.75	(1.75)	-
Add/(Less): Appropriation to Self Insurance Reserve	-	(24.67)	-	-	-	24.67	-	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	0.65	-	(0.65)	-	-	-	-	-	-	-
Balance As at March 31, 2024	208.87	1,152.27	4,265.18	2,436.53	24.39	68.33	381.72	3,834.32	(845.55)	11,526.06	1,061.58	12,587.64
Profit for the year	-	-	1,059.97	-	-	-	-	-	-	1,059.97	(138.28)	921.69
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	1.77	-	-	-	-	-	162.64	164.41	21.75	186.16
Total Comprehensive Income	-	-	1,061.74	-	-	-	-	-	162.64	1,224.38	(116.53)	1,107.85

Consolidated Statement of Changes in Equity (Contd...)

for the year ended March 31, 2025

Particulars	Attributable to owners of the Company								Non - controlling interest	Total	
	Reserves and Surplus							Total Attributable to owners of the Company			
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debenture Redemption Reserve	Self Insurance Reserve	Contingency Reserve				Securities Premium
	Item of other comprehensive income	Effective portion of cashflow Hedge									
Add/(Less): Addition on account of issue of shares during the year	-	-	-	-	-	-	-	8,287.31	-	8,287.31	
Add/(Less): Share Issue Expenses in relation Qualified Institutional Placement	-	-	-	-	-	-	-	(172.82)	-	(172.82)	
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	(4.74)	(22.18)	-	-	-	24.17	-	1.99	(1.99)	
Add/(Less): Appropriation to Self Insurance Reserve	-	-	-	-	-	4.74	-	-	-	-	
Add/(Less): Transfer from Retained Earning to Debenture Redemption Reserve	-	-	0.45	-	(0.45)	-	-	-	-	-	
Balance As at March 31, 2025	208.87	1,147.53	5,305.19	2,436.53	23.94	73.07	405.89	11,948.81	(682.91)	20,866.92	
See accompanying notes forming part of the consolidated financial statements										943.06	21,809.98

As per our report of even date attached

For Walker Chandlok & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

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DIN: 00006273

KANDARP PATEL

Chief Executive Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 24, 2025

ANIL SARDANA

Managing Director

DIN: 00006867

KUNJAL MEHTA

Chief Financial Officer

Place : Ahmedabad

Date : April 24, 2025

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

1 Corporate information

Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited) ("The Company") is a public limited company incorporated and domiciled in India having CIN L40300GJ2013PLC077803. It's ultimate holding entity is S. B. Adani Family Trust (SBFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The company is listed on the Bombay Stock Exchange of India Limited (BSE) and the National Stock Exchange of India Limited (NSE). The principal business of the Company and its subsidiaries (together referred to as "the Group") includes:

Power Transmission Business:

The Group carries on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group develops, owns and operates transmission lines across the States of Andhra Pradesh, Assam, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal. The Group has also entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Distribution of Power :

The Group has entered in Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business. Further the group also provides facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutch, Gujarat.

Smart Metering Business :

The Group's Distribution Platform shall implement the Smart Metering Project on Design-Build-Finance- Own-Operate-Transfer (DBFOOT) basis. As a part of mandate won, Smart Meters and

related Communication & Cloud infrastructure will be installed over a period of 27-30 months and maintained for the following 90 months approximately. The projects shall cover end to end Smart Metering for Distribution Infrastructure and End Consumers, enabling complete energy accounting with zero manual intervention.

Cooling Solutions :

The District Cooling System (DCS) produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling. District Cooling Business: a centralized, energy-efficient and low carbon cooling solution to drive sustainability in cooling sector.

Other Business Activities :

The Group also deals in various Bullions, other commodities and power trading business.

2.1 Basis of Preparation and Presentation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended from time to time).

The Consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded off to the nearest crore (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar

circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the

non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) and its shareholding therein is as under:

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2025	Shareholding as on March 31, 2024
1	Adani Transmission (India) Limited	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	India	Subsidiary	100%	100%
3	Sipat Transmission Limited [#]	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited [#]	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited [#]	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited [#]	India	Subsidiary	100% ¹	100% ¹
7	North Karanpura Transco Limited	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
13	Western Transco Power Limited	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited	India	Subsidiary	100%	100%
17	Adani Electricity Mumbai Limited	India	Subsidiary	74.90%	74.90%
18	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Limited (Formerly known as Adani Transmission Bikaner Sikar Private Limited)	India	Subsidiary	100% ²	100% ²
21	WRSS XXI (A) Transco Limited	India	Subsidiary	100%	100%
22	Bikaner Khetri Transmission Limited	India	Subsidiary	100%	100%
23	Lakadia banaskantha Transco Limited	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited	India	Subsidiary	100%	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	India	Subsidiary	100%	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2025	Shareholding as on March 31, 2024
29	Khar Ghar Vikhroli Transmission Limited (Formerly known as Khar Ghar Vikhroli Transmission Private Limited)	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited	India	Subsidiary	100% ³	100% ³
31	AEML Seepz Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	100%
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	100%
36	MPSEZ Utilities Limited (Formerly known as MPSEZ Utilities Private Limited)	India	Subsidiary	100%	100%
37	Karur Transmission Limited	India	Subsidiary	100%	100%
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	100%
39	Adani Electricity Jewar Limited	India	Subsidiary	100%	100%
40	Adani Transmission Step-Two Limited	India	Subsidiary	100%	100%
41	Adani Transmission Mahan Limited	India	Subsidiary	100%	100%
42	BEST Smart Metering Limited	India	Subsidiary	100%	100%
43	Adani Cooling Solutions Limited	India	Subsidiary	100%	100%
44	WRSR Power Transmission Limited	India	Subsidiary	100%	100%
45	Adani Transmission Step-Three Limited	India	Subsidiary	100%	100%
46	Adani Transmission Step-Four Limited	India	Subsidiary	100%	100%
47	Adani Transmission Step-Five Limited	India	Subsidiary	100%	100%
48	Adani Transmission Step-Six Limited	India	Subsidiary	100%	100%
49	Adani Transmission Step-Seven Limited	India	Subsidiary	100%	100%
50	Adani Transmission Step-Eight Limited	India	Subsidiary	100%	100%
51	NE Smart Metering Limited (Formerly know as Adani Transmission Step-Nine Limited)	India	Subsidiary	100%	100%
52	Adani Electricity Aurangabad Limited	India	Subsidiary	100%	100%
53	Adani Electricity Nashik Limited	India	Subsidiary	100%	100%
54	Khavda II-A Transmission Limited	India	Subsidiary	100%	100%
55	Adani Green Energy Thirty Limited	India	Subsidiary	100%	100%
56	Adani-LCC JV	India	Partnership Firm	20%	20%
57	KPS 1 Transmission Limited	India	Subsidiary	49% ⁴	49% ⁴
58	Sangod Transmission Service Limited	India	Subsidiary	100%	100%
59	Halvad Transmission Limited	India	Subsidiary	100%	100%
60	Sunrays Infra Space Two Limited	India	Subsidiary	100%	100%
61	Arasan Infra Two Limited	India	Subsidiary	100%	100%
62	Adani Energy Solutions Step-Twelve Limited	India	Subsidiary	100%	100%
63	Powerpulse Trading Solutions Limited (Formerly known as Adani Energy Solutions Step-Thirteen Limited)	India	Subsidiary	100%	100%
64	Pointleap Projects Private Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	-
65	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	India	Subsidiary	100%	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2025	Shareholding as on March 31, 2024
66	Gopalaya Build Estate Private Limited	India	Subsidiary	100%	-
67	Khavda IVA Power Transmission Limited	India	Subsidiary	100%	-
68	Navinal Transmission Limited	India	Subsidiary	100%	-
69	Jamnagar Transmissoin Limited	India	Subsidiary	100%	-
70	Progressive Grid Networks Limited	Kenya	Subsidiary	100%	-
71	Pune III Transmission Limited	India	Subsidiary	100%	-
72	Adani Energy Solutions Global Limited	UAE	Subsidiary	100%	-
73	Adani Energy Solutions Step-Ten Limited	India	Subsidiary	100%	-
74	Adani Energy Solutions Step-Eleven Limited	India	Subsidiary	100%	-
75	Superheights Infraspace Private Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	-
76	Rajasthan Part I Power Transmission Limited	India	Subsidiary	100%	-
77	Mundra I Transmission Limited	India	Subsidiary	100%	-
78	Mahan Transmission Limited	India	Subsidiary	100%	-

#USPP Group

- Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPNL.
- Adani Transmission Bikaner Sikar Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATBSPL (the "Golden Share") in favour of the RRVPNL.
- The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
- During the previous year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the previous year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.

3 Material Accounting Policy Information

(a) Property, plant and equipment

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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Freehold land has an unlimited useful life and therefore is not depreciated.

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.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful life of Regulated and Non Regulated assets are as below:

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	10-35 Years
Plant and Equipment - Meters	10 Years
Plant and Equipment - Batteries	10 Years
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment	3-15 Years
Computer Equipment	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years
Plant and Equipment, Building at DTPS	15 Years

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.

Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

Notes to Consolidated Financial Statements

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(b) Intangible assets

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

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from August 29, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after August 29, 2018 are accounted for at cost.

Useful life

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

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. 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, Distribution and Power Trading License	Indefinite
Computer Software	3-6 years

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.

(c) Current / Non-Current Classification

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

(d) Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction price. Transaction price that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction price 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 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.

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for the year ended March 31, 2025

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 Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

ii) Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected

credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iii) Derecognition of financial assets

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

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

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for the year ended March 31, 2025

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

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

ii) Financial liabilities

Initial recognition and measurement

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

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

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 Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction price, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

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

iii) Derecognition of Financial Liability

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

(e) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price 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 OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast

Notes to Consolidated Financial Statements

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transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

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

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast

transaction occurs or the foreign currency firm commitment is met.

(f) Asset Acquisition

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

(g) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's

Notes to Consolidated Financial Statements

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cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(h) Foreign currencies

The functional currency of the Group is Indian Rupee ₹.

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

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

- (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.

(i) Fair value measurement

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

market participant that would use the asset in its highest and best use.

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

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

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

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

(j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

• Power Transmission Services

a. Transmission Service Agreements

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCS) pursuant

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to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs.

b. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSAs / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

c. Service Concession Arrangements

The group has entered into contracts :

- (i) for establishing, commissioning, setting up, operating and maintaining electric power transmission systems / network including sub-stations and related infrastructure
- (ii) as a Advanced Metering Infrastructure Service Provider (AMISP) model which requires for supply, installation, operation and maintenance of smart meters and related infrastructure used to provide public service under "Design-Build-Finance-Own- Operate-Transfer" (DBFOOT) basis. The said infrastructure, will be

transferred to relevant authority at the end of the terms of the contract. These arrangements are accounted as per Appendix D to Ind AS 115, Service Concession Arrangements ("SCA"). The Group recognizes the rights granted by these arrangements as a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the services it performs. These rights arise as the Company performs the agreed-upon scope of work of the project.

The AMISP contract involves two separate performance obligations: (a) the supply, installation, integration, testing, and commissioning of the AMI system, and (b) the operation, maintenance, and support services post-installation. The allocation of the transaction price to these obligations is to be based on their relative standalone selling prices for the purpose of revenue recognition.

Recognition and Measurement

Financial assets are recognized at fair value upon initial recognition. The asset is subsequently measured at amortized cost using the effective interest method. Interest income from these financial assets arising from the Group's principal revenue generating activities is recognized in the statement of profit and loss under the head Revenue from Operations.

During the project construction phase, the Group recognizes construction costs as an expense when incurred. Revenue related to supply and installation is recognized over the period based on the input cost method, and the contract assets are recognized. The Group recognizes financial assets as 'Receivables under Service Concession Arrangements' to the extent that it has an unconditional contractual right to receive cash or another financial asset under the Agreement. The fair value of future cash flows receivable under the project have been initially recognized under the head contract assets and carried at amortized cost subsequently. Until the set-up of infrastructure related to the project, the 'Receivables under

Notes to Consolidated Financial Statements

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Service Concession Arrangements' are a contract asset. Post the completion of set-up of infrastructure these become a financial asset.

d. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

e. Revenue From Change in law

Revenue from operations on account of Force Majeure / change in law events in terms of TSA with customers is accounted for by the Company based on the orders / reports of Regulatory Authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

• Sale of Power-Distribution business

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined rate as determined by the respective State Electricity Regulatory Commission. Sales of power under Deviation settlement mechanism is recognised at variable cost.

• Sale of Power-Power Trading business

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered. Revenue from such contracts is recognised over the time for each unit of electricity is delivered at the pre-determined rate. As the customer simultaneously receives and consumes the benefit of the Group's performance obligation, it best depicts the value to the customer and complete satisfaction of performance obligation.

In the arrangements, the Group is acting as an trader and the revenue is recognised on a net basis when unit of electricity are delivered to power procurers because this is when the

Group transfers control over its service and the customer benefits from such agency services.

The group determines its revenue on certain contracts net of power purchase cost based on the following factors:

- Another party is primarily responsible for fulfilling the contract as the Group does not have the ability to direct the use of power supplied or obtain benefits from supply of power.
- The Group does not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.
- The Group has no discretion in establishing the price for supply of power. The Group's consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

• 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.

• Sale of Goods

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably; and
- it is probable that the economic benefits associated with the transaction will flow to the Group;
- there is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

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- **Construction and Development of Infrastructure Assets:**

The Group's business operations includes in construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer.

- **Financing component:**

The Group receives advance payments from customers for the setup and sale of customised Sub-station and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

- **Interest on Overdue Receivables / Delayed Payment Charges:**

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

Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities.

- **Other Income**

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

(k) 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.

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Substantial time is defined as time required for commissioning of the assets considering industry benchmarks.

(l) Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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.

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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

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

(m) Leases

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

Group as a lessee

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

Right-of-use assets

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

Lease Liabilities

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

(n) 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.

(o) Regulatory Deferral Account

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

The Group presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

4 Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. MCA has notified below new standards / amendments which were effective from April 1, 2024.

Amendments to Ind AS 116 -Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of use asset it retains.

Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all "insurance contracts" regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The Group has reviewed the new pronouncements and based on its evaluation has determined that these amendments do not have a significant impact on the Group's Consolidated Financial Statements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

5.1 Property, Plant and Equipment and Intangible Assets

Description of Assets	Property, Plant and Equipment										Intangible Assets				Total	
	Land (Free hold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software	Transmission, Distribution and Power Trading License		Other Intangible Assets
I. Gross Carrying Amount																
Balance as at April 1, 2023	2,899.20	1,194.05	26,808.14	25.30	38.51	223.08	75.85	6.70	6,873.61	1.36	52.29	38,198.09	128.78	1,032.96	-	1,161.74
Additions	110.52	177.40	6,797.66	1.13	5.19	44.31	3.55	-	716.62	-	3.79	7,860.17	35.33	-	7.01	42.34
Disposals	-	(0.07)	(13.05)	(0.02)	(0.09)	(0.66)	(0.17)	-	(1.52)	-	(0.01)	(15.59)	-	-	-	-
Balance As at March 31, 2024	3,009.72	1,371.38	33,592.75	26.41	43.61	266.73	79.23	6.70	7,588.71	1.36	56.07	46,042.67	164.11	1,032.96	7.01	1,204.08
Additions	129.46	97.34	1,834.89	3.06	9.48	32.87	8.70	-	874.30	-	20.44	3,010.54	40.10	7.69	3.42	51.21
Disposals	-	-	(42.44)	(0.05)	(0.13)	-	(1.46)	-	(3.62)	-	-	(47.70)	-	-	-	-
Transferred on sale of Dahanu Thermal Power Plant (refer note 61)	(1,069.74)	(239.89)	(1,711.83)	(1.25)	(2.73)	(8.43)	(11.83)	(6.70)	-	(1.36)	(6.16)	(3,059.92)	(1.54)	-	-	(1.54)
Acquisitions of subsidiaries (Refer Note 60)	32.91	0.13	1,716.16	0.01	0.01	0.04	-	-	-	-	-	1,749.26	-	-	-	-
Balance As at March 31, 2025	2,102.35	1,228.96	35,389.53	28.18	50.24	291.21	74.64	-	8,459.39	-	70.35	47,694.85	202.67	1,040.65	10.43	1,253.75
II. Accumulated depreciation and Amortisation																
Balance as at April 1, 2023	-	185.57	6,508.11	12.57	16.48	90.41	13.96	1.90	1,057.99	0.37	15.45	7,902.81	62.39	-	-	62.39
Depreciation and Amortisation Expense	-	45.10	1,292.72	1.33	5.70	42.68	4.66	0.41	316.50	0.09	4.86	1,714.05	40.09	-	0.00	40.09
Eliminated on disposal of assets	-	(0.07)	(9.34)	(0.06)	(0.05)	(0.66)	(0.09)	-	(0.65)	-	(0.01)	(10.93)	-	-	-	-
Balance As at March 31, 2024	-	230.60	7,791.49	13.84	22.13	132.43	18.53	2.31	1,373.84	0.46	20.30	9,605.93	102.48	-	0.00	102.48
Depreciation and Amortisation Expense	-	37.14	1,385.17	1.27	6.05	49.83	4.60	0.10	354.54	0.01	4.73	1,843.44	40.77	-	0.63	41.40
Eliminated on disposal of assets	-	-	(33.20)	(0.05)	(0.13)	-	(0.62)	-	(1.23)	-	-	(35.23)	-	-	-	-
Transferred on sale of Dahanu Thermal Power Plant (refer note 61)	-	(105.73)	(643.59)	(1.14)	(2.28)	(4.58)	(5.07)	(2.41)	-	(0.47)	(3.09)	(768.36)	(1.37)	-	-	(1.37)
Balance As at March 31, 2025	-	162.01	8,499.87	13.92	25.77	177.68	17.44	-	1,727.15	-	21.94	10,645.78	141.88	-	0.63	142.51
Net Carrying Value :																
As at March 31, 2024	3,009.72	1,140.78	25,801.26	12.57	21.48	134.30	60.70	4.39	6,214.87	0.90	35.77	36,436.74	61.63	1,032.96	7.01	1,101.60
As at March 31, 2025	2,102.35	1,066.95	26,889.66	14.26	24.47	113.53	57.20	-	6,732.24	-	48.41	37,049.07	60.79	1,040.65	9.80	1,111.24

Notes:

- The above Intangible Assets are other than internally generated Intangible Assets.
- The Transmission & Distribution Licenses was acquired as a part of the business acquisition. The licenses are valid for a period of 25 years & considering similar extensions have happened in the past, it is expected to be further extended at minimal cost. Based on an analysis of all of the relevant factors, the licenses are considered by the Group as having an indefinite useful life.
- The Group has acquired power trading license and the said license is considered by the Group as having an indefinite useful life.

For charge created on aforesaid assets, refer note 22.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

5.2: Right of Use Assets

(₹ in crore)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
I. Gross Carrying Amount					
Balance as at April 1, 2023	623.25	102.95	47.34	1.55	775.09
Additions	1.34	0.27	150.00	-	151.61
Disposals	-	-	-	-	-
Acquisitions of subsidiaries	8.84	-	-	-	8.84
Balance As at March 31, 2024	633.43	103.22	197.34	1.55	935.54
Additions	1.02	19.96	-	-	20.98
Elimination on account of acquisition	(510.00)	-	-	-	(510.00)
Acquisitions of subsidiaries (Refer Note 60)	510.10	-	-	-	510.10
Balance As at March 31, 2025	634.55	123.18	197.34	1.55	956.62
II. Accumulated Depreciation / Amortization					
Balance as at April 1, 2023	34.25	77.24	10.41	0.97	122.87
Depreciation / Amortisation Expense	12.68	10.47	6.11	0.30	29.56
Eliminated on disposal of assets	-	-	-	-	-
Balance As at March 31, 2024	46.93	87.71	16.52	1.27	152.43
Depreciation / Amortisation Expense	12.65	9.28	6.48	0.25	28.66
Eliminated on account of acquisition	(20.62)	-	-	-	(20.62)
Balance As at March 31, 2025	38.96	96.99	23.00	1.52	160.47
Net Carrying Value :					
As at March 31, 2024	586.50	15.51	180.82	0.28	783.11
As at March 31, 2025	595.59	26.19	174.34	0.03	796.15

5.3 Capital Work-in-progress:

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	3,002.69	6,200.44
Additions during the year	5,705.64	4,856.02
Acquisitions of subsidiaries (Refer Note 60)	89.20	0.35
Transferred on sale of Dahanu Thermal Power Plant (refer note 61)	(19.44)	-
Capitalised during the year	(3,082.73)	(8,054.12)
Closing Balance	5,695.36	3,002.69

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

5.3 Capital Work in Progress (Contd...)

Notes :

(i) CWIP Ageing Schedule

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
Capital-work-in progress ageing schedule:					
As at March 31, 2025					
- Projects in progress	3,910.91	1,056.30	354.90	373.25	5,695.36
- Projects temporarily suspended	-	-	-	-	-
Total	3,910.91	1,056.30	354.90	373.25	5,695.36
As at March 31, 2024					
- Projects in progress	1,773.25	813.08	293.45	122.91	3,002.69
- Projects temporarily suspended	-	-	-	-	-
Total	1,773.25	813.08	293.45	122.91	3,002.69

5.4 Intangible Assets under Development

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	-	-
Additions during the year	6.88	-
Capitalised during the year	-	-
Closing Balance	6.88	-

Notes :

(i) Intangible Assets under Development Ageing Schedule

(₹ in crore)

Particulars	Amount in intangible assets under development for a period of				Total
	<1 year	1-2 years	2-3 years	> 3 years	
Intangible Assets under Development ageing schedule:					
As at March 31, 2025					
- Projects in progress	6.88	-	-	-	6.88
- Projects temporarily suspended	-	-	-	-	-
Total	6.88	-	-	-	6.88
As at March 31, 2024					
- Projects in progress	-	-	-	-	-
- Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

5.5 Depreciation and Amortisation Expense

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on Property, Plant and Equipment	1,843.44	1,714.05
Amortisation of Intangible Assets	41.40	40.09
Depreciation / Amortisation of Right of Use	28.66	29.56
Less : Transferred to Capital work in progress	(7.55)	(7.62)
Total	1,905.95	1,776.08

6. Non Current Investments

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Investment in equity instruments (unquoted) at fair value through profit or loss		
North Maharashtra Power Limited : 10,000 (March 31, 2024 : Nil) equity shares of ₹ 10 each.	0.01	-
Investment in Government Securities at amortised cost		
Contingency Reserve Investment (Quoted)	348.71	323.79
Total	348.72	323.79
Aggregate book value of quoted Investments	348.71	323.79
Aggregate market value of quoted Investments	341.61	309.38
Aggregate amount of unquoted investments	0.01	-

7. Non Current Trade Receivables

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Unbilled Receivables	106.30	201.68
Total	106.30	201.68

8. Non Current Loans - At Amortised Cost

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	9.02	13.38
(Unsecured, Considered good)		
Loan to employees	6.86	9.13
Total	15.88	22.51

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

9. Non-current Financial Assets- Others

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances held as Margin Money or security against borrowings*	2,173.59	1,622.66
Receivables Under Service Concession Arrangement (SCA)	1,675.27	969.91
Derivative instruments	1,117.49	925.04
Security deposit - Considered Good	24.23	36.65
Security deposit - Considered doubtful	6.37	6.37
Interest receivable	8.69	5.51
Other Receivable	85.41	79.67
Total	5,091.05	3,645.81
Less : Provision For Doubtful Deposits	(6.37)	(6.37)
Total	5,084.68	3,639.44

* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

10. Income Tax Assets (Net)

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Income Tax Assets (Net)	99.47	57.55
Total	99.47	57.55

11. Other Non-current Assets

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to Employees	1.54	1.76
Capital advances (Considered Good)	1,088.46	1,205.22
Contract Assets	4,257.81	602.02
Prepaid Expenses	-	1.41
Deferred Assets (recoverable) / adjustable (Refer Note 28)	968.28	942.45
Total	6,316.09	2,752.86

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

12. Inventories

(At lower of Cost and Net Realisable Value)

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Fuel	-	98.84
Fuel - in Transit	-	38.47
Stores & spares	130.32	117.97
Smart Meters	494.92	-
Total	625.24	255.28

13. Current Investments

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Investment in Mutual Funds units at FVTPL (Unquoted)	2,246.60	392.30
Total (a)	2,246.60	392.30
Investments in Government Securities (Quoted) at amortised cost		
Contingency Reserve Investment (Quoted)	33.09	15.83
Total (b)	33.09	15.83
Treasury Bills at FVTPL (Quoted)	10.00	34.56
Total (c)	10.00	34.56
Total (a) + (b) + (c)	2,289.69	442.69
Aggregate book value of quoted Investments	43.09	50.39
Aggregate market value of quoted Investments	43.09	50.81
Aggregate amount of unquoted investments	2,246.60	392.30

14. Trade Receivables

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Secured, Considered good	147.82	133.74
Unsecured, Considered good	2,184.61	1,394.93
Having significant increase in credit risk	50.23	36.28
Credit Impaired	24.00	24.45
	2,406.66	1,589.40
Less : Provision for doubtful Trade receivables	(24.00)	(24.45)
	2,382.66	1,564.95
Unbilled Receivables	1,835.20	2,179.59
Total	4,217.86	3,744.54

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

14. Trade Receivables (Contd...)

14.1 Trade Receivables ageing Schedule

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
(i) Undisputed Trade receivables – considered good	1,941.50	715.48	1,190.24	39.12	150.25	225.75	9.48	4,271.82
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	25.16	16.73	3.39	4.83	-	-	50.11
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	1.39	13.00	-	14.39
(iv) Disputed Trade Receivables considered good	-	0.29	1.80	0.01	0.01	-	-	2.11
(v) Disputed Trade Receivables -which have significant increase in credit risk	-	0.01	0.11	-	-	-	-	0.12
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	9.61	9.61
Total	1,941.50	740.94	1,208.88	42.52	156.48	238.75	19.09	4,348.16

(₹ in crore)

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024								
(i) Undisputed Trade receivables – considered good	2,381.27	628.81	746.53	120.18	20.72	9.20	0.30	3,907.01
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	16.99	9.92	3.62	5.72	-	-	36.25
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	14.39	-	0.45	14.84
(iv) Disputed Trade Receivables considered good	-	0.43	1.69	0.40	0.41	-	-	2.93
(v) Disputed Trade Receivables -which have significant increase in credit risk	-	0.03	-	-	-	-	-	0.03
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	9.61	9.61
Total	2,381.27	646.26	758.14	124.20	41.24	9.20	10.36	3,970.67

Note : Ageing includes Non Current and Current Trade Receivables.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

14. Trade Receivables (Contd...)

	(₹ in crore)	
Movement in the allowance for doubtful trade receivables	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	24.45	24.45
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	(0.45)	0.00
Balance at the end of the year	24.00	24.45

Notes:

- (i) The Group holds security deposits (refer note 31) in respect of trade receivables of Distribution business. Trade receivables to the extent covered by such deposits are presented as secured.
- (ii) The average credit period for the Group's receivables from its distribution business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- (iii) The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff / Transmission Service charges is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- (iv) The Group considers for impairment its receivables from customers in its Distribution business. Trade receivable balance mainly comprise 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.
- (v) Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 22)
- (vi) In case of transmission and smart metering business of the Group, the concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments. While in case of power trading business, the group does not have history of defaults in trade receivables. Provision for doubtful trade receivables if any is estimated based on assessment of each case.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

15. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
In current accounts	606.72	225.15
Fixed Deposits (with original maturity for three months or less)	1,574.44	501.35
Cheques / Drafts on Hand	8.18	14.18
Cash on Hand	1.04	1.38
Total	2,190.38	742.06

Note : Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage for respective companies.

For charge created on aforesaid assets, refer note 22.

16. Bank Balance other than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Balances held as Margin Money or security against borrowings	455.05	734.62
Fixed Deposits (with original maturity of more than 3 months)	973.25	751.46
Total	1,428.30	1,486.08

For charge created on aforesaid assets, refer note 22.

17. Current Financial Assets - Loans (At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, Considered good)		
Loans to employees	4.48	4.81
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	1.97	2.97
Loans to Others (interest bearing loan towards acquisition)	-	400.00
Total	6.45	407.78

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

18. Current Financial Assets - Others

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Interest receivable	20.10	84.61
Receivables Under Service Concession Arrangement (SCA)	89.45	62.11
Security deposit	29.38	12.82
Derivative instruments	95.83	3.82
Other Receivables	28.14	17.82
Total	262.90	181.18

19. Other Current Assets

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Advance to Suppliers (Unsecured, Considered Good)	703.18	218.86
Advance for Acquisition of SPV (Unsecured, Considered Good)	-	69.17
Balances with Government authorities	1,004.49	108.04
Contract Assets	765.40	290.87
Security Deposit	-	51.44
Prepaid Expenses	87.29	40.19
Advance to Employees	5.33	8.58
Total	2,565.69	787.15

20. Equity Share Capital

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Authorised Share Capital		
1,50,00,00,000 (As at March 31, 2024 - 1,50,00,00,000) equity shares of ₹ 10 each.	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, Subscribed and Fully paid-up equity shares		
1,20,12,82,642 (As at March 31, 2024 - 1,11,54,92,683) fully paid up equity shares of ₹ 10 each.	1,201.28	1,115.49
Total	1,201.28	1,115.49

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

20. Equity Share Capital (Contd...)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2025		As at March 31, 2024	
	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
At the beginning of the year	1,11,54,92,683	1,115.49	1,11,54,92,683	1,115.49
Issued during the year	8,57,89,959	85.79	-	-
Outstanding at the end of the year	1,20,12,82,642	1,201.28	1,11,54,92,683	1,115.49

Note :

During the current year, the Company, has successfully completed its ₹ 8,373.10 crore (USD 1 billion) Qualified Institutional Placement ("QIP"). The Management Committee of the Board of Directors of the Company, at its meeting held on August 3, 2024, approved the allotment of 8,57,89,959 equity shares of face value ₹ 10 each to eligible investors at a price ₹ 976 per equity share (including a premium of ₹ 966 per equity share). Pursuant to the allotment of these share the paid-up equity share capital of the Company increased from ₹ 1,115.49 crore comprising 1,11,54,92,683 fully paid-up equity shares to ₹ 1,201.28 crore comprising 1,20,12,82,642 fully paid-up equity shares.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Shri Gautam S. Adani / Shri Rajesh S. Adani (On the behalf of S.B. Adani Family Trust)	60,16,34,660	50.08%	60,16,34,660	53.94%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,76,17,325	8.13%	9,58,04,325	8.59%
	69,92,51,985	58.21%	69,74,38,985	62.53%

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

20. Equity Share Capital (Contd...)

d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2025			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	50.08%	0.00%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,76,17,325	8.13%	1.89%
Afro Asia Trade and Investments Limited	3,02,49,700	2.52%	0.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.52%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.31%	0.00%
Gelt Bery Trade and Investment Limited	5,51,33,600	4.59%	0.00%
Emerging Market Investment DMCC	2,16,33,500	1.80%	100.00%
	84,02,06,487	69.94%	

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2024			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,58,04,325	8.59%	-3.71%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	-
Fortitude Trade and Investment Limited	-	-	-100.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	-
Flourishing Trade And Investment Limited	36,88,000	0.33%	-
Gelt Bery Trade and Investment Limited	5,51,33,600	4.94%	55133500%
	81,67,59,987	73.22%	

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

21. Other Equity

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
a. Capital Reserve (Refer note (i) below)		
Opening Balance	208.87	208.87
Add : Addition during the year	-	-
Closing Balance Total (a)	208.87	208.87
b. Effective portion of cashflow Hedge (Refer note (ii) below)		
Opening Balance	(845.55)	(599.54)
Effective portion of cash flow hedge for the year	162.64	(246.01)
Closing balance Total (b)	(682.91)	(845.55)
c. General Reserve (Refer note (iii) below)		
Opening Balance	1,152.27	1,176.94
Less: Appropriation to Self Insurance Reserve	(4.74)	(24.67)
Closing Balance Total (c)	1,147.53	1,152.27
d. Capital Redemption Reserve (Refer note (iv) below)		
Opening Balance	2,436.53	2,436.53
Add : Addition during the year	-	-
Closing Balance Total (d)	2,436.53	2,436.53
e. Debenture Redemption Reserve (Refer note (v) below)		
Opening Balance	24.39	25.04
Transfer from/(to) Retained Earning	(0.45)	(0.65)
Closing Balance Total (e)	23.94	24.39
f. Contingency Reserve (Refer note (vi) below)		
Opening Balance	381.72	358.48
Addition during the year	24.17	23.24
Closing Balance Total (f)	405.89	381.72
g. Self Insurance Reserve (Refer note (vii) below)		
Opening Balance	68.33	43.66
Addition during the year	4.74	24.67
Closing Balance Total (g)	73.07	68.33
h. Retained Earnings (Refer note (viii) below)		
Opening Balance	4,265.18	3,149.38
Add : Profit for the year	1,059.97	1,137.28
Add / (Less) : Other comprehensive income arising from remeasurement of Defined Benefit Plans	1.77	(0.64)
(Less) : Transfer to Contingency reserve	(22.18)	(21.49)
Add / (Less) : Transfer to Debenture Redemption Reserve	0.45	0.65
Closing Balance Total (h)	5,305.19	4,265.18
i. Securities Premium Account (Refer note (ix) below)		
Opening Balance	3,834.32	3,834.32
Add: Addition on account of issue of shares during the year	8,287.31	-
Less : Share Issue Expenses in relation Qualified Institutional Placement	(172.82)	-
Closing Balance Total (i)	11,948.81	3,834.32
Total (a+b+c+d+e+f+g+h+i)	20,866.92	11,526.06

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

21. Other Equity (Contd...)

Notes :

- i) It has been created on acquisition of subsidiary companies.
- ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
- iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes.
- iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'
- v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.
- vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies.
- vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.
- viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.
- ix) Securities Premium is used to record the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013. During the current year, the Company, has successfully completed its ₹ 8,373.10 crore (USD 1 billion) Qualified Institutional Placement ("QIP"). The Management Committee of the Board of Directors of the Company, at its meeting held on August 3, 2024, approved the allotment of 8,57,89,959 equity shares of face value ₹ 10 each to eligible investors at a price ₹ 976 per equity share (including a premium of ₹ 966 per equity share). Pursuant to the allotment of these share the paid-up equity share capital of the Company increased from ₹ 1,115.49 crore comprising 1,11,54,92,683 fully paid-up equity shares to ₹ 1,201.28 crore comprising 1,20,12,82,642 fully paid-up equity shares.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

22. Non current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	Non-current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Secured				
Bonds				
5.20% US private Placement	2,790.99	2,819.80	99.33	96.89
4.25% USD Bonds	2,822.15	3,000.13	253.51	247.72
3.949% USD Bonds	7,480.27	7,289.87	-	-
4.00% USD Bonds	4,255.58	4,140.25	-	-
3.867% Sustainability Linked Notes	2,545.38	2,480.45	-	-
Term Loans				
From Banks				
Rupee loan	5,226.02	3,191.63	186.76	155.21
Foreign currency loan	4,288.96	2,809.79	99.46	145.04
From Financial Institutions	4,889.84	3,285.26	129.33	110.52
Non Convertible Debentures	854.61	907.24	52.63	46.06
Unsecured				
Non Convertible Debentures	269.37	-	-	99.94
Loans and advances from related parties	-	1,307.32	-	-
Shareholders Affiliated Debts	1,569.12	2,327.88	410.28	-
Total	36,992.29	33,559.62	1,231.30	901.38
Amount disclosed under the head 'Current Financial Liabilities - Borrowings' (Refer Note 29)	-	-	(1,231.30)	(901.38)
Net amount	36,992.29	33,559.62	-	-

Note (i)

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Adani Transmission Step-One Limited. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company.	362.50 Million USD Bonds aggregating to ₹ 3,098.47 crore (March 31, 2024-392.50 Million USD Bonds aggregating to ₹ 3,273.65 crore) are redeemable by Half yearly payment starting from May 2020 to May 2036.
4.00% USD Bonds	(d) All assets (movable and immovable) of ATIL & MEGPTCL including its current assets. (e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans") (f) Corporate guarantee given by the Adani Energy Solutions Limited.	500 Million USD Bonds aggregating to ₹ 4,273.75 crore (March 31, 2024 - 500 Million USD Bonds aggregating to ₹ 4,170.25 crore) are redeemable by bullet payment in FY 2026.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

22. Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
3.949% USD Bonds	a) a first pari passu mortgage over certain Identified immovable Properties; b) a first pari passu charge on the movable assets of the AEML (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion or capex in relation to existing business of AEML (both present and future); d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the AEML;	3.949% Bond amounting to ₹ 7,521.81 crore (March 31, 2024 - ₹ 7,339.64 crore) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.
Sustainability Linked Notes - 3.867%	g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; h) a non-disposal undertaking over the immovable and movable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited (PDSL) (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of PDSL. In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of AEML, and such future obligors. Ranking of Security The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of AEML in accordance with the Senior Secured Note Documents and the intercreditor agreement.	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

22. Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
6.365% Shareholders Affiliated Debts	(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the debt on payment of premium. Following the occurrence of a Cash Sweep Event, amounts which are available for distribution or repayment of facility will be applied towards prepayment : (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; (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 (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. 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

22. Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
Rupee Term Loans, Foreign Currency Loans, Rupee Term Loan from Financial Institution	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval. Respective companies shares are pledged.	(A) Rupee term loans from Banks of ₹ 5,451.08 crore (March 31, 2024 ₹ 3,362.38 crore) and Rupee Term Loan from Financial Institution of ₹ 5,045.87 crore (March 31, 2024 ₹ 3,433.56 crore) carry interest rates ranging from 8.55% to 12.00% p.a. The loan is repayable at different maturities ending on FY 2048-49. (B) Foreign Currency loan (ECB Loan) from bank (i) aggregating ₹ 74.90 crore (as at March 31, 2024 :- ₹ 80.58 crore carries an Interest @ 3 Months Euribor plus 1.52% per annum. The loan is repayable in quarterly installments commencing from December 18, 2017 which initial tenure was ending in August 2022 but extended with effect of supplemental agreement as on August 8, 2022 to August 2027 for additional five years. (ii) aggregating to ₹ 2,224.16 crore (As on March 31, 2024 - ₹ 2,255.68 crore), having an interest rate of Overnight SOFR + Spread. The repayment schedule started from FY 2023-24 by way of First Semi Annually installment due on May-23 and will end on FY 2026-27. The Group is at an advanced stage of refinancing its existing outstanding foreign currency borrowing, which will maintain the same tenure and security cover requirements. (iii) aggregating to ₹ 2,165.94 crore (As on March 31, 2024 - ₹ 708.94 crore), having an interest rate of Overnight SOFR + Spread repayable by way of first semi installment due on August-2027 and further repayment ending in FY 2028-29.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

22. Non current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
5.20% US private Placement	5.20% US private Placement Notes are issued by six (6) transmission companies of USPP Group. The Notes are secured/to be secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the company held by Holding Company, i.e. Adani Energy Solutions Limited.	5.20%, 341.00 Million USD Denominated Notes aggregating to ₹ 2,914.70 crore, (March 31, 2024- 352.80 Million USD Denominated Notes aggregating to ₹ 2,942.53 crore) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.
Non Convertible Debentures	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹ 79.73 crore (as at March 31, 2024 - ₹ 90.03 crore) having an interest rate of 8.91% to 9.91% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Non Convertible Debentures	Non-Convertible Debentures are secured by having first charge over movable/intangible assets created out of project on pari passu basis.	NCD aggregating to ₹ 836.00 crore (as at March 31, 2024 - ₹ 873.00 crore) having an interest rate of 7.95% to 8.27% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2022-23 to FY 2040-41.
Non Convertible Debentures	Unsecured	NCD aggregating to ₹ 275.00 crore (as at March 31, 2024 - ₹ 100.00 crore) having an interest rate of 8.65% to 8.70% p.a. which is governed by NCD agreement. NCD (two tranches) with yearly interest payment starting from August 2025 and November 2025 and repayable by way of bullet repayment in August 2034 and November 2034. NCD aggregating to ₹ 100.00 crore as at March 31, 2024 having an interest rate of 8.50% p.a. which is governed by NCD agreement have been repaid by way of bullet repayment in December - 2024.
Unsecured Loan from Related Party	Unsecured Long term Loan	Inter-corporate loan ₹ Nil (as at March 31, 2024 :- ₹ 1,307.32 crore) from Related party is unsecured and carries interest at the rate of 9.5% to 11.05 % p.a. has been repaid in current year.

Note (ii) - During the year the Group has complied with all the covenants as required under bond agreements / lender facility agreements.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

23. Lease Liabilities

(₹ in crore)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Lease Liabilities	50.83	45.49	18.37	15.29
Total	50.83	45.49	18.37	15.29

24. Non Current Trade Payables

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	38.88	37.39
Total	38.88	37.39

25 Non Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable on purchase of Property, Plant and Equipment	729.01	301.27
Derivative instruments	86.41	80.81
Refundable to customers on truing up	63.73	-
Other Payable towards Bilateral Charges & Liquidated Damages	139.36	130.65
Other Liabilities	1.43	-
Deposits from customer and Other	0.40	0.39
Total	1,020.34	513.12

26 Other Non Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Revenue- Service Line Contributions from Consumers	474.75	420.37
Deferred Revenue - OPGW	48.02	-
Total	522.77	420.37

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

27. Provisions

(₹ in crore)

Particulars	Non-Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Provision for Gratuity (Refer note 53)	243.52	222.62	30.40	33.99
Provision for Compensated Absences	292.86	390.42	44.09	33.49
Provision for Other Employment Benefits	17.19	17.19	1.78	1.78
Provision for Stamp Duty	-	-	15.65	15.65
Provision towards Encashed Bank Guarantee	-	-	13.60	13.60
Total	553.57	630.23	105.52	98.51

28 Deferred Tax Assets / Liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets (net)	57.85	40.43
Deferred Tax Liabilities (net)	1,753.76	1,652.78
Deferred Tax Liabilities		
Mark to Market Gain on Mutual Funds	(4.46)	(1.09)
Difference between book base and tax base of property, plant and equipment, Right of use and SCA	(4,796.79)	(4,119.98)
Deferred Tax Liabilities (a)	(4,801.25)	(4,121.07)
Deferred Tax Assets		
Provision for Employee Benefits	245.08	261.66
Lease Liabilities	0.40	0.25
Provision for Bilateral Charges	30.73	28.22
Unabsorbed Depreciation	2,244.24	1,878.20
Unabsorbed Business Losses & MAT Credit Entitlement	347.74	47.89
Allowance for Doubtful Debts, Deposits, Advances	13.92	16.33
Impact of measuring derivative financial instrument at fair value	223.23	276.17
Deferred Tax Assets (b)	3,105.34	2,508.72
Deferred Tax Assets/(Liabilities) Total (a+b)	(1,695.91)	(1,612.35)

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability get converted into current tax.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

28 Deferred Tax Assets / Liabilities (net) (Contd...)

a. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2024-25

(₹ in crore)

Particulars	Opening Balance as at April 1, 2024	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2025	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax liabilities:							
Mark to Market gain on Mutual Funds	(1.09)	(3.37)	-	-	(4.46)	(1.39)	(3.07)
Difference between book base and tax base of property, plant and equipment and SCA	(4,119.98)	(512.91)	(163.90)	-	(4,796.79)	(343.80)	(4,452.99)
Total	(4,121.07)	(516.28)	(163.90)	-	(4,801.25)	(345.19)	(4,456.06)
Tax effect of items constituting deferred tax assets:							
Provision for Employee Benefits	261.66	(16.54)	0.02	(0.06)	245.08	4.42	240.66
Provision for Bilateral Charges	28.22	2.51	-	-	30.73	24.04	6.69
Lease Liabilities	0.25	0.15	-	-	0.40	0.01	0.39
Unabsorbed Depreciation	1,878.20	249.40	116.64	-	2,244.24	370.59	1,873.65
Unabsorbed Business Losses & MAT Credit Entitlement	47.89	299.22	0.63	-	347.74	0.71	347.03
Allowance for Doubtful Debts, Deposits and Advances	16.33	(2.41)	-	-	13.92	3.27	10.65
Impact of measuring derivative financial instrument at fair value	276.17	-	-	(52.94)	223.23	-	223.23
Total	2,508.72	532.33	117.29	(53.00)	3,105.34	403.04	2,702.30
Net Deferred Tax Asset / (Liabilities)	(1,612.35)	16.05	(46.61)	(53.00)	(1,695.91)	57.85	(1,753.76)

b. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2023-24

(₹ in crore)

Particulars	Opening Balance as at April 1, 2023	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2024	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax Liabilities:							
Mark to Market gain on Mutual Funds	(0.64)	(0.45)	-	-	(1.09)	(0.12)	(0.97)
Difference between book base and tax base of property, plant and equipments and SCA	(3,529.68)	(590.30)	-	-	(4,119.98)	(178.82)	(3,941.16)
Total	(3,530.32)	(590.75)	-	-	(4,121.07)	(178.94)	(3,942.13)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

28 Deferred Tax Assets / Liabilities (net) (Contd...)

(₹ in crore)

Particulars	Opening Balance as at April 1, 2023	Recognised in Profit or Loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2024	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect of items constituting deferred tax assets:							
Provision for Employee Benefits	209.60	52.18	-	(0.12)	261.66	1.80	259.86
Provision for Bilateral Charges	-	28.22	-	-	28.22	21.53	6.69
Lease Liabilities	0.22	0.03	-	-	0.25	-	0.25
Unabsorbed Depreciation	1,639.31	238.89	-	-	1,878.20	195.34	1,682.86
Unabsorbed Business Losses & MAT Credit Entitlement	62.39	(14.50)	-	-	47.89	0.70	47.19
Allowance for Doubtful Debts, Deposits and Advances	11.93	4.40	-	-	16.33	-	16.33
Impact of measuring derivative financial instrument at fair value	182.55	-	-	93.62	276.17	-	276.17
Total	2,106.00	309.22	-	93.50	2,508.72	219.37	2,289.35
Net Deferred Tax Asset / (Liabilities)	(1,424.32)	(281.53)	-	93.50	(1,612.35)	40.43	(1,652.78)

Note (i) - Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

29 Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
From Banks		
Working Capital Loan / Cash Credit / Bank Overdraft	1,353.20	2,112.02
Trade Credit	349.29	-
Rupee Loan	220.00	320.00
Total (a)	1,922.49	2,432.02
Unsecured		
From Banks		
Rupee loan	60.00	115.85
Total (b)	60.00	115.85
Current maturities of long-term borrowings (Refer note 22) Total (c)	1,231.30	901.38
Total (a+b+c)	3,213.79	3,449.25

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

29 Current Financial Liabilities - Borrowings (Contd...)

Notes:

Borrowings	Security	Terms of Repayment
Working Capital Loan / Cash Credit / Bank Overdraft	i) First charge on receivables and on immovable and movable assets created out of project on paripassu basis. ii) First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the respective company.	Loan aggregating ₹ 1,353.20 crore (March 31, 2024 - ₹ 2,112.02 crore) from banks at the rate of interest ranges from 7.57% to 10.00% p.a.
Secured Loan from banks	First pari passu charge by way of hypothecation over all current assets of Adani Transmission Step-One Limited (ATSOL) and its subsidiaries viz, Adani Transmission (India) Limited (ATIL) & Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) and negative lien on fixed assets of ATIL and MEGPTCL.	The Secured Term Loan from bank amounting to ₹ 220.00 crore. (March 31, 2024 - ₹ 320.00 crore) having rate of interest ranging from 8.00% to 8.85% p.a. repayable by September - 2025.
Buyers credit	Secured Letter of Credit	Letter of Credits from Banks aggregating to ₹ 349.29 crore (as on March 31, 2024 ₹ Nil) having an interest rate range 7.55% to 7.90% p.a. will be repaid on due date basis.
Unsecured Loan from bank	Unsecured Loan	Loan aggregating ₹ 60.00 crore (March 31, 2024 - ₹ 115.85 crore) from banks at the rate of interest 9.65% p.a. repayable by May - 2025.

30. Trade Payables

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Trade Payables		
Micro and Small Enterprises	52.97	50.92
Other than Micro and Small Enterprises	2,902.65	1,465.00
Total	2,955.62	1,515.92

30.1 Trade Payables ageing schedule

(₹ in crore)						
Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
As at March 31, 2025						
(a) MSME	43.72	2.27	3.84	1.35	1.79	52.97
(b) Others	1,482.62	1,167.70	12.09	80.03	107.02	2,849.46
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	92.07	92.07
Total	1,526.34	1,169.97	15.93	81.38	200.88	2,994.50

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

30. Trade Payables (Contd...)

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1 - 2 years	2 -3 years	More than 3 years	
As at March 31, 2024						
(a) MSME	33.63	9.84	2.53	1.31	3.61	50.92
(b) Others	975.01	179.45	130.63	26.89	98.34	1,410.32
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	92.07	-	92.07
Total	1,008.64	189.29	133.16	120.27	101.95	1,553.31

Note : Ageing includes Long term and Short term Trade payable.

31 Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings / deposits	315.42	290.99
Payable on purchase of Property, Plant and Equipment	1,589.48	1,052.37
Payables to Employees	304.61	206.19
Derivative Instruments	44.21	2.45
Security Deposits from Consumers, Customers & Vendors	657.54	596.64
Other Payables	5.30	-
Refundable to customers on truing up	85.26	101.38
Total	3,001.82	2,250.02

32. Other Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory liabilities	439.39	405.51
Advance from Customers	147.03	196.34
Other Payables	13.08	13.59
Deferred Revenue - Service Line Contributions from Consumers	22.97	15.24
Total	622.47	630.68

33 Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
Current Tax Liabilities (Net)	5.09	3.18
Total	5.09	3.18

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

34 Revenue from Operations

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
a) Income from sale of Power (Distribution), Transmission Charges and Smart Metering business		
Income from sale of Power and Transmission Charges (net)	16,955.10	14,330.39
Construction Income relating to Service Concession Arrangements (SCA)	5,064.71	858.31
Income under Service Concession Arrangements (SCA)	145.90	136.72
Total (a)	22,165.71	15,325.42
b) Income from Trading Business		
Sale of Traded Goods	1,368.45	1,029.59
Income from power trading (net)	11.99	-
Total (b)	1,380.44	1,029.59
c) Other Operating Revenue		
Street Light Maintenance Charges	128.56	122.79
Sale of Coal Rejects / Fly Ash	3.34	13.44
Rent Income	0.51	-
Amortisation of Service Line Contribution	22.75	17.46
Others	65.78	98.66
Total (c)	220.94	252.35
Total (a+b+c)	23,767.09	16,607.36

35. Other Income

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income		
Bank	336.42	248.40
Others	151.94	138.22
Gain/(Loss) on Investments		
Gain on Sale/Fair Value of Current Investments measured at FVTPL	125.92	43.10
Other Non-operating Income		
Gain on buy-back of bond	-	136.49
Profit on Sale / Retirement of property, plant and equipment (Net)	3.80	3.77
Rent Income	0.41	1.03
Sale of Scrap	12.57	9.01
Bad debt recovery	33.38	20.91
Unclaimed liabilities / Excess provision written back	11.94	8.39
Miscellaneous Income	3.08	1.63
Total	679.46	610.95

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

36. Purchases of Stock - in - Trade

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchases of Stock - in - trade	1,365.74	1,028.95
Total	1,365.74	1,028.95

37. Employee Benefits Expense

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, Wages and Bonus (refer note below)	848.14	753.33
Contribution to provident fund and other funds	61.07	65.29
Gratuity Expenses (refer note 53)	51.93	47.72
Staff Welfare Expenses	71.80	85.36
Total	1,032.94	951.70

Note : A Voluntary Retirement Scheme (VRS) 2025, was rolled out for employees of AEML from 8 March, 2025, to 29 March, 2025 and an amount of ₹ 57.20 crore was charged for the financial year 2024-25 towards expected payout. In previous year the Company has reversed an amount of ₹ 88.75 crore with respect to Special Voluntary Retirement Scheme (SVRS) 2023.

38. Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on Loans & Debentures	2,177.14	1,695.52
Interest on Trade Credits	111.54	138.01
Interest on Lease Obligation	7.14	7.73
Bank Charges & Other Borrowing Costs	123.99	65.61
Interest - Hedging Cost	839.35	859.64
Total	3,259.16	2,766.51

39. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Stores and Spares	256.24	332.42
Transmission Charges	597.21	493.56
Repairs and Maintenance - Plant and Equipment	495.41	634.27
Repairs and Maintenance -Building	14.82	14.64
Repairs and Maintenance - Others	48.68	26.85
Short Term Lease Rental (Refer note 43)	32.38	22.52
Rates and Taxes	10.79	13.11

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

39. Other Expenses (Contd...)

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Legal & Professional Expenses	292.37	295.10
Payment to Auditors (including component auditors)	4.43	3.48
Travelling & Conveyance Expenses	55.57	48.58
Insurance Expenses	22.08	22.75
Bad Debt Written Off	16.64	17.09
Foreign Exchange Fluctuation Loss	1.13	0.40
Corporate Social Responsibility expenses	43.84	42.16
Security Charges	29.03	35.71
Loss on sale/scrapping of Property, Plant and Equipment	-	0.04
Bilateral Charges & Liquidated Damages*	7.72	16.51
Miscellaneous Expenses	85.42	134.70
Total	2,013.76	2,153.89

***Note :** In respect of certain subsidiaries of Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited), on account of delay in commissioning of transmission assets for reasons beyond the control of the respective subsidiaries, a sum of ₹ 7.72 crore (PY : ₹ 16.51 crore) has been provided toward bilateral charges and liquidated damages. The subsidiaries have filed appeals against the same.

40. Income Tax

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current Tax :		
In respect of current year	195.09	298.00
In respect of Previous years	(0.05)	0.60
Deferred Tax	(16.05)	281.53
Total	178.99	580.13

Tax recognised in other comprehensive income	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Remeasurement of Defined Benefit Plans		
Total income tax recognised in other comprehensive income	(0.18)	0.01
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Tax relating to items that will be reclassified to Profit or Loss	(52.94)	93.62
Total	(53.12)	93.63

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

40. Income Tax (Contd...)

(₹ in crore)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	1,074.85	1,779.56
Tax Rate	25.168%	25.168%
Income tax expense at tax rate applicable	270.52	447.88
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Current year Losses for which no Deferred Tax Asset is created	125.70	122.70
ii) Adjustments in respect of current income tax of previous year	2.22	(11.89)
iii) Non deductible Expenses	15.38	(1.24)
iv) Subsidiary charged at different rate	10.88	114.90
v) MAT Credit not recognised	50.27	178.50
vi) 80IA claims	(195.44)	(238.50)
vii) Difference between sale consideration of Dahanu Thermal Power Plant as per books and income tax	406.75	-
viii) Unrecognized Deferred Tax upto Previous year	(362.81)	(11.84)
ix) Credit Taken for Previous year losses for which no deferred tax was recognized	(148.86)	(101.65)
x) Tax on dividend income from subsidiary	-	64.49
xi) Others (Includes Tax at different rate)	4.38	16.78
Gross Tax	178.99	580.13

The Group has recognised income tax expenses for the year in accordance with the provision of the Income Tax Act, 1961.

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following expiry as per details below :

(₹ in crore)				
As at March 31, 2025	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	0.10	-	-	0.10
Greater than five years	1,167.28	-	1,437.91	2,605.19
No expiry date	-	923.35	-	923.35
Total	1,167.38	923.35	1,437.91	3,528.64

(₹ in crore)				
As at March 31, 2024	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	0.02	-	-	0.02
Greater than five years	1,488.92	-	1,777.39	3,266.31
No expiry date	-	418.19	-	418.19
Total	1,488.94	418.19	1,777.39	3,684.52

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

41. Earnings Per Share (EPS)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
A After net Movement in Regulatory Deferral Balance			
Profit after tax attributable to the owners of the Company	(₹ in crore)	1,059.97	1,137.28
Net Profit attributable to Equity Shareholders including Regulatory income/(expense)	(₹ in crore)	1,059.97	1,137.28
Weighted average number of equity shares outstanding during the year	No.	1,17,14,32,437	1,11,54,92,683
Nominal Value of equity share	₹	10	10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Deferral Balance	₹	9.05	10.20
B Before net Movement in Regulatory Deferral Balance			
Profit after tax attributable to the owners of the Company	(₹ in crore)	1,059.97	1,137.28
Add/(Less): Regulatory Income / (expense) (net)	(₹ in crore)	831.31	298.50
Net Profit attributable to Equity Shareholders before Regulatory income/(expense)	(₹ in crore)	1,891.28	1,435.78
Weighted average number of equity shares outstanding during the year	No.	1,17,14,32,437	1,11,54,92,683
Nominal Value of equity share	₹	10	10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Deferral Balance	₹	16.14	12.87

42. Contingent Liabilities and Commitments

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
(₹ in crore)			
(i) Contingent liabilities :			
Claims against the Company not acknowledged as Debts			
(a) Direct & Indirect tax		27.08	41.95
(b) Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges (Refer note 1)		353.55	353.55
(c) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels (Refer Note 6)		-	127.65
(d) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended March 31, 2019 (Refer Note 1)		1,381.28	1,381.28
(e) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)		28.43	28.43

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

42. Contingent Liabilities and Commitments (Contd...)

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
(f) Other claims against the Group not acknowledged as debts	2.12	33.43
(g) Property related disputes (Refer Note 1)	2.59	2.59
(h) Demand disputed by the Company relating to Standby Charges including interest payable (Refer Note 2)	-	398.68
(i) Liability in respect of termination of power purchase lease agreement (refer note 5)	-	@@
Total	1,795.05	2,367.56

@@ Amount not determinable

1 In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.

2 In previous financial year 2023-24, an Appeal has been filed by Adani Electricity Mumbai Limited at APTEL under Section 111 of the Electricity Act, 2003, challenging the Order dated March 31, 2023 passed by the Maharashtra Electricity Regulatory Commission (MERC) directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.

In the current financial year 2024-25, in accordance with the directions of the Hon'ble APTEL, MERC has not considered any cost related to Standby charges in the Annual Revenue Requirement (ARR) in its Order dated March 28, 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.

3 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.

4 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.

5 AEML had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. In the current financial year the appellant has withdrawn the said appeal.

6 Pursuant to the order dated October 14, 2024 passed by Hon'ble Revenue Minister, in revision petition no 2624 of 2024, it has been held that unearned income is not leviable in cases where land is transferred pursuant to a scheme of demerger sanctioned by the Hon'ble High court.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

(ii) Commitments :	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advance)	12,312.10	6,854.26
Total	12,312.10	6,854.26

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

42. Contingent Liabilities and Commitments (Contd...)

(iii) Other Commitments:

- a) For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years Power Purchase Agreement of 700 MW per annum with a group entity (Adani Hybrid Energy Jaisalmer Four Limited), to purchase 700 MW per annum of Hybrid Renewable Power at ₹ 3.24 per unit.
- b) For procurement of Thermal power on long term basis, AEML has entered into a long term 5 years power purchase agreement 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 Eastern Regulatory Commission.
- c) MPSEZ Utilities Limited (MUL) has entered into Power Purchase Agreement with Adani Power Limited (APL) for (i) procurement of power 360 MW per annum for fixed charge at ₹ 5 per kWh @ 85% plant load factor for term of 15 years (ii) procurement of power 800 MW per annum for fixed charge at ₹ 4.6 kWh for term of 15 years and (iii) procurement of power 40 MW and 10 MW per annum for fixed charge at ₹ 4.669 kWh for term of 25 years.
- (iv) The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML.

On August 21, 2022, R-Infra has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. During the year, the parties have amicably resolved their disputes, and a settlement has reached between the parties. In light of this settlement, RInfra has withdraw all claims filed, in connection with the share purchase agreement.

43. Lease

Disclosure under Ind AS 116 Leases:

(i) The following is the movement in Lease liabilities during the year ended March 31, 2025

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Opening Balance	60.78	71.19
Lease Liabilities on account of Leases entered / terminated during the year	20.56	1.48
Lease Liabilities on account of acquisition	0.11	2.52
Finance Costs incurred during the year	7.37	7.73
Net Payments of Lease Liabilities	(19.62)	(22.14)
Closing Balance (Refer note 23)	69.20	60.78

- (ii) The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, and warehouses taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.
- (iii) Leasing arrangements with respect to land range between 20 years to 99 years generally. The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- (iv) The expense relating to payments not included in the measurement of the lease liability and recognised as expenses in the statement of profit and loss during the year is as follows:

Low Value leases & Short-term leases - ₹ 32.38 crore (March 31, 2024 ₹ 22.52 crore)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. 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 Controlling Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Ms. Meera Shankar - Non Executive - Independent Director
	Ms. Lisa Caroline Maccallum - Non Executive - Independent Director
	Dr. Ravindra H. Dholakia - Non Executive - Independent Director (upto August 31, 2024)
	Mr. K. Jairaj - Non Executive - Independent Director
	Mr. Kandarp Patel, Chief Executive Officer
	Mr. Kunjal Mehta, Chief Financial Officer (Appointed w.e.f April 1, 2024)
	Mr. Bimal Dayal, Chief Executive Officer (Resigned w.e.f December 8, 2023)
	Mr. Rohit Soni - Chief Financial Officer (Resigned w.e.f March 31, 2024)
	Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have control or significant influence :	ACC Limited
	Adani Airport Holdings Limited
	Adani Brahma Synergy Private Limited
	Adani Bulk Terminals (Mundra) Limited
	Adani Capital Private Limited
	Adani Cement Industries Limited
	Adani CMA Mundra Terminal Private Limited
	Adani Community Empowerment Foundation
	Adani Digital Labs Private Limited
	Adani Ennore Container Terminal Private Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Esyasoft Smart Solutions Limited
	Adani Foundation
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Green Energy Twenty Five A Limited
	Adani Green Energy Twenty Five B Limited
	Adani Green Energy Twenty Five Limited
	Adani Green Energy Twenty Four A Limited
	Adani Green Energy Twenty Four Limited
	Adani Green Energy Twenty Six A Limited
	Adani Green Energy Twenty Six B Limited
	Adani Hospitals Mundra Private Limited
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	Adani Hybrid Energy Jaisalmer One Limited (Formerly know as Adani Green Energy Eighteen Limited)
	Adani Infra (India) Limited
	Adani Infrastructure and Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani International Container Terminal Private Limited
	Adani Krishnapatnam Port Limited
	Adani Logistics Limited

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

(C) Enterprises over which (A) or (B) above have control or significant influence : (continued)	Adani Mining Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani Murmugao Port Terminal Private Limited
	Adani New Industries Limited
	Adani Petronet Dahej Port Private Limited
	Adani Ports and Special Economic Zone Limited
	Adani Power (Jharkhand) Limited
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)
	Adani Power Limited
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Fifty Five Limited
	Adani Renewable Energy Fifty Seven Limited
	Adani Renewable Energy Fifty Six Limited
	Adani Renewable Energy Forty One Limited
	Adani Renewable Energy Forty Two Limited
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)
	Adani Renewable Energy Park Rajasthan Limited
	Adani Road Transport Limited
	Adani skill Development Center
	Adani Social Development Foundation
	Adani Solar Energy Jaisalmer One Private Limited (Formerly known as SBE Renewables Ten Projects Private Limited)
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)
	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)
	Adani Sportline Private Limited
	Adani Total Energies E-Mobility Limited
	Adani Total Gas Limited
	Adani Tracks Management Services Private Limited
	Adani University
	Adani Vizhinjam Port Private Limited
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)
	AdaniConnex Private Limited
	AEML Gratuity Fund
	AEML Superannuation Fund
	Agnel Developers LLP

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

(C) Enterprises over which (A) or (B) above have control or significant influence : (continued)	Ahmedabad International Airport Limited
	Alpha Design Technologies Private Limited
	Ambuja Cements Limited
	AMG Media Networks Limited
	Asian Concretes and Cements Private Limited
	Asian Fine Cements Private Limited
	Belvedere Golf and Country Club Private Limited
	Buildcast Solutions Private Limited
	Cleartrip Packages And Tours Private Limited
	DC Development Hyderabad Private Limited
	DC Development Noida Limited
	Dharavi Redevelopment Project Private Limited
	Dighi Port Limited
	Gare Palma II Collieries Private Limited
	Karnavati Aviation Private Limited
	Korba Power Limited
	Kutch Copper Limited
	Lucknow International Airport Limited
	Mahan Energen Limited
	Mangaluru International Airport Limited
	Marine Infrastructure Developer Private Limited
	Moxie Power Generation Limited
	Mumbai International Airport Limited
	Mundra Crude Oil Terminal Private Limited
	Mundra LPG Terminal Private Limited
	Mundra Petrochem Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Mundra Solar Energy Limited
	Mundra Solar PV Limited
	Mundra Solar Techno Park Private Limited
	Mundra Solar Technology Limited
	Navi Mumbai International Airport Private Limited
	New Delhi Television Limited
	North Maharashtra Power Limited
	Penna Cement Industries Limited
	PLR Systems (India) Limited
	PLR Systems Private Limited
	Sanghi Industries Limited
	Sirius Digitech International Limited
	Stratatech Mineral Resources Private Limited
	Superheights Infraspaces Private Limited (upto February 11, 2025)
	The Dhamra Port Company Limited
	TRV (Kerala) International Airport Limited
	Valuable Properties Private Limited
	Veracity Supply Chain Limited
	Vishakha Renewables Private Limited
	Wardha Solar (Maharashtra) Private Limited
	Wind Five Renergy Limited

Enterprises having control / significant influence of Ultimate Controlling Entity or Key management personnel, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2025	For the year ended March 31, 2024
CSR Expenditure	Adani Foundation	36.66	33.98
	Adani skill Development Center	1.84	1.84
	Adani Community Empowerment Foundation	0.50	-
Deposit Taken	Vishakha Renewables Private Limited	0.14	-
Paid Back			
EMD Deposit Received	Adani Enterprises Limited	1.46	-
	Sirius Digitech International Limited	0.03	-
	Ambuja Cements Limited	-	0.50
	Vishakha Renewables Private Limited	-	0.14
	ACC Limited	-	0.50
EMD Deposit Refunded	Adani Enterprises Limited	1.46	-
	Ambuja Cements Limited	-	0.50
	ACC Limited	-	0.50
Employee balance transfer	Adani Airport Holdings Limited	0.09	0.23
	Adani Enterprises Limited	0.79	5.74
	Adani Green Energy Limited	0.71	0.27
	Adani Infra (India) Limited	0.76	0.00
	Adani Infrastructure and Developers Private Limited	-	0.32
	Adani Infrastructure Management Services Limited	0.59	0.09
	Adani Krishnapatnam Port Limited	-	0.01
	Lucknow International Airport Limited	0.01	-
	Adani New Industries Limited	0.26	-
	Adani Ports And Special Economic Zone Limited	0.12	0.55
	Adani Renewable Energy Forty Two Limited	0.01	-
	Adani Total Gas Limited	0.40	0.10
	AdaniConnex Private Limited	-	0.04
	Adani Power Limited	0.64	0.02
	Ahmedabad International Airport Limited	-	0.26
	Ambuja Cements Limited	0.22	0.11
	Dharavi Redevelopment Project Private Limited	-	0.09
	Sirius Digitech International Limited	0.27	-
	The Dhamra Port Company Limited	0.04	-
	Mumbai International Airport Limited	0.05	-
	Mundra Petrochem Limited	-	0.00
	Mundra Solar Energy Limited	-	0.02
	PLR Systems (India) Limited	0.03	0.02
	PLR Systems Private Limited	-	0.03
	Adani Logistics Limited	0.10	-
	Agnel Developers LLP	0.02	-
	Dharavi Redevelopment Project Private Limited	0.04	-
	TRV (Kerala) International Airport Limited	0.02	-
Interest Expenses	Adani Infra (India) Limited	19.38	39.68
	Adani Green Energy Limited	0.01	0.01
	Adani Rail Infra Private Limited	7.84	16.47
	Adani Properties Private Limited	28.54	34.50
	Adani Sportline Private Limited	8.20	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest Income	Adani Enterprises Limited	19.66	0.64
	Adani Infra (India) Limited	2.68	7.60
Loan Repaid	Adani Infra (India) Limited	585.52	101.08
	Adani Green Energy Limited	0.16	-
	Adani Properties Private Limited	992.36	399.24
	Adani Rail Infra Private Limited	335.82	387.28
	Adani Sportline Private Limited	350.00	-
	Adani Infra (India) Limited	100.00	445.00
Loan Taken	Adani Green Energy Limited	-	0.14
	Adani Rail Infra Private Limited	346.00	580.00
	Adani Sportline Private Limited	350.00	-
	Adani Properties Private Limited	965.55	870.00
	Adani Digital Labs Private Limited	-	0.08
	AdaniConnex Private Limited	53.19	25.15
Purchase of Goods / Receiving of Services	Adani Enterprises Limited	1,478.76	2,636.79
	Adani Estate Management Private Limited	0.06	0.04
	Adani Green Energy Limited	-	0.02
	Adani Green Energy (UP) Limited	-	0.10
	Adani Green Energy Twenty Four A Limited	25.00	-
	Adani Hospitals Mundra Private Limited	0.01	0.01
	Cleartrip Packages And Tours Private Limited	1.27	-
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	1,238.10	930.83
	Adani Infra (India) Limited	866.18	-
	Adani Infrastructure Management Services Limited	88.85	71.89
	Adani Petronet Dahej Port Private Limited	-	3.61
	Adani Ports And Special Economic Zone Limited	45.02	10.73
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	-	277.47
	Adani Power Limited	3,389.85	52.82
	Adani Renewable Energy (KA) Limited	12.59	12.70
	Adani Sportline Private Limited	0.01	0.01
	Adani Social Development Foundation	-	0.20
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)	105.72	-
	Adani Total Gas Limited	0.00	0.00
	Adani Total Energies E-Mobility Limited	-	0.54
	Adani New Industries Limited	-	0.23
	Ambuja Cements Limited	14.39	0.08
	Alpha Design Technologies Private Limited	-	1.94
	ACC Limited	2.97	-
	Belvedere Golf and Country Club Private Limited	0.06	0.16
	Karnavati Aviation Private Limited	-	9.00
	Mumbai International Airport Limited	1.14	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of Goods / Receiving of Services	Mundra Sez Textile And Apparel Park Private Limited	0.05	-
	Mundra Petrochem Limited	-	1.98
	Wardha Solar (Maharashtra) Private Limited	-	0.02
	Mahan Energen Limited	632.95	-
	Adani University	0.02	-
	Adani Green Energy Twenty Five A Limited	92.92	-
	Adani Green Energy Twenty Five B Limited	166.19	-
	Adani Green Energy Twenty Five Limited	64.47	-
	Adani Green Energy Twenty Four Limited	65.42	-
	Adani Green Energy Twenty Six A Limited	2.82	-
	Adani Green Energy Twenty Six B Limited	27.32	-
	Adani Renewable Energy Fifty Five Limited	45.18	-
	Adani Renewable Energy Fifty Seven Limited	12.22	-
	Adani Renewable Energy Fifty Six Limited	7.20	-
	Adani Renewable Energy Forty One Limited	92.72	-
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	269.10	-
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)	29.73	-
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)	10.77	-
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)	13.78	-
	Korba Power Limited	1.68	-
	Moxie Power Generation Limited	210.71	-
	Wind Five Renergy Limited	8.93	-
	Veracity Supply Chain Limited	3.23	-
Towards acquisition of lease hold land received back	Superheights Infraspace Private Limited	396.05	-
Purchase of Land	Adani Enterprises Limited	0.35	0.18
Purchase of assets	Adani Total Energies E-Mobility Limited	0.16	-
Reimbursement of Expenses	Mumbai International Airport Limited	0.02	0.08
Advance Received back	Adani Infra (India) Limited	116.35	-
Balance take over by Related Party	Adani Infra (India) Limited	56.78	-
Purchase consideration received towards sale of Dahanu Thermal Power Plant	North Maharashtra Power Limited	815.00	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of Goods / Rendering of Services	Adani Enterprises Limited	0.13	5.46
	Adani Bulk Terminals (Mundra) Limited	3.65	0.55
	Adani Digital Labs Private Limited	-	0.07
	Adani Capital Private Limited	0.01	-
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	0.04	-
	Adani Road Transport Limited	0.01	-
	Adani Infrastructure Management Services Limited	0.52	0.21
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	-	0.04
	Adani Power Limited	51.55	1.65
	DC Development Hyderabad Private Limited	64.03	89.46
	DC Development Noida Limited	1.12	16.03
	Mundra Sez Textile And Apparel Park Private Limited	0.07	0.07
	Mundra Solar Techno Park Private Limited	-	3.30
	Kutch Copper Limited	0.15	35.99
	ACC Limited	1.00	-
	Adani Mining Limited	8.11	-
	Adani New Industries Limited	0.10	-
	Adani Cement Industries Limited	0.05	-
	Adani Ports and Special Economic Zone Limited	0.18	-
	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)	0.05	-
	Asian Concretes and Cements Private Ltd	0.02	-
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)	0.00	-
	Ambuja Cements Limited	25.12	-
	Mahan Energen Limited	29.58	-
	Asian Fine Cements Private Limited	0.02	-
	Buildcast Solutions Private Limited	0.01	-
	Moxie Power Generation Limited	51.85	-
	Mumbai International Airport Limited	2.30	-
	Mundra Crude Oil Terminal Private Limited	0.33	-
	Penna Cement Industries Limited	3.25	-
	Sanghi Industries Limited	0.07	-
	Stratatech Mineral Resources Private Limited	4.24	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2025	For the year ended March 31, 2024
Service line contribution received	Adani Bulk Terminals (Mundra) Limited	-	4.29
	Adani CMA Mundra Terminal Private Limited	-	0.53
	Adani International Container Terminal Private Limited	-	0.55
	Adani Ports and Special Economic Zone Limited	2.41	1.56
	Adani Tracks Management Services Private Limited	-	3.72
	Kutch Copper Limited	-	49.78
	Mundra Crude Oil Terminal Private Limited	-	0.46
	Mundra Petrochem Limited	34.93	-
	Mundra Solar Technology Limited	2.56	2.63
Purchase of Power Trading Licence	Adani Enterprises Limited	8.50	-
Contribution to Employee Benefits	AEML Gratuity Fund	-	0.95
	AEML Superannuation Fund	8.17	6.06
Professional and Consultancy Fees	Key Managerial Personnel	2.08	-
Director Sitting Fees	Director Sitting Fees	0.53	0.77
Commission to Director	Key Managerial Personnel	0.81	0.80
Compensation of Key Management Personnel	Short-term benefits	29.09	32.87
Compensation of Key Management Personnel	Post-employment benefits	1.23	1.13

Note :

- All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.
- Adani Electricity Mumbai Limited, AEML Seepz Limited and MPSEZ Utilities Limited, a subsidiary and a wholly owned subsidiary respectively of Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) is dealing in the distribution of Power to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of Sale of Power to the Related Parties in ordinary course of business, as all such transactions are done at Arm's Length Price Only. As per Para 11(C) (iii) of IND AS -24 "Related Party Disclosures", normal dealings of Company with Related Parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.
- The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2025, the Group/Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: ₹ Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

- (iv) Compensation of Key Management Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2025	As at March 31, 2024
Balance Payable	Adani Airport Holdings Limited	0.06	0.25
	Adani Brahma Synergy Private Limited	-	0.00
	ACC Limited	3.32	0.00
	Adani Enterprises Limited	16.96	27.81
	Adani Green Energy Limited	0.65	0.29
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	83.72	89.07
	Adani Infra (India) Limited	373.61	0.00
	Adani Infrastructure and Developers Private Limited	-	0.32
	Adani Infrastructure Management Services Limited	44.56	75.92
	Adani International Container Terminal Private Limited	0.00	0.02
	Adani Krishnapatnam Port Limited	0.00	0.00
	AdaniConnex Private Limited	27.10	28.58
	Lucknow International Airport Limited	0.03	0.02
	Adani New Industries Limited	0.26	0.00
	Adani Ports And Special Economic Zone Limited	15.72	10.93
	Adani Power (Jharkhand) Limited	3.82	-
	Adani Power Limited	495.04	16.20
	Adani Properties Private Limited	0.02	0.02
	Adani Renewable Energy (KA) Limited	0.15	0.50
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	-	0.04
	Adani Road Transport Limited	-	0.00
	Adani Total Gas Limited	0.34	0.10
	Adani TotalEnergies E-Mobility Limited	0.44	0.64
	Ahmedabad International Airport Limited	-	0.26
	Ambuja Cements Limited	0.77	0.12
	AMG Media Networks Limited	-	0.00
	Belvedere Golf and Country Club Private Limited	-	0.01
	DC Development Hyderabad Private Limited	-	27.61
	Dharavi Redevelopment Project Private Limited	-	0.09
	Mangaluru International Airport Limited	0.00	-
	Mumbai International Airport Limited	2.04	0.04
	Mundra Sez Textile And Apparel Park Private Limited	0.00	-
	Mundra Solar Energy Limited	0.01	0.01
	Mundra Solar PV Limited	0.96	0.95
	PLR Systems Private Limited	0.00	0.03
	PLR Systems (India) Limited	0.03	0.02
	Superheights Infraspace Private Limited	-	79.00

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2025	As at March 31, 2024
Balance Payable	TRV (Kerala) International Airport Limited	0.02	0.02
	Vishakha Renewables Private Limited	-	0.14
	Valuable Properties Private Limited	-	0.06
	Wind Five Renergy Limited	0.43	-
	Adani Estate Management Private Limited	0.00	-
	Adani Esyasoft Smart Solutions Limited	193.58	-
	Adani Murmugao Port Terminal Private Limited	0.00	-
	Adani Renewable Energy Park Rajasthan Limited	0.04	-
	Gare Palma II Collieries Private Limited	0.00	-
	Mahan Energen Limited	87.95	-
	Navi Mumbai International Airport Private Limited	0.00	-
	Sirius Digitech International Limited	0.30	-
	Veracity Supply Chain Limited	0.75	-
	Adani Green Energy Twenty Five A Limited	3.70	-
	Adani Green Energy Twenty Five B Limited	5.19	-
	Adani Green Energy Twenty Five Limited	2.73	-
	Adani Green Energy Twenty Four A Limited	2.59	-
	Adani Green Energy Twenty Four Limited	3.00	-
	Adani Green Energy Twenty Six A Limited	0.09	-
	Adani Green Energy Twenty Six B Limited	1.49	-
	Adani Hybrid Energy Jaisalmer One Limited (Formerly know as Adani Green Energy Eighteen Limited)	0.00	-
	Adani Logistics Limited	0.10	-
	Adani Renewable Energy Fifty Five Limited	1.20	-
	Adani Renewable Energy Fifty Seven Limited	1.80	-
	Adani Renewable Energy Fifty Six Limited	2.31	-
	Adani Renewable Energy Forty One Limited	4.02	-
	Adani Renewable Energy Forty Two Limited	9.63	-
	Adani Renewable Energy Holding Four Limited (Formerly known as Adani Green Energy Four Limited)	18.12	-
	Adani Solar Energy Jaisalmer One Private Limited (Formerly known as SBE Renewables Ten Projects Private Limited)	0.00	-
	Adani Solar Energy Jaisalmer Two Private Limited (Formerly known as SBSR Power Cleantech Eleven Private Limited)	5.83	-
	Adani Solar Energy Jodhpur Two Limited (Formerly known as Adani Green Energy Nineteen Limited)	1.20	-
	Adani Solar Energy RJ Two Private Limited (Formerly known as SBE Renewables Sixteen Project Private Limited)	0.01	-
	Adani Wind Energy Kutchh Four Limited (Formerly known as Adani Wind Energy (GJ) Limited)	8.12	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2025	As at March 31, 2024
Balance Payable	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)	0.00	-
	Agnel Developers LLP	0.02	-
	DC Development Noida Limited	0.01	-
	Dharavi Redevelopment Project Private Limited	0.04	-
	Korba Power Limited	0.15	-
	Moxie Power Generation Limited	11.20	-
	New Delhi Television Limited	0.00	-
	Penna Cement Industries Limited	0.00	-
	Sanghi Industries Limited	0.00	-
	The Dhamra Port Company Limited	0.06	-
Balance Receivable	Adani CMA Mundra Terminal Private Limited	0.00	0.00
	Adani Enterprises Limited	0.00	57.18
	Adani Green Energy Limited	0.05	0.02
	Adani Infra (India) Limited	-	0.20
	Adani Infrastructure Management Services Limited	1.62	4.85
	Adani International Container Terminal Private Limited	0.01	0.01
	Adani Krishnapatnam Port Limited	0.00	0.01
	Adani Logistics Limited	0.00	0.00
	Adani New Industries Limited	0.25	0.25
	Adani Ports And Special Economic Zone Limited	0.07	1.22
	Adani Power (Jharkhand) Limited	0.06	0.06
	Adani Power Limited	0.00	0.35
	Adani Digital Labs Private Limited	-	0.07
	DC Development Noida Limited	0.01	4.31
	Adani Vizhinjam Port Private Limited	-	0.03
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)	-	0.00
	Ahmedabad International Airport Limited	0.05	0.05
	Dighi Port Limited	-	0.00
	Kutch Copper Limited	3.03	3.03
	Mumbai International Airport Limited	0.05	-
	Mundra LPG Terminal Private Limited	0.00	0.00
	Mundra Petrochem Limited	-	0.00
	Mundra SEZ Textile and Apparel Park Private Limited	-	0.01
	Mundra Solar Energy Limited	-	0.02
	Mundra Solar PV Limited	0.02	0.02
	Mundra Solar Techno Park Private Limited	-	0.00
	Vishakha Renewables Private Limited	0.00	0.00
	ACC Limited	4.66	-
	Adani Cement Industries Limited	0.05	-
	Adani Ennore Container Terminal Private Limited	0.19	-
	Adani Total Gas Limited	0.06	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2025	As at March 31, 2024
Balance Receivable	Asian Concretes and Cements Private Limited	0.02	-
	Asian Fine Cements Private Limited	0.02	-
	Adani Mining Limited	3.19	-
	Marine Infrastructure Developer Private Limited	0.39	-
	Penna Cement Industries Limited	0.34	-
	Sanghi Industries Limited	0.39	-
	Adani Solar Energy RJ One Private Limited (Formerly known as SB Energy Six Private Limited)	0.06	-
	Adani Wind Energy MP One Private Limited (Formerly known as SBESS Services Projectco Two Private Limited)	0.00	-
	Ambuja Cements Limited	8.72	-
	DC Development Hyderabad Private Limited	2.63	-
	Mahan Energen Limited	3.72	-
Capital Advance	Adani Infra (India) Limited	-	113.87
	Adani Mundra SEZ Infrastructure Private Limited	-	13.80
Advance to vendor	Adani Bulk Terminals (Mundra) Limited	-	1.92
Loan Payable	Adani Infra (India) Limited	-	485.52
	Adani Green Energy Limited	-	0.16
	Adani Rail Infra Private Limited	-	194.82
	Adani Properties Private Limited	-	626.81

45. Fair Value Measurement :

a) The carrying value of financial instruments by categories as of March 31, 2025 is as follows:

(₹ in crore)					
Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	2,246.60	-	2,246.60	2,246.60
Investments in Government securities	-	10.00	381.80	391.80	384.70
Investment in equity Instruments at FVTPL	-	0.01	-	0.01	0.01
Trade Receivables	-	-	4,324.16	4,324.16	4,324.16
Cash and Cash Equivalents	-	-	2,190.38	2,190.38	2,190.38
Bank Balances other than Cash and Cash Equivalents above	-	-	1,428.30	1,428.30	1,428.30
Loans	-	-	22.33	22.33	22.33
Derivative instruments	1,213.32	-	-	1,213.32	1,213.32
Other Financial Assets	-	-	4,134.26	4,134.26	4,134.26
Total	1,213.32	2,256.61	12,481.23	15,951.16	15,944.06

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

45 Fair Value Measurement (Contd...)

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	40,521.50	40,521.50	38,344.25
Derivative instruments	130.62	-	-	130.62	130.62
Lease Liabilities	-	-	69.20	69.20	69.20
Trade Payables	-	-	2,994.50	2,994.50	2,994.50
Other Financial Liabilities	-	-	3,576.12	3,576.12	3,576.12
Total	130.62	-	47,161.32	47,291.94	45,114.69

b) The carrying value of financial instruments by categories as of March 31, 2024 is as follows :

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	392.30	-	392.30	392.30
Investments in Government securities	-	34.56	339.62	374.18	360.19
Trade Receivables	-	-	3,946.22	3,946.22	3,946.22
Cash and Cash Equivalents	-	-	742.06	742.06	742.06
Bank Balances other than Cash and Cash Equivalents above	-	-	1,486.08	1,486.08	1,486.08
Loans	-	-	430.29	430.29	430.29
Derivative instruments	928.86	-	-	928.86	928.86
Other Financial Assets	-	-	2,891.76	2,891.76	2,891.76
Total	928.86	426.86	9,836.03	11,191.75	11,177.76
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	37,299.86	37,299.86	35,469.60
Derivative instruments	83.26	-	-	83.26	83.26
Lease Liabilities	-	-	60.78	60.78	60.78
Trade Payables	-	-	1,553.31	1,553.31	1,553.31
Other Financial Liabilities	-	-	2,388.89	2,388.89	2,388.89
Total	83.26	-	41,302.84	41,386.10	39,555.84

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

- Fair value of mutual funds are based on the price quotations near the reporting date.
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

45 Fair Value Measurement (Contd...)

- The fair value of USD Bonds which are listed on stock exchange have been determined based on prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.
- The management assessed that the carrying amount of Trade receivables, cash and cash equivalents, other balance with banks, loans, trade payable, lease liabilities and other financial assets and liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Group does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk.

46. Fair Value Hierarchy

Particulars	(₹ in crore)			
	As at	As at	As at	As at
	March 31, 2025	March 31, 2025	March 31, 2024	March 31, 2024
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	2,246.60	-	392.30
Derivative Instruments	-	1,213.32	-	928.86
Investments in treasury bills at FVTPL	10.00	-	34.56	-
Asset for which Fair Value are disclosed				
Investments in Government Securities	374.70	-	325.64	-
Total	384.70	3,459.92	360.20	1,321.16
Liabilities measured at fair value				
Derivative Instruments	-	130.62	-	83.26
Liabilities for which fair values are disclosed				
Borrowings (Including current maturities and Interest Accrued)	16,356.25	21,988.00	16,515.92	18,953.68
Total	16,356.25	22,118.62	16,515.92	19,036.94

Note :

- The fair values of investments in mutual fund units is based on the net asset value ('NAV').
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The fair value of USD Bonds which are listed on stock exchange have been determined based on prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

47. Capital Management

The Group's objectives to manage capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Group's policy is to use borrowings to meet anticipated funding requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at March 31, 2025 and as at March 31, 2024.

(₹ in crore)			
Particulars	Refer Note	As at March 31, 2025	As at March 31, 2024
Total Borrowings (Including Current Maturities of Long Term Debt)	22 & 29	40,206.08	37,008.87
Less: Cash and bank balances	15 & 16	3,618.68	2,228.14
Less: Current Investments	13	2,289.69	442.69
Net Debt (A)		34,297.71	34,338.04
Equity Share Capital & Other Equity	20 & 21	22,068.20	12,641.55
Total Equity (B)		22,068.20	12,641.55
Total Equity and Net Debt (C=A+B)		56,365.91	46,979.59
Gearing Ratio : (A)/(C)		0.61	0.73

48. Financial Risk Management Objectives

The Group's principal financial liabilities comprises borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Group's operations/projects .The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, Cross Currency Swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

48. Financial Risk Management Objectives (Contd...)

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

In the ordinary course of business, the Group is exposed to Market risk, Credit risk, and Liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, price risk and foreign currency risk.

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or cross currency swap contracts to manage its exposure to changes in the underlying benchmark interest rates.

During the year 2021-22, AEML issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 percent p.a. for SPT 1 in March 2027 and further 0.15 percent p.a. for SPT 2 for March 2029.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit before tax and consequential impact on Equity before tax for the year ended March 31, 2025 would decrease / increase by ₹ 84.07 crore (Previous Year ₹ 59.01 crore). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

Price Risk

The Group 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 Group 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.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

48. Financial Risk Management Objectives (Contd...)

Commodity Price Risk

The Group is affected by the price volatility of Copper and Aluminum products. Continuous supply of copper and aluminum are required for its under construction subsidiaries for construction of transmission lines. Due to the significantly increased volatility of the price of the commodity, the Group entered into various purchase contracts for Copper and Aluminum (for which there is an active market). The prices in these purchase contracts are linked to the price of London Metal Exchange (LME).

The Group has developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The forward contracts do not result in physical delivery of copper and aluminum products but are designated as cash flow hedges to offset the effect of price changes in copper and aluminum products. The Group hedges its expected copper and aluminum products purchases considered to be highly probable.

For Hedging commodity related risks :

Nature	As at March 31, 2025		As at March 31, 2024	
	Buy	Sell	Buy	Sell
Copper (MT)	2,500.00	-	-	-
Aluminium (MT)	3,500.00	-	-	-

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:

Nature	Purpose	As at March 31, 2025		As at March 31, 2024	
		₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	8,214.15	USD 961.00	9,614.93	USD 1,152.80
(ii) Forward covers	a. Hedging of foreign currency interest liability	185.19	USD 21.67	350.68	USD 42.05
	b. Hedging against foreign currency risk arising from commodity transaction	2,564.25	USD 300.00	-	-
(iii) Cross Currency Swaps*	Hedging of foreign currency borrowing principal & interest liability	20,219.56	USD 2,356.11 EUR 8.76	15,860.77	USD 1,892.00 EUR 8.97
(iv) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	2,564.25	USD 300.00	4,003.44	USD 480.00

* During the year, the Company had executed 1 year cross currency swaps derivative contract of USD 186 million to hedge outstanding Shareholders Affiliated Debts of USD 234 million with effective from November 10, 2025 and accordingly, included in above figures as at March 31, 2025.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

48. Financial Risk Management Objectives (Contd...)

b) The details of foreign currency exposures not hedged by derivative instruments are as under :

Particulars	As at March 31, 2025		As at March 31, 2024	
	₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
Creditors	200.03	AED 85.96	212.07	AED 93.37
	8.75	USD 1.02	2.61	USD 0.31
	0.09	EUR 0.01	0.25	EUR 0.03
	0.66	GBP 0.06	-	-

A change of 1% in Foreign currency would have following impact on profit before tax and consequential impact on equity before tax

Particulars	For the Year 2024-25		For the Year 2023-24	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency Sensitivity				
RUPEES / AED - (Increase) / Decrease	(2.00)	2.00	(2.12)	2.12
RUPEES / USD - (Increase) / Decrease	(0.09)	0.09	(0.03)	0.03
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	(0.00)	0.00
RUPEES / GBP - (Increase) / Decrease	(0.01)	0.01	-	-

Derivative Financial Instrument

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

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

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

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2025.

Notes to Consolidated Financial Statements

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48. Financial Risk Management Objectives (Contd...)

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

Derivative Financials Instruments	As at March 31, 2025		As at March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Cross Currency Swaps	242.24	81.44	451.60	58.30
Foreign Currency Swaps	162.68	-	340.63	18.01
Coupon Only Swaps	-	4.97	4.51	4.50
Forward	1.81	44.21	0.29	2.45
Principal Only Swaps	806.59	-	131.83	-
Total	1,213.32	130.62	928.86	83.26

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group is dealing with Sovereign equivalent counterparties and state counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an Inter State and Intra State transmission Licensee (ISTS), the responsibility for billing and collection on behalf of the Group lies with the Central Transmission Utility (CTU) / State Transmission Utility (STU). Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are central / state government organizations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

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

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below is analysis of derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at March 31, 2025	(₹ in crore)			
	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings [#]	7,115.71	28,988.82	24,677.88	60,782.41
Trade Payables	2,955.62	-	38.88	2,994.50
Derivative Liabilities	44.21	86.41	-	130.62
Lease Liabilities*	16.43	52.17	44.69	113.29
Other financial Liabilities	2,957.61	933.93	-	3,891.54

*Carrying Value of lease liabilities is ₹ 69.20 crore.

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48. Financial Risk Management Objectives (Contd...)

(₹ in crore)

As at March 31, 2024	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings [#]	6,770.30	18,974.42	29,102.40	54,847.12
Trade Payables	1,515.92	-	37.39	1,553.31
Derivative Liabilities	2.45	80.81	-	83.26
Lease Liabilities*	9.62	42.49	47.86	99.97
Other financial Liabilities	2,247.57	432.31	-	2,679.88

*Carrying Value of lease liabilities is ₹ 60.78 crore.

[#]The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

49. Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in crore)	Relation with the struck off company, if any, to be disclosed
As at March 31, 2025			
Receivables			
United Glass Works Pvt. Ltd.	Sale of Power	0.08	Consumer
Comet Plast Machinery Pvt. Ltd.	Sale of Power	0.01	Consumer
Echar Clothing Pvt. Ltd.	Sale of Power	0.01	Consumer
V. V. R. Infotech Pvt. Ltd.	Sale of Power	0.01	Consumer
Nendej Tieup Pvt. Ltd.	Sale of Power	0.01	Consumer
Akansha Dev. P. Ltd.	Sale of Power	0.01	Consumer
N R Enterprises Ltd.	Sale of Power	0.01	Consumer
Navdurga Development P. Ltd.	Sale of Power	0.01	Consumer
Others - 662 Parties less than 50,000	Sale of Power	0.12	Consumer
As at March 31, 2024			
Receivables			
United Glass Works Pvt. Ltd.	Sale of Power	0.01	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of Power	0.01	Consumer
N R Enterprises Ltd.	Sale of Power	0.01	Consumer
J V D Developers Pvt. Ltd.	Sale of Power	0.01	Consumer
New Vision Pvt. Ltd.	Sale of Power	0.01	Consumer
Real Infrastructure Co.	Sale of Power	0.01	Consumer
Zenith Construction Co.	Sale of Power	0.01	Consumer
Others - 631 Parties < 50K	Sale of Power	0.14	Consumer

Note : If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off etc., during the same financial year such that the balance outstanding is Nil as at March 31, 2025 is less than ₹ 50,000.00 (March 31, 2024 : Less than ₹ 50,000.00)

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50. Note on Service Concession Arrangement

Particulars	Transmission	Smart Meter
Description of the arrangement	The Group has been awarded projects for establishing, commissioning, setting up, operating and maintaining electric power transmission systems / network on design, build, finance, own, operate and transfer basis.	The Group has been awarded the advance metering infrastructure (AMI) projects for deploying smart prepaid metering systems. The projects include provision of smart prepaid metering infrastructure, billing services, and customer support on design, build, finance, own, operate and transfer basis. These projects aims to enhance electricity distribution efficiency, reduce energy losses, improve revenue collection, and empower consumers with real-time consumption data and flexible payment options.
Type of Project	Design, built, finance, own, operate and transfer basis (DBFOOT)	Design, built, finance, own, operate and transfer basis (DBFOOT)
Contract Term	Initial period approxing 25 years.	Approxing 120 months (varies from project to project based on contract terms)
Payment Terms	Payment of transmission charges on monthly basis as per the tariff defined in respective agreements.	Payment on per meter per month basis as per the rate defined in respective agreements.
Ownership Transfer at the end of the contract	Ownership, rights and title to the transmission network / infrastructure i.e. project assets shall be transferred to the respective authority.	Ownership, rights and title to the AMI System and other equipment's installed for operation of AMI System pursuant to the contracts shall transferred to the respective authority.
Renewal Option	The Group is obligated to make an application to the authority within the timeframe specified in the respective transmission agreement before the license expiry date seeking approval for extension of term beyond the initial defined term upto the Expiry date as defined in agreement.	Nil
Termination Option	Yes, on the event of default.	Yes, on the event of default.
Classification of Service Arrangement	In terms of appendix D to Ind AS 115, Service concession arrangements, the company recognizes the rights granted by these arrangements as a financial asset. Pl refer material accounting policy information 3(j)(c)	In terms of appendix D to Ind AS 115, Service concession arrangements, the company recognizes the rights granted by these arrangements as a financial asset. Pl refer material accounting policy information 3(j)(c)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

51. Segment Information : Operating Segments

The reportable segments of the Group are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

- (i) Transmission : providing transmissison line for power transmission.
- (ii) Distribution Business : Transmission and Distribution of Power business for Mumbai City and Mundra Distribution.
- (iii) Trading : Trading activity of goods and services.
- (iv) Others : smart metering business and EPC Activities.

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the company's reportable segments is presented below:

(₹ in crore)						
Particulars	Transmission	Distribution	Trading	Others	Elimination	Total
1. Revenue						
External Sales	8,330.59	12,266.48	1,380.44	1,789.58	-	23,767.09
	4,670.39	10,172.77	1,029.59	734.61	-	16,607.36
Total Revenue from Operations	8,330.59	12,266.48	1,380.44	1,789.58	-	23,767.09
	4,670.39	10,172.77	1,029.59	734.61	-	16,607.36
Results						
Segment Results before exceptional item	3,428.66	1,525.12	14.22	192.57	-	5,160.57
	2,688.64	1,201.31	0.64	44.53	-	3,935.12
Less : Exceptional item (refer note 61)	-	(1,506.02)	-	-	-	(1,506.02)
	-	-	-	-	-	-
Segment Results after exceptional item	3,428.66	19.10	14.22	192.57	-	3,654.55
	2,688.64	1,201.31	0.64	44.53	-	3,935.12
Unallocated Corporate Income (Net)						679.46
						610.95
Operating Profit						4,334.01
						4,546.07
Less: Finance Expense						(3,259.16)
						(2,766.51)
Profit before tax						1,074.85
						1,779.56

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

51. Segment Information : Operating Segments (Contd...)

						(₹ in crore)
Particulars	Transmission	Distribution	Trading	Others	Elimination	Total
Current Taxes						195.04
						298.60
Deferred Tax						(41.88)
						285.35
Total Tax						153.16
						583.95
Profit after tax						921.69
						1,195.61
Less: Non-Controlling Interests						138.28
						(58.33)
Net profit						1,059.97
						1,137.28
2. Other Information						
Segment Assets	39,285.49	20,578.34	1,107.99	3,054.33		64,026.15
	30,402.40	20,359.16	-	710.27	-	51,471.83
Unallocated Corporate Assets						9,933.95
						7,106.98
Total Assets						73,960.10
						58,578.81
Segment Liabilities	2,709.94	4,350.39	771.25	700.14	-	8,531.72
	1,129.91	4,146.03	-	560.66	-	5,836.60
Unallocated Corporate Liabilities						42,417.12
						39,039.08
Total liabilities						50,948.84
						44,875.68
Disclosure of material items						
Cost of Power Purchased	-	5,584.14	-	-	-	5,584.14
	-	4,340.30	-	-	-	4,340.30
Construction expenses relating to Service Concession Arrangements	3,329.54	-	-	1,410.16	-	4,739.70
	553.04	-	-	289.18	-	842.22
Depreciation /Amortisation	1,119.30	786.41	-	0.24	-	1,905.95
	970.64	805.44	-	-	-	1,776.08
Non Cash Expenditure other than Depreciation/ Amortisation	1.31	12.66	-	-	-	13.97
	0.44	13.32	-	-	-	13.76
Capital Expenditure	6,720.54	1,802.07	-	855.53	-	9,378.14
	3,705.06	1,476.48	-	248.00	-	5,429.54

Previous figures are given in italics

Note 1: The business operations of the Group are entirely based in India accordingly the entity has no separate geographical segment to disclose.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

52 Additional Information of net Assets and Share in Profit or Loss Contributed by Various Entities as Recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2025	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2025	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2025	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2025	₹ in crore
1	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	53.65%	19,698.77	47.11%	617.75	-21.92%	(40.80)	38.53%	576.95
Subsidiaries									
2	Maharashtra Eastern Grid Power Transmission Company Limited	11.96%	4,390.68	25.85%	338.96	0.57%	1.07	22.71%	340.03
3	Adani Transmission (India) Limited	8.58%	3,151.39	30.49%	399.82	0.10%	0.19	26.71%	400.01
4	Sipat Transmission Limited	0.43%	158.64	1.61%	21.10	1.97%	3.66	1.65%	24.76
5	Raipur-Rajnandgaon-Warora Transmission Limited	0.98%	361.27	3.97%	52.06	4.45%	8.28	4.03%	60.34
6	Chhattisgarh-WR Transmission Limited	0.75%	275.35	4.15%	54.36	3.23%	6.01	4.03%	60.37
7	Adani Transmission (Rajasthan) Limited	0.16%	58.91	1.11%	14.54	0.00%	-	0.97%	14.54
8	North Karanpura Transco Limited	0.12%	44.21	0.42%	5.51	0.01%	0.02	0.37%	5.53
9	Maru Transmission Service Company Limited	0.14%	51.52	0.94%	12.27	0.01%	0.02	0.82%	12.29
10	Aravalli Transmission Service Company Limited	0.03%	12.49	0.40%	5.24	0.03%	0.05	0.35%	5.29
11	Western Transco Power Limited	0.69%	254.53	1.57%	20.65	0.00%	-	1.38%	20.65
12	Western Transmission (Gujarat) Limited	0.47%	171.16	0.96%	12.63	0.00%	-	0.84%	12.63
13	Hadoti Power Transmission Service Limited	0.38%	139.63	1.90%	24.89	0.55%	1.03	1.73%	25.92
14	Barmer Power Transmission Service Limited	0.31%	114.40	1.52%	19.87	0.41%	0.76	1.38%	20.63
15	Thar Power Transmission Service Limited	0.27%	98.53	1.33%	17.41	0.36%	0.67	1.21%	18.08
16	Fatehgarh-Bhadla Transmission Limited	-0.07%	(25.36)	-0.82%	(10.69)	-0.00%	(0.00)	-0.71%	(10.69)
17	Ghatampur Transmission Limited	1.07%	392.51	5.26%	69.02	0.01%	0.01	4.61%	69.03
18	Adani Transmission Bikaner Sikar Limited (Formerly known as Adani Transmission Bikaner Sikar Private Limited)	0.26%	95.14	0.88%	11.50	0.00%	-	0.77%	11.50
19	OBRA-C Badaun Transmission Limited	0.29%	107.73	0.71%	9.27	0.02%	0.03	0.62%	9.30
20	Adani Electricity Mumbai Limited	11.22%	4,120.18	-42.35%	(555.38)	46.76%	87.05	-31.27%	(468.33)
21	Adani Electricity Navi Mumbai Limited (Formerly known as AEMIL Infrastructure Limited)	-0.00%	(0.08)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
22	Bikaner-Khetri Transmission Limited	0.60%	221.13	0.69%	9.08	0.00%	-	0.61%	9.08
23	WRSS XXI (A) Transco Limited	-0.13%	(47.62)	-2.74%	(35.88)	-1.36%	(2.54)	-2.57%	(38.42)
24	Lakadia Banaskantha Transco Limited	-0.11%	(41.27)	-1.24%	(16.21)	-1.05%	(1.96)	-1.21%	(18.17)
25	Jam Khambaliya Transco Limited	0.07%	26.68	0.20%	2.65	0.00%	0.00	0.18%	2.65
26	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	-0.00%	(1.75)	-0.06%	(0.76)	0.00%	-	-0.05%	(0.76)

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

52 Additional Information of net Assets and Share in Profit or Loss Contributed by Various Entities as Recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2025	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2025	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2025	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2025	₹ in crore
27	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	-0.01%	(5.36)	-0.17%	(2.23)	0.00%	-	-0.15%	(2.23)
28	Power Distribution Services Limited	0.03%	9.58	0.15%	1.91	0.00%	-	0.13%	1.91
29	Adani Electricity Mumbai Infra Limited	3.87%	1,419.73	0.00%	0.01	-0.21%	(0.40)	-0.03%	(0.40)
30	Alipurduar Transmission Limited	1.02%	379.16	3.63%	47.73	-0.00%	(0.00)	3.19%	47.73
31	Kharghar Vikhroli Transmission Limited (Formerly known as Kharghar Vikhroli Transmission Private Limited)	0.45%	166.65	9.79%	128.43	-1.04%	(1.93)	8.45%	126.50
32	Warora Kurnool Transmission Limited	0.68%	250.35	-1.49%	(19.58)	0.01%	0.02	-1.31%	(19.56)
33	AEML Seepz Limited	0.01%	5.47	0.19%	2.55	0.00%	-	0.17%	2.55
34	Adani Transmission Step One Limited	-8.03%	(2,948.56)	-0.94%	(12.28)	77.87%	144.95	8.86%	132.67
35	MP Power Transmission Package-II Limited	0.48%	177.08	1.92%	25.13	-0.05%	(0.09)	1.67%	25.04
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	0.35%	130.19	0.95%	12.42	0.00%	-	0.83%	12.42
37	Karur Transmission Limited	-0.01%	(2.85)	-0.25%	(3.26)	0.00%	0.00	-0.22%	(3.26)
38	Khavda-Bhuj Transmission Limited	0.35%	128.48	-0.68%	(8.88)	0.05%	0.10	-0.59%	(8.78)
39	ATL HVDC Limited	2.26%	830.18	-1.36%	(17.86)	-11.06%	(20.58)	-2.57%	(38.44)
40	Adani Electricity Jewar Limited	-0.00%	(0.05)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
41	Adani Transmission Step-Two Limited	2.64%	969.06	1.49%	19.53	0.00%	-	1.30%	19.53
42	Adani Transmission Mahan Limited	-0.00%	(0.02)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
43	BEST Smart Metering Limited	0.00%	1.09	0.07%	0.94	0.00%	-	0.06%	0.94
44	Adani Cooling Solutions Limited	-0.00%	(1.79)	-0.14%	(1.79)	0.00%	-	-0.12%	(1.79)
45	WRSR Power Transmission Limited	0.44%	159.78	0.01%	0.09	0.26%	0.48	0.04%	0.57
46	Adani Transmission Step-Three Limited	-0.00%	(0.09)	-0.01%	(0.13)	0.00%	-	-0.01%	(0.13)
47	Adani Transmission Step-Four Limited	0.00%	0.49	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
48	Adani Transmission Step-Five Limited	-0.00%	(0.05)	-0.00%	(0.05)	0.00%	-	-0.00%	(0.05)
49	Adani Transmission Step-Six Limited	0.04%	14.92	1.14%	14.91	0.00%	-	1.00%	14.91
50	Adani Transmission Step-Seven Limited	0.01%	3.09	0.24%	3.09	0.00%	-	0.21%	3.09
51	Adani Transmission Step-Eight Limited	0.00%	1.80	0.14%	1.79	0.00%	-	0.12%	1.79
52	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	0.01%	2.46	0.19%	2.46	0.00%	-	0.16%	2.46

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

52 Additional Information of net Assets and Share in Profit or Loss Contributed by Various Entities as Recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2025	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2025	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2025	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2025	₹ in crore
53	Adani Electricity Aurangabad Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
54	Adani Electricity Nashik Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
55	Khavda II-A Transmission Limited	0.24%	86.53	0.00%	0.05	0.02%	0.03	0.01%	0.08
56	Adani Green Energy Thirty Limited	0.13%	47.99	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
57	KPS 1 Transmission Limited	0.20%	71.89	0.00%	0.06	0.00%	0.00	0.00%	0.06
58	Sangod Transmission Service Limited	-0.00%	(0.29)	-0.00%	(0.02)	0.01%	0.02	0.00%	0.00
59	Halvad Transmission Limited	0.57%	208.86	0.01%	0.09	0.01%	0.02	0.01%	0.11
60	Sunrays Infra Space Two Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
61	Arasan Infra Two Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
62	Adani Energy Solutions Step-Twelve Limited	0.00%	0.00	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
63	Powerpulse Trading Solutions Limited (Formerly known as Adani Energy Solutions Step-Thirteen Limited)	0.25%	91.88	0.91%	11.90	-0.01%	(0.02)	0.79%	11.88
64	Pointleap Projects Private Limited	0.24%	89.16	-0.00%	(0.04)	0.00%	-	-0.00%	(0.04)
65	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	1.64%	603.05	0.36%	4.76	0.00%	-	0.32%	4.76
66	Gopalaya Build Estate Private Limited	-0.00%	(0.01)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
67	Khavda IVA Power Transmission Limited	0.00%	0.13	0.01%	0.09	0.00%	-	0.01%	0.09
68	Navinal Transmission Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
69	Jamnagar Transmissoin Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
70	Progressive Grid Networks Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
71	Pune III Transmission Limited	0.00%	0.00	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
72	Adani Energy Solutions Global Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
73	Adani Energy Solutions Step-Ten Limited	0.00%	0.01	-0.00%	-0.00	0.00%	-	-0.00%	-0.00
74	Adani Energy Solutions Step-Eleven Limited	0.00%	0.01	-0.00%	-0.00	0.00%	-	-0.00%	-0.00
75	Superheights Infraspace Private Limited	-0.00%	(0.00)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
76	Rajasthan Part I Power Transmission Limited	-0.00%	(0.63)	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
77	Mundra I Transmission Limited	0.00%	0.01	-0.00%	(0.00)	0.00%	-	-0.00%	(0.00)
78	Mahan Transmission Limited	0.00%	0.04	-0.00%	(0.01)	0.00%	-	-0.00%	(0.01)
	Total	100%	36,718.20	100%	1,311.34	100%	186.15	100%	1,497.49
	Less: Adjustment of Consolidation		12,763.88		389.65		(0.01)		389.64
	Less: Non Controlling Interest		943.06		(138.28)		21.75		(116.53)
	Consolidated Net Assets/ Profit after tax		23,011.26		1,059.97		164.41		1,224.38

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

53. As per Ind AS 19 "Employee Benefits", the Disclosures are given below

(a) Defined Contribution Plan

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

The Group has recognised the following amounts as expense in the financial statements for the year:

Particulars	(₹ in crore)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Contribution to Provident Fund	44.95	43.10
Contribution to Employees Superannuation Fund	5.22	6.06
Contribution to Employees Pension Scheme	5.23	5.83
Total	55.40	54.99

(b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 01, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	681.88	677.31
Current Service Cost	40.38	33.47
Interest Cost	49.14	45.24
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	(0.71)	0.77
- Change in financials assumptions	19.88	20.64

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

53 As per Ind AS 19 "Employee Benefits", the Disclosures are given below (Contd...)

		(₹ in crore)	
Particulars	As at March 31, 2025	As at March 31, 2024	
- Experience variance (i.e. Actual experience vs assumptions)	(7.64)	(8.38)	
(Gains)/ Losses on Curtailment	(6.20)	-	
Benefits paid	(38.65)	(86.89)	
Liabilities Transfer In/Out	(93.79)	(0.28)	
Present Value of Defined Benefit Obligations at the end of the Year	644.29	681.88	
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets			
Fair Value of Plan assets at the beginning of the Year	425.27	482.30	
Investment Income	30.66	30.39	
Contributions	0.85	5.88	
Assets Transferred Out/ Divestments	(46.27)	(4.93)	
Benefits paid	(37.64)	(86.64)	
Return on plan assets, excluding amount recognised in net interest expenses	(2.50)	(1.73)	
Fair Value of Plan assets at the end of the Year	370.37	425.27	
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets			
Present Value of Defined Benefit Obligations at the end of the Year	644.29	681.88	
Fair Value of Plan assets at the end of the Year	(370.37)	(425.27)	
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(273.92)	(256.61)	
iv. Composition of Plan Assets			
100% of Plan Assets are administered by LIC	-	-	
v. Gratuity Cost for the Year			
Current service cost	40.38	33.47	
Interest cost	49.14	45.24	
(Gains)/Losses on Curtailments And Settlements	(6.20)	(0.43)	
Expected return on plan assets	(30.66)	(30.39)	
Amount Capitalised	(0.73)	(0.17)	
Net Gratuity cost recognised in the statement of Profit and Loss	51.93	47.72	
vi. Other Comprehensive Income			
Actuarial (gains) / losses			
Change in demographic assumptions	(0.71)	0.77	
Change in financial assumptions	19.88	20.64	
Experience variance (i.e. Actual experiences assumptions)	(7.64)	(8.38)	
Return on plan assets, excluding amount recognised in net interest expense	2.50	1.73	
Components of defined benefit costs recognised in other comprehensive income	14.03	14.76	

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

53. As per Ind AS 19 "Employee Benefits", the Disclosures are given below (Contd...)

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
vii. Actuarial Assumptions		
Discount Rate (per annum)	6.90% to 7.20%	7.20% to 7.50%
Annual Increase in Salary Cost (per annum)	8% to 10.50%	8.00% to 10.50%
Attrition Rate (per annum)	0.00% to 30.56%	0.00% to 10.0%
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14
viii. Maturity profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	1 to 28 years	5 to 29 years

ix. Expected contribution during the next annual reporting period

The Group's best estimate of contribution during the next year is ₹ 35.50 crore.

x. Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Particulars	As at March 31, 2025	As at March 31, 2024
The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)		
1 year	68.91	42.13
2 to 5 years	161.49	204.13
6 to 10 years	308.97	345.43
Beyond 10 years	713.96	797.18

xi. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

(c) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in crore)

Sensitivity analysis	As at March 31, 2025		As at March 31, 2024	
Particulars	Decrease	Increase	Decrease	Increase
Discount rate	83.19	71.65	86.09	73.37
Salary Growth Rate	69.18	79.27	70.85	82.07
Attrition Rate	40.48	38.42	39.25	37.44
Mortality Rate	27.53	27.52	27.24	27.22

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

53. As per Ind AS 19 "Employee Benefits", the Disclosures are given below (Contd...)

These plans typically expose the Group to actuarial risks such as below

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

54. Contract Balances:

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Trade receivables including unbilled revenue (Refer note 7 and 14)	4,324.16	3,946.22
Contract Assets on account of Service Concession Arrangements (refer note 11 and 19)	5,023.21	892.89
Contract liabilities (Refer note 31 and 32)	232.29	297.72
Recoverable from / (Liabilities) towards consumers - regulatory assets / (liabilities) other than distribution	10.71	(19.36)

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilities

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

54. Contract Balances (Contd...)

(b) Significant changes in contract assets and liabilities during the period:

(₹ in crore)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance		
Recoverable from consumers		18.33
Liabilities towards consumers	(19.36)	-
(A)	(19.36)	18.33
Income / (Expenses) to be adjusted in future tariff determination (Net)	29.33	(38.00)
Movement in Regulatory deferral balance other comprehensive income	0.74	0.31
(B)	30.07	(37.69)
Recoverable from consumers	10.71	-
Liabilities towards consumers	-	(19.36)
Closing Balance	10.71	(19.36)

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in crore)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price	22,395.34	15,540.62
Adjustments		
Discounts	97.73	78.97
Revenue from contract with customers	22,297.61	15,461.65

55. Regulatory Deferral Account

(₹ in crore)		
Particulars	As at March 31, 2025	As at March 31, 2024
Regulatory Deferral Account - Liability		
Regulatory Liabilities	93.72	53.83
Regulatory Deferral Account - Assets		
Regulatory Assets	3,087.61	1,571.36
Net Regulatory Assets/(Liabilities)	2,993.89	1,517.53

Rate Regulated Activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC) & Gujarat Electricity Regulatory Commission (GERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- MERC/GERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from April 1, 2020 to March 31, 2025. These respective regulations require MERC and GERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

55. Regulatory Deferral Account (Contd...)

- 3 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.
- 4 Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		(₹ in crore)	
Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
1	Opening Regulatory deferral account balances (net)	1,517.53	1,963.83
2	Movement		
2.1	Add:		
	Regulatory assets under approval (Refer note ii below)	2,802.00	-
2.2	Less:		
	Revenue Gap of current year	(453.65)	226.20
	Recovery of RAC for past years	(884.91)	(657.48)
	Accrued in respect of earlier year consequent to receipt of tariff order	(0.03)	(15.02)
	Other adjustments	12.95	-
2.3	Net Movement during the year	1,476.36	(446.30)
3	Closing Balance	2,993.89	1,517.53

Note :

- i) The Group will recover regulatory gap of ₹ 861.03 crore in FY 2025-26, out of ₹ 3,087.61 crore while balance will be recovered over the life of the projects as per existing regulations.
- ii) The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML. 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 AEML, and consequently, RInfra retained the RAUA Matters. RInfra novated these at a commercially agreed consideration of ₹ 2,802.00 crore to the Company pursuant to the security novation agreement dated September 17, 2024.

56. (i) Impairment testing of intangible Assets

The Transmission license granted to AEML is an asset specific license 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", AEML as at March 31, 2025 tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹ 981.62 crore) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.60 % (March 31, 2024: 9.50%) per annum has been used. In arriving at the recoverable amount of the TCGU, financial projections have been developed for 7 years (March 31, 2024: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2% (March 31, 2024: 2%) per annum.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

56. (i) Impairment testing of intangible Assets (Contd...)

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 during the year (March 31, 2024 - 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 % (March 31, 2024: 9.50 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
- Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 7 years (March 31, 2024: 6 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 550 crore per annum (March 31, 2024: ₹ 675 crore per annum).
- Terminal growth rate considered at 2% per annum (March 31, 2024 - 2% per annum).

(ii) Goodwill

Particulars	(₹ in crore)	
	As at March 31, 2025	As at March 31, 2024
Balance at beginning of the year	598.29	598.29
Arising on account of Business combination	-	-
Balance at end of the year	598.29	598.29
Segment wise information of Goodwill generated on account of acquisitions over the years		
Transmission Segment	330.74	330.74
Distribution Segment	267.55	267.55
	598.29	598.29

Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹ 576.02 crore (March 31, 2024 : ₹ 576.02 crore) which has been allocated to the respective Cash Generating Unit ("CGU") (ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions).

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs . Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 8.31% to 10.27% p.a (Post Tax) (March 31, 2024 : 8.56% to 10.51% p.a (Post Tax))

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

57. During the year, Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated March 28, 2025, has approved for (i) truing up of FY 2022-23 and FY 2023-24, (ii) Provisional truing up for FY 2024-25 for Adani Electricity Mumbai Limited and Maharashtra Eastern Grid Power Transmission Company Limited. Accordingly based on the MERC order, during the year ended March 31, 2025, Group has recognised revenue of ₹ 148.51 crore.

58. Pursuant to approval by Board of Directors in their meeting held on May 26, 2023 and approval of management committee of the Board of Directors of the Adani Electricity Mumbai Limited ("AEML") in their meeting held on November 13, 2023, during the previous year AEML has completed partial re-purchase of USD 120 million of its outstanding 3.949% USD 1,000 million senior secured notes due 2030, through cash Tender Offer for purchase price of USD 850 for early bid and USD 800 for post early bid per USD 1,000 principal amount based on the terms and conditions mentioned in tender offer memorandum, on November 30, 2023.

Post re-purchase, during the previous year AEML has recognised one time income of ₹ 136.49 crore (net of expenses ₹ 13.57 crore) on derecognition of liability and has cancelled the aforementioned 3.949% USD 120 million Senior Secured notes due 2030.

59. Non Controlling Interests (NCI)

Summary of financial information for Adani Electricity Mumbai Limited and its subsidiaries that has non-controlling interests (Shareholding of NCI : 25.10%) that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

	(₹ in crore)	
Summarised Balance Sheet	March 31, 2025	March 31, 2024
Total Non-Current Assets	20,960.05	19,779.38
Total Current Assets	3,968.13	2,498.68
Regulatory Deferral Account - Assets	3,087.61	1,571.36
Total Assets	28,015.79	23,849.42
Non-Current Liabilities	18,224.46	14,596.97
Current Liabilities	4,242.48	4,250.63
Regulatory Deferral Account - Liabilities	17.15	0.38
Total Liabilities	22,484.09	18,847.98
Accumulated NCI	1,388.46	1,255.36

	(₹ in crore)	
Summarised statement of Profit and Loss	March 31, 2025	March 31, 2024
Profit /(Loss) for the year	(553.02)	230.46
Other Comprehensive Income / (Loss) for the year	86.65	(142.67)
Total Comprehensive Income /(Loss) for the year	(466.37)	87.79
Profit/(Loss) Allocated to NCI	(138.81)	57.85
Total Comprehensive Income /(Loss) allocated to NCI	(117.06)	22.04

	(₹ in crore)	
Summarised Cash Flow allocated	March 31, 2025	March 31, 2024
Net cash from operating activities for the year	3,536.75	2,342.05
Net cash (used in) investing activities for the year	(3,615.14)	(1,399.43)
Net cash generated from / (used in) financing activities for the year	384.77	(654.32)
Net increase / (decrease) in cash and cash equivalents	306.38	288.30

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

60. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company)

- i) through its wholly owned subsidiary company Adani Transmission Step Two Limited signed a Share Purchase Agreement (SPA) and completed the acquisition of the Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited) from Essar Power Transmission Limited for acquiring 673 Ckt Kms operational inter-state transmission project.
- ii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Khavda IVA Power Transmission Limited, incorporated by REC Power Development and Consultancy Limited for setting up of ~298 km (596 ckm) transmission line, 300 MVA STATCOM and 3x1500 MVA, 765/400 kV Inter-connecting Transformer (ICTs) with 1x330 MVA, 765 kV and 1x125 MVA, 420 kV bus reactors.
- iii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Navinal Transmission Limited, incorporated by PFC Consulting Limited for Establishment of 4x1500 MVA, 765/400 kV Navinal (Mundra) S/s (GIS) with 2x330 MVA, 765 kV and 1x125 MVA, 420 kV bus reactors and setting up of ~129 km (515 ckm) transmission line.
- iv) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Jamnagar Transmission Limited, incorporated by PFC Consulting Limited for Establishment of 2x1500 MVA 765/400 kV Jamnagar (GIS) PS with 2x330 MVA 765 kV bus reactor and 2x125 MVA 420 kV bus reactor, setting up of ~330 km (941 ckm) transmission line and ±400 MVA STATCOM with 3x125 MVA MSC & 2x125 MVA MSR at Jamnagar 400kV Bus section
- v) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Pune- III Transmission Limited, incorporated by PFC Consulting Limited for Establishment of New 2x1500 MVA, 765/400 kV & 3x500 MVA, 400/220 kV Pune-III (GIS) S/s and setting up of ~322 km (816 ckm) transmission line and 3x1500 MVA, 765/400 kV Inter-connecting Transformer (ICTs) with 1x330 MVA, 765 kV and 1x125 MVA, 420 kV bus reactors.
- vi) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Rajasthan Part I Power Transmission Limited, incorporated by REC Power Development and Consultancy Limited for establishment of 6,000 MW HVDC Transmission system between Bhadla to Fatehpur along with 7500 MVA transmission capacity to evacuate 6 GW renewable energy from various REZ in Rajasthan beyond Bhadla-III to demand centers of North India and to the national grid.
- vii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Mundra I Transmission Limited, incorporated by PFC Consulting Limited to cater Green Hydrogen/Ammonia potential in Mundra area of Gujarat under Phase-I: Part B1 scheme (3 GW at Navinal S/s) (cumulative up to 4500 MW in Mundra area).
- viii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of Mahan Transmission Limited, incorporated by REC Power Development and Consultancy Limited for evacuation of 1,230 MW of power from Adani Power's upcoming 1,600 MW expansion units at Mahan in Singrauli district and feed into the state grid.

The above entities are with fixed tariff revenues as approved under the respective Transmission Service Agreement's / tariff orders. The only key activity for these entities, once it is operational, is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Further, Adani Energy Solutions Limited

- i) through its subsidiary Adani Electricity Mumbai Limited signed a Share Purchase Agreement (SPA) and completed the acquisition of Pointleap Projects Private Limited for the purpose of Construction of Sub Stations for Transmission & Distribution of Electricity.
- ii) through its subsidiary Halvad Transmission Limited signed a Share Purchase Agreement (SPA) and completed the acquisition of Gopalaya Build Estate Private Limited engaged in business of construction, maintenance and acquisition of land and properties etc.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

60. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company) (Contd...)

- iii) through its subsidiary Adani Electricity Mumbai Limited signed a Share Purchase Agreement (SPA) and completed the acquisition of Superheights Infraspaces Private Limited for setting up 220 Kv Extra High Voltage Sub Station.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has concluded that all the above acquisition as asset acquisition.

Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below :

Net amount of Assets and Liabilities

(₹ in crore)

Particulars	Pointleap Projects Private Limited	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	Gopalaya Build Estate Private Limited	Khavda IVA Power Transmission Limited
Date of Acquisition	May 3, 2024	May 15, 2024	June 11, 2024	August 30, 2024
Assets				
Non-current assets				
Property, Plant and Equipment	-	1,716.35	32.91	-
Capital Work-In-Progress	89.20	-	-	-
Contract Assets	-	-	-	18.56
Right of Usage	-	0.10	-	-
Income Tax Assets (net)	-	6.47	-	-
	89.20	1,722.92	32.91	18.56
Current assets				
Inventories	-	3.63	-	-
Trade Receivable	-	272.90	-	-
Cash and cash equivalents	1.76	3.51	0.20	0.05
Other financial assets	-	1.30	-	-
Other current assets	2.00	14.46	37.11	-
	3.75	295.80	37.30	0.05
Total Assets(i)	92.95	2,018.72	70.21	18.61
Liabilities				
Non-current liabilities				
Lease Liabilities	-	0.11	-	-
Other Financial Liabilities	-	63.73	-	-
Provisions	-	0.09	-	-
Deferred Tax Liabilities (Net)	-	46.61	-	-
	-	110.54	-	-
Current liabilities				
Trade Payables	-	0.48	0.00	0.01
Other financial liabilities	-	10.17	-	-
Other Current Liabilities	3.75	0.10	70.21	-
Provisions	-	-	-	-
	3.75	10.75	70.21	0.01
Total Liabilities(ii)	3.75	121.29	70.21	0.01
Net Assets (i-ii)	89.20	1,897.43	0.00	18.60

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

60. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company) (Contd...)

Consideration Transferred :

(₹ in crore)

Particulars	Pointleap Projects Private Limited	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited)	Gopalaya Build Estate Private Limited	Khavda IVA Power Transmission Limited
Consideration Paid in cash	89.20	1,897.43	0.00	18.60

(₹ in crore)

Particulars	Navinal Transmission Limited	Jamnagar Transmission Limited	Pune-III Transmission Limited	Rajasthan Part I Power Transmission Limited
Date of Acquisition	October 14, 2024	October 14, 2024	November 19, 2024	January 20, 2025
Assets				
Non-current assets				
Contract Assets	18.98	19.12	18.54	18.82
	18.98	19.12	18.54	18.82
Current assets				
Cash and cash equivalents	0.01	0.01	0.01	0.05
Other current assets	-	-	0.01	-
	0.01	0.01	0.02	0.05
Total Assets (i)	18.99	19.13	18.56	18.87
Current liabilities				
Other Current Liabilities	1.51	1.51	1.51	0.01
	1.51	1.51	1.51	0.01
Total Liabilities(ii)	1.51	1.51	1.51	0.01
Net Assets (i-ii)	17.48	17.62	17.05	18.87

Consideration Transferred :

(₹ in crore)

Particulars	Navinal Transmission Limited	Jamnagar Transmission Limited	Pune-III Transmission Limited	Rajasthan Part I Power Transmission Limited
Consideration Paid in cash	17.48	17.62	17.05	18.87

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

60. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company) (Contd...)

(₹ in crore)

Particulars	Superheights Infraspace Private Limited	Mundra I Transmission Limited	Mahan Transmission Limited
Date of Acquisition	February 12, 2025	March 20, 2025	March 26, 2025
Assets			
Non-current assets			
Right of Use Assets	510.00	-	-
Contract Assets	-	18.49	4.72
	510.00	18.49	4.72
Current assets			
Cash and cash equivalents	0.01	0.01	0.05
Other current assets	0.00	-	-
	0.01	0.01	0.05
Total Assets (i)	510.01	18.50	4.77
Current liabilities			
Other Current Financial Liabilities	34.95	-	-
Other Current Liabilities	0.06	1.51	-
	35.01	1.51	-
Total Liabilities(ii)	35.01	1.51	-
Net Assets (i-ii)	475.00	16.99	4.77

Consideration Transferred :

(₹ in crore)

Particulars	Superheights Infraspace Private Limited	Mundra I Transmission Limited	Mahan Transmission Limited
Consideration Paid in cash	475.00	16.99	4.77

61. Adani Electricity Mumbai Limited (AEML), a subsidiary of the Company, has divested Dahanu Thermal Power Plant to honour its ESG Commitment. AEML in its meeting of Board of Directors concluded on July 24, 2024 has approved the transaction for carving said power plant to one of the related party at the transaction price of ₹ 815.00 crore against the carrying value in books of ₹ 2,321.02 crore and hence ₹ 1,506.02 crore has been charged in the statement of profit and loss as exceptional item in accordance with Ind AS 105.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

- 62.** Maharashtra Electricity Regulatory Commission ('MERC') vide its order dated December 26, 2022 granted an in-principal approval for the transfer of Adani Electricity Mumbai Limited ("AEML") distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ("ASL"), a subsidiary of Adani Energy Solutions Limited. Based on the principles laid down by MERC, ASL filed requisite petitions for approval of tariff, power procurement plan and switchover/ changeover protocol (i.e. shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area) which have been approved by MERC on October 9, 2023.

Subsequently, the AEML and ASL have entered into a Business Transfer agreement dated November 1, 2023 for transfer of Company's distribution network infrastructure (including movable and immovable assets) in Seepz SEZ area as a going concern to ASL, on a slump sale for a total consideration of ₹ 36.96 crore. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.

- 63.** During the financial year 2022-23, a short seller report ("SSR") was published alleging certain issues against Adani group entities including the Company and its subsidiaries. On January 3, 2024, the Hon'ble Supreme Court ("SC") disposed off all matters of appeal in various petitions including separate independent investigations relating to the allegation in SSR and stated that the Securities and Exchange Board of India ("SEBI") should complete the investigation on balance two pending matters and take investigations to their logical conclusion in accordance with law. During the current period, management believes that balance two investigations have been concluded based on available information. The Company received a Show Cause Notice (SCN) from the SEBI during the quarter ended March 2024 relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect of an earlier period which was duly responded by the management. During the current year, a SCN has been received, alleging wrongful categorisation of shareholding pertaining to period FY 2012-2020 of certain entities as public shareholding and consequences therefrom. However, it does not have any bearing with the current free float and shareholding which fully complies with the applicable laws and regulations.

Pursuant to the SC order, various legal and regulatory proceedings by the SEBI, legal opinions obtained, independent legal & accounting review undertaken by the Adani group and the fact that there is no pending regulatory or adjudicatory proceeding as of date except relating to SCNs as mentioned above, the management of the Company concluded that there were no material consequences of the SSR and the Group continues to hold good its position as regards the compliance of applicable laws and regulations.

- 64.** In November 2024, the Company 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 against a non-executive director of the Company. The director is indicted by US DOJ for alleged securities & wire fraud conspiracy and securities fraud for misleading statements and civil complaint by US SEC in respect of alleged omission of disclosure of material facts in certain statements. The Company is not named in these matters.

Having regard to the status of the above-mentioned matters, and the fact that the matters stated above do not pertain to the Company, there is no impact to these consolidated financial statements.

- 65.** The Group uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software except the audit trail feature is enabled, for certain direct changes to SAP application and its underlying HANA database when using certain privileged / administrative access rights by authorised users where the process is started during the year and stabilized from March 17, 2025. Further, there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled. Additionally, the audit trail has been preserved by the Group as per the statutory requirements for record retention.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

66. Ultimate Beneficiary Disclosure

- (i) During the year, the loan amount of ₹ 460.58 crore was advanced by Adani Energy Solutions Limited (Parent Company) on various dates involving 10 transactions in months of October 2024, December 2024, February 2025 and March 2025 to ATL HVDC Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (ii) During the year, ATL HVDC Limited (a subsidiary of the company) has received ₹ 1,411.18 crore by way of foreign currency loan on various dates involving 3 transactions in months of April 2024, June 2024 and December 2024, which has been further advanced on same dates to Adani Electricity Mumbai Infra Limited (a fellow subsidiary).

The intra-group loan transactions with subsidiaries / fellow subsidiaries during the year are in compliance with the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act, 2013 and not in violation of Prevention of Money-Laundering Act, 2002 (15 of 2003) and are in normal course of business to optimize the group cash flows and are eliminated in full in the consolidated financial statements.

- 67.** In accordance with the requirement of Ind AS 1 'Presentation of Financial Statements' and Division II - Ind AS Schedule III to the Companies Act, 2013, the group has made better presentation for below items which does not have any impact to net profits or on financial position presented in the financial statements

(₹ in crore)

Particulars	Note	Amount reported previously	Reclassification	Currently reported amount	Remarks
Non Current Trade Receivables	7	-	201.68	201.68	
Other Non Current Financial Assets	9	3,841.12	(201.68)	3,639.44	Unbilled Revenue has been reclassified from Other Financial Assets to Trade Receivables.
Current Trade Receivables	14	1,564.95	2,179.59	3,744.54	
Other Current Financial Assets	18	2,360.77	(2,179.59)	181.18	
Current Trade Payables	30	1,722.11	(206.19)	1,515.92	Payables to employees have been reclassified from Trade Payables to Other Current Financial Liabilities.
Other Current Financial Liabilities	31	2,043.83	206.19	2,250.02	

68. Statutory Disclosures

- (i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

68. Statutory disclosures (Contd...)

- (ii) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (iii) The quarterly returns or statements of Current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts.

69. Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of April 24, 2025, there are no subsequent events to be recognized or reported that are not already disclosed.

70. The Consolidated Financial Statements for the year ended March 31, 2025 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on April 24, 2025.

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

ANIL SARDANA

Managing Director

DIN: 00006867

KANDARP PATEL

Chief Executive Officer

KUNJAL MEHTA

Chief Financial Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 24, 2025

Place : Ahmedabad

Date : April 24, 2025

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus ¹	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2024-25	INR	118.08	-	-	3,033.31	4,805.21	1,653.82	18.58	754.10	484.51	109.53	399.82	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2024-25	INR	707.50	-	-	3,683.18	6,909.72	2,519.04	104.61	934.93	410.93	72.96	338.96	-	100%
3	Sipat Transmission Limited	2024-25	INR	44.00	-	-	114.64	731.14	572.50	14.54	84.49	28.46	7.36	21.10	-	100%
4	Rajpur-Rejnandgaon-Warora Transmission Limited	2024-25	INR	91.10	-	-	270.17	1,666.44	1,305.17	27.74	188.81	70.16	18.10	52.06	-	100%
5	Chhattisgarh-WR Transmission Limited	2024-25	INR	68.00	-	-	207.35	1,320.75	1,045.40	30.15	173.99	73.25	18.90	54.36	-	100%
6	Adani Transmission (Rajasthan) Limited	2024-25	INR	8.50	-	-	50.41	169.66	110.75	26.05	28.71	19.63	5.09	14.54	-	100% ⁴
7	North Karanpura Transco Limited	2024-25	INR	0.05	-	31.57	12.59	823.11	778.90	-	45.48	7.44	1.93	5.51	-	100%
8	Maru Transmission Service Company Limited	2024-25	INR	8.94	-	-	42.58	206.61	155.09	4.56	39.19	16.50	4.23	12.27	-	100%
9	Aravali Transmission Service Company Limited	2024-25	INR	5.23	-	-	7.26	114.45	101.96	11.50	24.17	7.08	1.85	5.24	-	100%
10	Western Transco Power Limited	2024-25	INR	10.00	-	-	244.53	565.58	311.05	10.74	51.69	28.10	7.45	20.65	-	100%
11	Western Transmission (Gujarat) Limited	2024-25	INR	10.00	-	-	161.16	352.20	181.04	11.12	29.21	17.17	4.54	12.63	-	100%
12	Hadoti Power Transmission Service Limited	2024-25	INR	10.00	-	-	129.63	304.03	164.40	5.08	48.64	33.64	8.74	24.89	-	100%
13	Barmer Power Transmission Service Limited	2024-25	INR	8.00	-	-	106.40	236.36	121.95	1.59	38.91	26.82	6.95	19.87	-	100%
14	Thar Power Transmission Service Limited	2024-25	INR	7.00	-	-	91.53	211.25	112.72	-	34.94	23.45	6.04	17.41	-	100%
15	Fatehgarh-Bhadla Transmission Limited	2024-25	INR	25.50	-	-	(50.86)	670.58	695.93	67.00	70.27	(14.28)	(3.59)	(10.69)	-	100%
16	Adani Electricity Mumbai Limited	2024-25	INR	4,020.82	-	-	99.36	24,095.56	19,975.38	1,710.28	11,616.42	(763.25)	(207.87)	(555.38)	-	74.90%
17	Ghatampur Transmission Limited	2024-25	INR	121.96	-	39.46	231.09	1,729.43	1,336.92	111.17	260.89	93.53	24.51	69.02	-	100%
18	Adani Transmission Bikaner Sikar Limited (Formerly known as Adani Transmission Bikaner Sikar Private Limited)	2024-25	INR	10.00	-	-	85.14	270.76	175.62	18.73	27.30	15.78	4.28	11.50	-	100% ⁵
19	OBRA-C Badaun Transmission Limited	2024-25	INR	55.50	-	-	52.23	860.86	753.14	144.18	95.65	12.57	3.30	9.27	-	100%
20	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	2024-25	INR	0.01	-	-	(0.08)	10.41	10.48	-	-	(0.01)	-	(0.01)	-	100%
21	Bikaner Khetri Transmission Limited	2024-25	INR	54.00	26.21	69.47	71.45	888.38	667.24	31.51	111.20	12.35	3.27	9.08	-	100%
22	WRSS XXI (A) Transco Limited	2024-25	INR	0.05	-	-	(47.67)	1,518.98	1,566.60	337.24	130.14	(35.88)	-	(35.88)	-	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
23	Lakadia Banaskantha Transco Limited	2024-25	INR	0.05	-	-	(41.32)	1,409.80	1,451.07	467.28	114.15	(16.21)	-	(16.21)	-	100%
24	Jam Khambhaliya Transco Limited	2024-25	INR	21.25	-	-	5.43	347.35	320.68	22.46	45.45	3.56	0.91	2.65	-	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	2024-25	INR	0.01	-	-	(1.76)	18.59	20.34	-	-	(0.76)	-	(0.76)	-	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	2024-25	INR	0.01	-	-	(5.37)	17.50	22.86	-	7.55	(2.23)	-	(2.23)	-	100%
27	Power Distribution Services Limited	2024-25	INR	0.01	-	-	9.57	12.70	3.12	-	12.71	2.55	0.64	1.91	-	74.90%
28	Adani Electricity Mumbai Infra Limited	2024-25	INR	0.01	-	950.00	469.72	4,371.58	2,951.85	-	-	0.03	0.02	-	-	74.90%
29	Alipurduar Transmission Limited	2024-25	INR	55.63	-	-	323.53	1,274.75	895.59	18.13	156.51	64.13	16.40	47.73	-	100%
30	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)	2024-25	INR	0.05	-	-	166.60	1,710.12	1,543.47	268.31	342.35	172.71	44.28	128.43	-	100%
31	Warora-Kurnool Transmission Limited	2024-25	INR	537.00	-	186.07	(472.72)	4,264.34	4,013.99	159.04	424.38	(26.07)	(6.50)	(19.58)	-	100%
32	Adani Transmission Step One Limited	2024-25	INR	0.01	-	4,500.00	(7,448.57)	4,764.09	7,712.64	1,644.24	792.71	(12.28)	-	(12.28)	-	100%
33	AEML Seepz Limited	2024-25	INR	13.51	-	-	(8.04)	68.60	63.13	17.40	93.42	3.04	0.49	2.55	-	74.90%
34	MP Power Transmission Package-II Limited	2024-25	INR	141.31	-	-	35.77	1,403.31	1,226.23	-	150.83	32.51	7.37	25.13	-	100%
35	MPSEZ Utilities Limited	2024-25	INR	13.14	-	-	117.05	456.60	326.41	0.01	556.64	19.29	6.87	12.42	-	100%
36	Karur Transmission Limited	2024-25	INR	0.01	-	-	(2.86)	206.25	209.10	-	23.15	(4.31)	(1.05)	(3.26)	-	100%
37	Khayda - Bhuj Transmission Limited	2024-25	INR	138.16	-	-	(9.68)	1,408.87	1,280.40	115.09	131.12	(11.86)	(2.98)	(8.88)	-	100%
38	ATL HVDC Limited	2024-25	INR	0.01	-	900.00	(69.83)	3,165.75	2,335.57	950.00	381.02	(17.87)	-	(17.86)	-	100%
39	Adani Electricity Jewar Limited	2024-25	INR	0.01	-	-	(0.06)	0.00	0.05	-	-	(0.01)	-	(0.01)	-	100%
40	Adani Transmission Step-Two Limited	2024-25	INR	0.01	-	950.00	19.05	2,087.53	1,118.47	1,897.44	215.25	26.39	6.86	19.53	-	100%
41	Adani Transmission Mahan Limited	2024-25	INR	0.01	-	-	(0.02)	0.06	0.08	-	-	(0.01)	-	(0.01)	-	100%
42	BEST Smart Metering Limited	2024-25	INR	0.01	-	-	1.08	254.13	253.04	-	85.15	1.26	0.32	0.94	-	100%
43	Adani Cooling Solutions Limited	2024-25	INR	0.01	-	-	(1.80)	8.96	10.76	-	-	(1.79)	-	(1.79)	-	100%
44	WRSR Power Transmission Limited	2024-25	INR	160.82	-	-	(1.04)	1,861.77	1,701.99	-	1,245.22	0.14	0.05	0.09	-	100%
45	Adani Transmission Step-Three Limited	2024-25	INR	0.01	-	-	(0.10)	0.19	0.28	-	103.83	(0.18)	(0.05)	(0.13)	-	100%
45	Adani Transmission Step-Four Limited	2024-25	INR	0.50	-	-	(0.01)	0.54	0.05	-	1.77	0.02	-	0.01	-	100%
47	Adani Transmission Step-Five Limited	2024-25	INR	0.01	-	-	(0.06)	0.50	0.55	-	-	(0.05)	-	(0.05)	-	100%
48	Adani Transmission Step-Six Limited	2024-25	INR	0.01	-	-	14.91	917.95	903.03	-	502.27	18.76	3.84	14.91	-	100%
49	Adani Transmission Step-Seven Limited	2024-25	INR	0.01	-	-	3.08	1,063.94	1,060.85	-	520.52	3.91	0.82	3.09	-	100%
50	Adani Transmission Step-Eighth Limited	2024-25	INR	0.01	-	-	1.79	70.84	69.04	-	36.40	2.40	0.60	1.79	-	100%

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus ¹	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend	% of Shareholding
51	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	2024-25	INR	0.01	-	-	2.45	169.40	166.94	-	114.32	3.18	0.72	2.46	-	100%
52	Adani Electricity Aurangabad Limited	2024-25	INR	0.01	-	-	(0.01)	0.00	0.00	-	-	(0.01)	-	(0.01)	-	100%
53	Adani Electricity Nashik Limited	2024-25	INR	0.01	-	-	(0.01)	0.00	0.00	-	-	(0.01)	-	(0.01)	-	100%
54	Khavda I-A Transmission Limited	2024-25	INR	87.38	-	-	(0.85)	1,264.91	1,178.38	-	828.20	0.08	0.03	0.05	-	100%
55	Adani Green Energy Thirty Limited	2024-25	INR	3.51	-	47.53	(3.05)	48.15	0.16	-	-	(0.00)	-	(0.00)	-	100%
56	KPSI Transmission Limited	2024-25	INR	0.05	-	72.41	(0.57)	843.07	771.18	-	633.17	0.09	0.03	0.06	-	49% ⁷
57	Sangod Transmission Service Limited	2024-25	INR	0.05	-	-	(0.34)	144.37	144.66	-	-	(0.02)	-	(0.02)	-	100%
58	Halvad Transmission Limited	2024-25	INR	208.76	-	-	0.10	1,243.48	1,034.62	-	587.44	0.09	-	0.09	-	100%
59	Sunrays Infra Space Two Limited	2024-25	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100%
60	Arsan Infra Two Limited	2024-25	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.01)	-	(0.01)	-	100%
61	Adani Energy Solutions Step-Twelve Limited	2024-25	INR	0.01	-	-	(0.01)	0.01	0.01	-	-	(0.00)	-	(0.00)	-	100%
62	Powerpulse Trading Solutions Limited (Formerly known as Adani Energy Solutions Step-Thirteen Limited)	2024-25	INR	80.01	-	-	11.87	1,164.29	1,072.41	146.28	11.99	15.75	3.84	11.90	-	100%
63	Pointleap Projects Private Limited ²	2024-25	INR	0.07	-	-	89.09	89.21	0.04	-	-	(0.03)	0.01	(0.04)	-	74.90%
64	Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited) ²	2024-25	INR	0.05	-	447.78	155.22	1,800.24	1,197.19	-	261.83	10.34	5.58	4.76	-	100%
65	Gopalaya Build Estate Private Limited ³	2024-25	INR	0.00	-	-	(0.01)	81.76	81.77	-	-	(0.01)	-	(0.01)	-	100%
66	Khavda IVA Power Transmission Limited ⁴	2024-25	INR	0.05	-	-	0.09	642.92	642.79	-	255.22	0.09	-	0.09	-	100%
67	Navinal Transmission Limited ⁵	2024-25	INR	0.01	-	-	(0.01)	56.70	56.70	-	27.64	(0.01)	-	(0.01)	-	100%
68	Jamnagar Transmissoin Limited ⁶	2024-25	INR	0.01	-	-	(0.01)	19.69	19.68	-	19.66	(0.01)	-	(0.01)	-	100%
69	Progressive Grid Networks Limited	2024-25	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
70	Pune III Transmission Limited ²	2024-25	INR	0.01	-	-	(0.01)	45.94	45.93	-	19.55	(0.01)	-	(0.01)	-	100%
71	Adani Energy Solutions Global Limited	2024-25	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%
72	Adani Energy Solutions Step-Ten Limited	2024-25	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
73	Adani Energy Solutions Step-Eleven Limited	2024-25	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
74	Superheights Infraspace Private Limited ¹	2024-25	INR	0.01	-	-	(0.01)	34.95	34.95	-	-	(0.01)	-	(0.01)	-	74.90%
75	Rajasthan Part I Power Transmission Limited ⁶	2024-25	INR	0.05	-	-	(0.68)	18.87	19.49	-	18.82	(0.01)	-	(0.01)	-	100%
76	Mundra I Transmission Limited ²	2024-25	INR	0.01	-	-	(0.00)	18.50	18.49	-	18.49	(0.00)	-	(0.00)	-	100%
77	Mahan Transmission Limited ²	2024-25	INR	0.05	-	-	(0.01)	4.77	4.73	-	4.72	(0.01)	-	(0.01)	-	100%

1. Reserves & Surplus includes Other Comprehensive Income

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

2. Date of Acquisition by the company:

Pointleap Projects Private Limited - May 3, 2024

Adani Energy Solutions Mahan Limited (Formerly known as Essar Transco Limited) - May 15, 2024

Gopalaya Build Estate Private Limited - June 11, 2024

Khavda IVA Power Transmission Limited - August 30, 2024

Navinal Transmission Limited - October 14, 2024

Jamnagar Transmission Limited - October 14, 2024

Pune-III Transmission Limited - November 19, 2024

Rajasthan Part I Power Transmission Limited - January 20, 2025

Superheights Infraspaces Private Limited - February 12, 2025

Mundra I Transmission Limited - March 20, 2025

Mahan Transmission Limited - March 26, 2025

3. North Maharashtra Power Limited, company incorporated on August 2, 2024, ceases to be a subsidiary of the Company from September 28, 2024.
4. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPL.
5. Adani Transmission Bikaner Sikar Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPL.
6. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
7. During the previous year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the previous year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.
8. In respect of entities acquired (refer note 2 above); the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year, whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

9. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	North Karanpura Transco Limited*
2	Adani Electricity Mumbai Infra Limited
3	WRSR Power Transmission Limited
4	Khavda II-A Transmission Limited
5	KPS1 Transmission Limited
6	Sangod Transmission Service Limited
7	Halvad Transmission Limited
8	Khavda IVA Power Transmission Limited
9	Navinal Transmission Limited
10	Jamnagar Transmissoin Limited
11	Pune III Transmission Limited
12	Rajasthan Part I Power Transmission Limited
13	Mundra I Transmission Limited
14	Mahan Transmission Limited
15	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)
16	Adani Energy Solutions Limited**
17	BEST Smart Metering Limited**
18	Adani Transmission Step-Six Limited**
19	Adani Transmission Step-Seven Limited**
20	Adani Transmission Step-Eigh Limited#
21	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)**

* Part Capacity Commissioned;

#Smart Metering Business

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

ANIL SARDANA

Managing Director

DIN: 00006867

KANDARP PATEL

Chief Executive Officer

KUNJAL MEHTA

Chief Financial Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 24, 2025

Independent Auditor's Report

**To the Members of Adani Energy Solutions Limited
(formerly known as Adani Transmission Limited)**

**Report on the Audit of the Consolidated Financial
Statements**

Qualified Opinion

1. We have audited the accompanying consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at 31 March, 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a material accounting policy information and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March, 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As stated in note 64 to the accompanying consolidated financial statements, a Short Seller Report was published during the previous year in which certain allegations were made on certain Adani

Group Companies, including the Holding Company and its subsidiaries. The management based on internal evaluation and an independent assessment from an external law firm has represented that the Holding Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations and therefore these consolidated financial statements do not warrant any adjustment in this regard. However, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India and based on our review of related documents, we are unable to comment on the possible adjustments and /or disclosures, if any, that may be required in the accompanying consolidated financial statements in respect of the above matter.

The audit report dated 29 May, 2023 issued by the predecessor auditor on the consolidated financial statements of the Group for the year ended 31 March, 2023 was also qualified in respect of the this matter.

4. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, were of most significance in our audit of the consolidated financial statements of the current

period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. In addition to the matter described in the Basis for Qualified Opinion, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Accrual of regulatory deferral income / expense and corresponding assets / liability. Refer note 3(o) in material accounting policy information and note 54 in notes forming part of consolidated financial statements. The Group recognises regulatory deferral income / expense and corresponding asset / liability basis its understanding and interpretation of regulatory provisions applicable to the distribution business of the Group as per the Electricity Act, 2003 and regulations framed thereunder by the respective State Electricity Regulatory Commission (the 'tariff regulations'), for the difference between entitled return as per tariff regulations (i.e., allowable cost plus return on equity) and revenue collected basis tariff rates approved by the regulator in provisional tariff orders, which are subject to true-ups in the future tariff orders. Significant judgments and assumptions including interpretation of the tariff regulations, past tariff orders, judicial pronouncements etc., are involved in recognition and assessment of recoverability of such regulatory deferral balances. The Group has recognised net regulatory deferral assets of ₹ 1,517.53 crores as at 31 March, 2024 (including expense of ₹ 460.01 crores for the year recognised in statement of profit and loss and income of ₹ 13.71 crores recognised in other comprehensive income). Considering the materiality of the amounts involved, complexity and significant judgement and assumptions involved as mentioned above, accrual of regulatory deferral income / expense and corresponding assets / liability has been considered as key audit matter for the current year audit.	Our audit procedures in relation to accrual of regulatory deferral income / expense and corresponding assets / liability included but were not limited to the following: - Obtained an understanding of the management process and evaluated the design and tested the operating effectiveness of key internal financial controls over accrual of regulatory deferrals; - Evaluated the Group's accounting policies with respect to accrual for regulatory deferrals and assessed its compliance with the requirements of Ind AS 114 'Regulatory Deferral Accounts' - Reviewed management's evaluation of recognition of regulatory deferral account balance including key assumptions and estimates used in such evaluation and corroborated them with the understanding obtained on prevailing tariff regulations, past tariff orders and underlying records and verified the arithmetical accuracy and reasonableness of such workings; and - Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable Indian Accounting Standards.

Key audit matter	How our audit addressed the key audit matter
Impairment assessment of Transmission Cash Generating Unit (TCGU) Refer note 3(b) in material accounting policy information and note 55(i) in notes forming part of the consolidated financial statements. The Group's TCGU includes a transmission license having an indefinite life with a carrying value of ₹ 981.62 crores as at 31 March, 2024. In accordance with the requirements of Ind AS 36 'Impairment of Assets', the Group has performed an annual impairment test of aforesaid transmission license, by determining the recoverable value of the TCGU to which the transmission license pertains, using discounted cash flow method with the help of external valuation experts. The determination of the recoverable value of TCGU requires management to make significant estimates and assumptions in forecasting the future cash flow projections including projected capital expenditure which is subject to regulatory approvals, the estimated useful life of the transmission license and the discount rates. Considering the significance of the carrying amount of TCGU and auditing management judgements and estimates as mentioned above involves high degree of subjectivity and requires significant auditor judgement, impairment assessment of TCGU has been considered as a key audit matter for the current year audit.	Our audit procedures in relation to impairment assessment of TCGU included but were not limited to the following: - Obtained an understanding of the management's impairment assessment process and reviewed management's assessment of useful life of transmission license. - Evaluated the design and tested the operating effectiveness of the key internal financial controls relating to the impairment assessment for TCGU; - Assessed the professional competence and objectivity of the management's valuation expert and obtained their valuation report on determination of recoverable value of the TCGU; - Traced the cash flow projections provided by management to approved business plans and tested the arithmetical accuracy of such projections; - Involved auditor's experts to assist in evaluating the appropriateness of the valuation methodology and reasonableness of the assumptions used by the management's expert to calculate the recoverable value of TCGU; - Performed sensitivity analysis on the key assumptions to determine estimation uncertainty involved and ascertain the sufficiency of headroom available; and - Evaluated the appropriateness and adequacy of the disclosure made in the consolidated financial statements, in accordance with the applicable Indian Accounting Standards.
Valuation of derivative financial instruments and hedge accounting Refer note 3(e) and 48 for material accounting policy information and explanatory note, respectively, in relation to derivative financial instruments and hedge accounting. In line with Group's risk management policy, the Group had purchased various derivative financial instruments to hedge its foreign currency risks in relation to the long-term foreign currency debt. The Management has designated these derivative financial instruments and the aforesaid debt at initial recognition as cash flow hedge relationship as per Ind AS 109, Financial Instruments.	Our audit procedures in relation to valuation of derivative financial instruments and hedge accounting included, but were not limited to the following: - Evaluated design and tested operating effectiveness of the key internal financial controls over the determination of a hedge, adequacy of hedge documentation, evaluation of the hedge effectiveness, valuation of derivative financial instruments and related hedge accounting; - Obtained an understanding of management's process and the risk management policies of the Group in respect of derivative transactions; - Engaged auditor's valuation experts to assist in evaluation of hedge effectiveness documentation and re-performing the year-end fair valuations of such derivative financial instruments;

Key audit matter	How our audit addressed the key audit matter
The valuation of hedging instrument is complex and necessitates a sophisticated system to record and track each contract and calculate the related valuations at each financial reporting date. Such valuation of hedging instruments and assessment of hedge effectiveness involves significant assumptions and judgements such as discount rates, forward exchange rates and future interbank rates. In view of material impact on the Group's consolidated financial statements and significant assumptions, judgements and complexity involved as mentioned above, we have determined valuation of derivative financial instruments and hedge accounting as a key audit matter for the current year audit.	d. Verified the completeness of hedging contracts by tracing from independent confirmations obtained from respective banks; e. Considered the consistent application of accounting policy in respect to derivative financial instruments and hedge accounting and ensured the same is in accordance with the requirements of Ind AS 109; and f. Evaluated the appropriateness and adequacy of the related disclosures in the consolidated financial statements in accordance with the applicable financial reporting framework.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. As described in the Basis for Qualified Opinion section above, pending adjudications / outcome of the investigations by the Securities and Exchange Board of India, as described in note 64 to the consolidated financial statements, we are unable to comment on possible consequential adjustments and/or disclosures, if any, that may be required in the consolidated financial statements. Accordingly, we are unable to conclude whether or not the other information is materially misstated with respect to this matter.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The Holding Company's Board of Directors are also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of consolidated Ind AS financial statements. Further, in terms of the provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and

completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view 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 consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those respective Board of Directors and those charged with governance are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.
12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such

other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

16. We did not audit the financial statements of 55 subsidiaries, whose financial statements reflect total assets of ₹ 26,935.37 crores as at 31 March, 2024, total revenues of ₹ 4,011.22 crores and net cash inflows amounting to ₹ 349.58 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of section 143 of the Act in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ nil as at 31 March, 2024, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date, as considered in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the financial statements certified by the management.

18. The consolidated financial statements of the Group for the year ended 31 March, 2023 were audited by the predecessor auditor, Deloitte Haskins & Sells LLP, who have expressed a qualified opinion on those consolidated financial statements vide their audit report dated 29 May, 2023.

Report on Other Legal and Regulatory Requirements

19. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16 on separate financial statements of the subsidiaries, we report that the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
20. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements for the year ended 31 March, 2024 and covered under the Act we report that:

- A. Following are the qualifications/adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March, 2024 for which such Order reports have been issued till date and made available to us:

S No	Name	CIN	Holding Company / subsidiary	Clause number of the CARO report which is qualified or adverse
1	Adani Energy Solutions Limited	L40300GJ2013PLC077803	Holding Company	(xi)(a)
2	Adani Electricity Mumbai Limited	U74999GJ2008PLC107256	Subsidiary	(vi), (xi)(a), (xiii)

- B. Following are the companies included in the consolidated financial statements for the year ended 31 March, 2024 audited by other auditors, for which the reports under section 143(11) of such companies have not yet been issued by the respective other auditors, as per information and explanation given to us by the management in this respect:

S No	Name	CIN	Subsidiary
1	Adani Energy Solutions Step-Thirteen Limited	U27104GJ2024PLC148633	Subsidiary

21. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, we report, to the extent applicable, that:
- a) We have sought and except for the matters described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors, except for the possible effects of the matter described in the Basis for Qualified Opinion section and except for the matters stated in paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).;
- c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion section, in our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;
- e) The matter described in the Basis for Qualified Opinion section, in our opinion, may have an adverse effect on the functioning of the Holding Company and Adani Electricity Mumbai Limited, a subsidiary of the Holding Company respectively;
- f) On the basis of the written representations received from the directors of the Holding Company, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies, are disqualified as on 31 March, 2024 from being appointed as a director in terms of section 164(2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in the Basis for Qualified Opinion section and paragraph 21(b) above on reporting under section 143(3)(b) of the Act and paragraph 21(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiary companies covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B' wherein we have expressed a modified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations

given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiaries incorporated in India whose financial statements have been audited under the Act:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group as detailed in Note 42(i), 42(iv) to the consolidated financial statements;
- ii. Provision has been made in these consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts, as detailed in note 45 to the consolidated financial statements;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies covered under the Act, during the year ended 31 March, 2024;
- iv. a. The respective managements of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in note 66(i) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The respective managements of the Holding Company and its subsidiary companies, incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 66(i), 66(ii) and 66(iii)

to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiaries, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- v. The interim dividend paid by one of the subsidiary companies during the year ended 31 March, 2024 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.
- vi. Based on our examination which included test checks, the Group, in respect of financial year commencing on 1 April, 2023, has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature was not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes, as described in note 65 to the consolidated financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

For Walker Chandiok & Co LLP
Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner

Place: Gurugram

Membership No.: 99514

Date: 30 April, 2024

UDIN: 24099514BKCMUR4399

Annexure A to Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024

List of entities included in the consolidated financial statements -

S. No.	Name of entities
A	Holding Company
1	Adani Energy Solutions Limited (formerly known as Adani Transmission Limited)
B	Subsidiaries
1	Maharashtra Eastern Grid Power Transmission Company Limited (step-down subsidiary)
2	Adani Transmission (India) Limited (step-down subsidiary)
3	Sipat Transmission Limited
4	Raipur-Rajnandgaon-Warora Transmission Limited
5	Chhattisgarh-WR Transmission Limited
6	Adani Transmission (Rajasthan) Limited
7	North Karanpura Transco Limited
8	Maru Transmission Service Company Limited
9	Aravali Transmission Service Company Limited
10	Fatehgarh-Bhadla Transmission Limited
11	Ghatampur Transmission Limited
12	Hadoti Power Transmission Service Limited
13	Barmer Power Transmission Service Limited
14	Thar Power Transmission Service Limited
15	Western Transco Power Limited
16	Western Transmission (Gujarat) Limited
17	Obra-C Badaun Transmission Limited
18	Adani Transmission Bikaner Sikar Private Limited
19	Bikaner-Khetri Transmission Limited
20	WRSS XXI (A) Transco Limited
21	Lakadia Banaskantha Transco Limited
22	Jam Khambaliya Transco Limited
23	Arasan Infra Limited (formerly known as Arasan Infra Private Limited)
24	Sunrays Infra Space Limited (formerly known as Sunrays Infra Space Private Limited)
25	Kharghar Vikhroli Transmission Limited
26	Alipurduar Transmission Limited
27	Adani Transmission Step-One Limited
28	Warora Kurnool Transmission Limited
29	MP Power Transmission Package-II Limited
30	ATL HVDC Limited
31	MPSEZ Utilities Limited
32	Karur Transmission Limited
33	Khavda-Bhuj Transmission Limited
34	Power Distribution Services Limited
35	Adani Electricity Mumbai Limited
36	Adani Electricity Navi Mumbai Limited (formerly known as AEML Infrastructure Limited)
37	Adani Electricity Mumbai Infra Limited (Step-down subsidiary)
38	AEML Seepz Limited (Step-down subsidiary)
39	Adani Electricity Jewar Limited (w.e.f. September 12, 2022)

Annexure A to Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024 (Contd...)

S. No.	Name of entities
40	Adani Transmission Mahan Limited (Step-down subsidiary) (w.e.f. September 05, 2022)
41	Adani Transmission Step-Two Limited (w.e.f. August 02, 2022)
42	BEST Smart Metering Limited (w.e.f. December 27, 2022)
43	Adani Cooling Solutions Limited (w.e.f. December 12, 2022)
44	WRSR Power Transmission Limited (w.e.f. January 17, 2023)
45	Adani Transmission Step-Three Limited (w.e.f. January 12, 2023)
46	Adani Transmission Step-Four Limited (w.e.f. January 12, 2023)
47	Adani Transmission Step-Five Limited (w.e.f. January 11, 2023)
48	Adani Transmission Step-Six Limited (w.e.f. January 13, 2023)
49	Adani Transmission Step-Seven Limited (w.e.f. January 12, 2023)
50	Adani Transmission Step-Eight Limited (w.e.f. January 12, 2023)
51	NE Smart Metering Limited (formerly known as Adani Transmission Step-Nine Limited (w.e.f. January 16, 2023))
52	Adani Electricity Aurangabad Limited (w.e.f. March 15, 2023)
53	Adani Electricity Nashik Limited (w.e.f. March 16, 2023)
54	Khavda II-A Transmission Limited (w.e.f. March 28, 2023)
55	Adani Green Energy Thirty Limited (Step-down subsidiary) (w.e.f. March 31, 2023)
56	KPS 1 Transmission Limited (w.e.f. August 16, 2023)
57	Halvad Transmission Limited (w.e.f. December 26, 2023)
58	Sangod Transmission Service Limited (w.e.f. October 6, 2023)
59	Sunrays Infra Space Two Limited (w.e.f. January 19, 2024)
60	Arasan Infra Two Limited (w.e.f. January 20, 2024)
61	Adani Energy Solutions Step-Twelve Limited (w.e.f. January 25, 2024)
62	Adani Energy Solutions Step-Thirteen Limited (w.e.f. February 13, 2024)
C	Partnership Firm
1	Adani-LCC JV

Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March, 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to the financial statements criteria established by the respective companies considering the essential component of Internal Control stated in Guidance note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and

its subsidiary companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. Except for the matter described in the basis for Qualified Section, we believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024 (Contd...)

purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

7. Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

8. According to the information and explanation given to us and based on our audit, pending adjudication/ outcome of the investigations by the Securities and Exchange Board of India as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, and the consequential impact it may have on the Group's processes and internal controls including related party transactions and compliance with applicable laws and regulations, to that extent we are unable to comment on whether there is any

material weakness in the Group's internal controls as at 31 March, 2024.

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the Holding company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Holding Company and its subsidiary companies which are companies covered under the Act, have, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March, 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated financial statements of the Group as at and for the year ended 31 March, 2024, and we have issued a qualified opinion on the said consolidated financial statements of the Group.

Other Matter

12. We did not audit the internal financial controls with reference to financial statements in so far as it relates to 55 subsidiary companies, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 26,935.37 crores and net assets of ₹ 3,549.48 crores as at 31 March, 2024, total revenues of ₹ 4,011.22 crores and net cash inflows amounting to ₹ 349.58 crores for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary

Annexure B to the Independent Auditor's Report of even date to the members of Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) on the consolidated financial statements for the year ended 31 March, 2024 (Contd...)

companies have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

13. We did not audit the internal financial controls with reference to financial statements in so far as it relates to one subsidiary, which are companies covered under the Act, whose financial statements reflect total assets of ₹ nil and net assets of ₹ nil as at 31 March, 2024, total revenues of ₹ nil and net cash inflows amounting to ₹ nil for the year ended on that date. The internal financial controls with reference to financial statements of these subsidiary companies, which are companies covered under the Act, are unaudited and our opinion under Section 143(3)(i) of the Act on adequacy and operating effectiveness

of the internal financial controls with reference to financial statements in so far as it relates to the aforesaid subsidiary, which are companies covered under the Act, is solely based on the corresponding internal financial controls with reference to financial statements reports certified by the management of such company. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group. Our opinion is not modified in respect of the above matter with respect to our reliance on the internal financial controls with reference to financial statements reports certified by the management.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm's Registration No.: 001076N/N500013

Neeraj Goel

Partner

Place: Gurugram

Membership No.: 99514

Date: 30 April, 2024

UDIN: 24099514BKCMUR4399

Consolidated Balance Sheet

as at March 31, 2024

		(₹ in crore)	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Non-current Assets			
Property, Plant and Equipment	5.1	36,436.74	30,295.28
Right of Use Assets	5.2	783.11	652.22
Capital Work-In-Progress	5.3	3,002.69	6,200.44
Goodwill	55(ii)	598.29	598.29
Intangible Assets	5.1	1,101.60	1,099.35
Financial Assets			
(i) Investments	6	323.79	312.89
(ii) Loans	7	22.51	26.10
(iii) Other Financial Assets	8	3,841.12	3,974.70
Deferred Tax Assets (Net)	28	40.43	-
Income Tax Assets (Net)	9	57.55	60.78
Other Non-current Assets	10	2,752.86	1,804.84
Total Non-current Assets		48,960.69	45,024.89
Current Assets			
Inventories	11	255.28	151.91
Financial Assets			
(i) Investments	12	442.69	1,056.79
(ii) Trade Receivables	13	1,564.95	1,437.59
(iii) Cash and Cash Equivalents	14	742.06	190.64
(iv) Bank Balances other than (iii) above	15	1,486.08	1,513.50
(v) Loans	16	407.78	477.20
(vi) Other Financial Assets	17	2,360.77	1,906.39
Other Current Assets	18	787.15	209.01
Total Current Assets		8,046.76	6,943.03
Total Assets before Regulatory Deferral Account		57,007.45	51,967.92
Regulatory Deferral Account - Assets	54	1,571.36	1,963.83
Total Assets		58,578.81	53,931.75
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	19	1,115.49	1,115.49
Other Equity	21	11,526.06	10,633.68
Total Equity attributable to Equity Owners of the Company		12,641.55	11,749.17
Non-Controlling Interests		1,061.58	1,126.60
Total Equity		13,703.13	12,875.77
Liabilities			
Non-current Liabilities			
Financial Liabilities			
(i) Borrowings	22	33,559.62	31,330.39
(ia) Lease Liabilities	23	45.49	51.69
(ii) Trade Payables	24		
(A) total outstanding dues of micro enterprises and small enterprises;		-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		37.39	32.76
(iii) Other Financial Liabilities	25	513.12	338.84
Other Non-Current Liabilities	26	420.37	332.96
Provisions	27	630.23	527.73
Deferred Tax Liabilities (Net)	28	1,652.78	1,424.32
Total Non-current Liabilities		36,859.00	34,038.69
Current Liabilities			
Financial Liabilities			
(i) Borrowings	29	3,449.25	2,868.45
(ia) Lease Liabilities	23	15.29	19.50
(ii) Trade Payables	30		
(A) Total outstanding dues of micro enterprises and small enterprises;		50.92	46.43
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,671.19	1,754.00
(iii) Other Financial Liabilities	31	2,043.83	1,837.82
Other Current Liabilities	32	630.68	363.79
Provisions	27	98.51	119.29
Current Tax Liabilities (Net)	33	3.18	8.01
Total Current Liabilities		7,962.85	7,017.29
Total Liabilities before Regulatory Deferral Account		44,821.85	41,055.98
Regulatory Deferral Account-Liabilities	54	53.83	-
Total Equity and Liabilities		58,578.81	53,931.75
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

KANDARP PATEL

Chief Executive Officer

JALADHI SHUKLA

Company Secretary

ANIL SARDANA

Managing Director

DIN: 00006867

KUNJAL MEHTA

Chief Financial Officer

Place : Gurugram

Date : April 30, 2024

Place : Ahmedabad

Date : April 30, 2024

Consolidated Statement of Profit and Loss

for the year ended March 31, 2024

		₹ in crore	
Particulars	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
Income			
Revenue from Operations	34	16,607.36	13,292.72
Other Income	35	610.95	547.74
Total Income		17,218.31	13,840.46
Expenses			
Cost of Power Purchased		4,340.30	3,839.98
Cost of Fuel		1,119.09	1,384.18
Purchases of Stock-in-Trade	36	1,028.95	755.13
Employee Benefits Expense	37	951.70	986.65
Finance Costs	38	2,766.51	2,781.47
Depreciation and Amortisation Expense	5.4	1,776.08	1,607.74
Other Expenses	39	2,996.11	1,809.17
Total Expenses		14,978.74	13,164.32
Profit Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the year		2,239.57	676.14
Net movement in Regulatory Deferral Account Balances - Income/(Expenses)	54	(460.01)	1,035.58
Profit Before Tax and Deferred Assets recoverable/adjustable for the year		1,779.56	1,711.72
Tax Expense:	40		
Current Tax		298.60	260.94
Deferred Tax		281.53	174.39
Total Tax expenses		580.13	435.33
Profit After Tax for the year but before Deferred Assets recoverable/adjustable		1,199.43	1,276.39
Deferred assets recoverable/adjustable		(3.82)	4.21
Profit After Tax for the year		1,195.61	1,280.60
Other Comprehensive Income/(Loss)			
(a) Items that will not be reclassified to profit or loss			
- Remeasurement gain / (loss) of Defined Benefit Plan		(14.76)	47.53
- Movement in Regulatory Deferral Balance		13.99	(47.94)
- Tax relating to items that will not be reclassified to Profit or Loss		0.01	(8.36)
(b) Items that will be reclassified to profit or loss			
- Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		(375.33)	(341.59)
- Tax relating to items that will be reclassified to Profit or Loss (Refer Note 61)		93.62	71.64
Other Comprehensive Income/ (Loss) for the year (Net of Tax)		(282.47)	(278.72)
Total Comprehensive Income for the year		913.14	1,001.88
Profit for the year attributable to:			
Owners of the Company		1,137.28	1,256.33
Non-controlling interests		58.33	24.27
		1,195.61	1,280.60
Other Comprehensive Income / (Loss) for the year attributable to:			
Owners of the Company		(246.65)	(265.91)
Non-controlling interests		(35.82)	(12.81)
		(282.47)	(278.72)
Total Comprehensive Income for the year attributable to:			
Owners of the Company		890.63	990.42
Non-controlling interests		22.51	11.46
		913.14	1,001.88
Earnings Per Share (EPS) (in ₹)	41		
(Face Value ₹ 10 Per Share)			
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after Net movement in Regulatory Deferral Account Balances (₹)		10.20	11.10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before Net movement in Regulatory Deferral Account Balances (₹)		12.87	5.35
Summary of material accounting policy information	3		
See accompanying notes forming part of the consolidated financial statements			

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration no. 001076N/N500013

NEERAJ GOEL
Partner
Membership No. 99514

For and on behalf of the Board of Directors
ADANI ENERGY SOLUTIONS LIMITED
(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI
Chairman
DIN: 00006273

KANDARP PATEL
Chief Executive Officer

JALADHI SHUKLA
Company Secretary

ANIL SARDANA
Managing Director
DIN: 00006867

KUNJAL MEHTA
Chief Financial Officer

Place : Gurugram
Date : April 30, 2024

Place : Ahmedabad
Date : April 30, 2024

Statement of Consolidated Cash Flows

for the year ended March 31, 2024

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
A. Cash flows from operating activities		
Profit before tax	1,779.56	1,711.72
Adjustments for:		
Depreciation and Amortisation Expense	1,776.08	1,607.74
Amortisation of Service Line Contribution	(17.46)	(15.03)
Gain on Sale/Fair Value of Current Investments measured at FVTPL	(43.10)	(21.24)
Finance Costs	2,766.51	2,781.47
Interest Income	(386.62)	(494.77)
Gain on buy-back of bond	(136.49)	-
Unclaimed liabilities / Excess provision written back	(8.39)	(0.51)
Bad Debt Written Off	17.09	15.21
Provision for Doubtful Debts, Advances, Deposits	-	18.58
Sundry creditors written back	-	(2.44)
(Gain) / Loss on sale/scrapping of Property, Plant and Equipment	(3.73)	0.20
Foreign Exchange Fluctuation Loss	0.40	0.46
Operating profit before working capital changes	5,743.85	5,601.39
Changes in Working Capital:		
(Increase) / Decrease in Operating Assets :		
Inventories	(103.37)	98.20
Trade Receivables	(144.45)	(394.95)
Other Financial Assets and Other Assets	38.53	(495.57)
Regulatory Deferral Account - Assets	392.47	(839.81)
Increase / (Decrease) in Operating Liabilities :		
Trade Payables	(59.33)	219.55
Other Financial Liabilities, Other Liabilities and Provisions	416.17	105.30
Regulatory Deferral Account - Liabilities	53.83	(271.56)
Cash generated from operations	6,337.70	4,022.55
Income taxes paid (Net)	(300.08)	(245.56)
Net cash generated from operating activities (A)	6,037.62	3,776.99
B. Cash flows from investing activities		
Purchase of Property, Plant and Equipment (including capital advance and contract assets under Service Concession Arrangement)	(5,429.54)	(4,702.21)
Acquisition of Subsidiaries	(34.79)	(36.75)
Advance for Acquisition of SPV	-	(6.35)
Proceeds/(Purchase) of Investments (Contingency Reserve) (net)	(16.10)	(48.67)
Proceeds/(Purchase) of current investment (net)	682.85	(726.02)
Deposits in Bank deposits (net) (Including Margin money deposit)	(494.39)	(279.11)
Non-current Loans Given	-	(2,003.76)
Non-current Loans received back	-	3,106.20
Current Loan (Given to) / Received back (net)	3.83	(469.39)
Interest Received	345.11	467.35
Net cash flows used in investing activities (B)	(4,943.03)	(4,698.71)

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C. Cash flows from financing activities		
Increase in Service Line Contribution	107.21	59.52
Proceeds from issuance of Share Capital including share premium	-	3,850.00
Proceeds from Long-term borrowings	5,458.95	5,169.59
Repayment of Long-term borrowings	(3,277.27)	(3,573.23)
Proceeds/(repayment) from Short-term borrowings (net)	361.25	731.20
Gain on buy-back of bond	136.49	-
Payment of Dividend on Equity Shares	(85.78)	-
Repayment of Unsecured Perpetual Equity Instrument (including distribution)	-	(3,075.49)
Finance Cost paid	(3,221.95)	(2,212.50)
Payment of Lease Liabilities (including interest paid on lease liabilities CY : ₹ 7.73 Cr [PY : ₹ 9.41 Cr])	(22.14)	(25.87)
Net cash generated from / (used in) financing activities (C)	(543.24)	923.22
Net increase in cash and cash equivalents (A+B+C)	551.35	1.50
Cash and cash equivalents at the beginning of the year	190.64	189.05
Cash and cash equivalents acquired on acquisition of transmission business	0.07	0.09
Cash and cash equivalents at the end of the year	742.06	190.64

(₹ in crore)

Cash and cash equivalents includes - (Refer note 14)	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	225.15	152.55
Fixed Deposits (with original maturity for three months or less)	501.35	23.53
Cheque / Draft on Hand	14.18	14.13
Cash on Hand	1.38	0.43
Total Cash and Cash Equivalents	742.06	190.64

Notes to Statement of Consolidated Cash Flows:

- The Statement of Consolidated Cash Flows has been prepared under the Indirect method as set out in Ind AS 7 "Statement of Cash Flows"
- Disclosure under Para 44A as set out in Ind AS 7 on Statement of Cash Flows under Companies (Indian Accounting Standards) Rules, 2017 (as amended) is given below:

(₹ in crore)

Particulars	April 1, 2023	Cash Flows (net)	Non-cash transactions	March 31, 2024
Long-term Borrowings (Including Current Maturities of Long Term Debt)#	32,012.22	2,181.68	267.10	34,461.00
Short term Borrowings	2,186.62	361.25	-	2,547.87
Lease Liabilities	71.19	(22.14)	11.73	60.78
Interest Accrued	272.66	(3,221.95)	3,240.28	290.99
TOTAL	34,542.69	(701.16)	3,519.11	37,360.64

Statement of Consolidated Cash Flows (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Particulars	April 1, 2022	Cash Flows (net)	Non-cash transactions	March 31, 2023
Long-term Borrowings (Including Current Maturities of Long Term Debt)*	28,359.16	1,596.36	2,056.70	32,012.22
Short term Borrowings	1,455.42	731.20	-	2,186.62
Unsecured perpetual Equity Instrument including Distribution*	3,055.65	(3,075.49)	19.84	-
Lease Liabilities	87.21	(25.87)	9.85	71.19
Interest Accrued	212.03	(2,212.50)	2,273.13	272.66
TOTAL	33,169.47	(2,986.30)	4,359.52	34,542.69

*Non cash transactions includes Distribution on perpetual Equity Instrument.

*Non cash transactions includes Balances taken over on acquisition of Subsidiaries, Interest accrued converted to loan, Unrealised foreign exchange gain/loss and amortised cost of borrowings.

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For Walker Chandiok & Co LLP
Chartered Accountants
Firm Registration no. 001076N/N500013

NEERAJ GOEL
Partner
Membership No. 99514

Place : Gurugram
Date : April 30, 2024

For and on behalf of the Board of Directors
ADANI ENERGY SOLUTIONS LIMITED
(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI
Chairman
DIN: 00006273
KANDARP PATEL
Chief Executive Officer

ANIL SARDANA
Managing Director
DIN: 00006867
KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Ahmedabad
Date : April 30, 2024

Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

Particulars	No. of Shares	(₹ in crore)
Balance as at April 1, 2022	1,09,98,10,083	1,099.81
Issue of shares during the year	1,56,82,600	15.68
Balance as at March 31, 2023	1,11,54,92,683	1,115.49
Issue of shares during the year	-	-
Balance as at March 31, 2024	1,11,54,92,683	1,115.49

B. Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)
Balance as at April 1, 2022	3,055.65
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	19.81
iii) Less: Repaid during the year	(3,075.46)
Balance as at March 31, 2023	-
i) Add: Availed during the year	-
ii) Add: Distribution on Unsecured Perpetual Equity Instrument	-
iii) Less: Repaid during the year	-
Balance as at March 31, 2024	-

Consolidated Statement of Changes in Equity (Contd...)

for the year ended March 31, 2024

C. Other Equity

(₹ in crore)

Attributable to owners of the Company												
Particulars	Reserves and Surplus								Item of other comprehensive income	Total Attributable to owners of the Company	Non - controlling interest	Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debt Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium				
	Balance as at April 1, 2022	208.87	1,201.95	1,955.18	2,436.53	11.15	18.65	334.89	-	(409.86)		
Impact on account of restatement (Refer Note 61)	-	-	-	-	-	-	-	-	69.56	69.56	23.31	92.87
Profit for the year	-	-	1,256.33	-	-	-	-	-	-	1,256.33	24.27	1,280.60
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(6.67)	-	-	-	-	-	(259.24)	(265.91)	(12.81)	(278.72)
Total Comprehensive Income	-	-	1,249.66	-	-	-	-	-	(259.24)	990.42	11.46	1,001.88
(Less): Distribution on Unsecured perpetual Equity Instrument	-	-	(19.83)	-	-	-	-	-	-	(19.83)	-	(19.83)
Add/ (Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.74)	-	-	-	23.59	-	-	1.85	(1.85)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(25.01)	-	-	-	25.01	-	-	-	-	-	-
Add /(Less): Addition on account of issue of shares during the year	-	-	-	-	-	-	-	3,834.32	-	3,834.32	-	3,834.32
Add / (Less): Transfer from Retained Earning to Debt Redemption Reserve	-	-	(13.89)	-	13.89	-	-	-	-	-	-	-
Balance As at March 31, 2023	208.87	1,176.94	3,149.38	2,436.53	25.04	43.66	358.48	3,834.32	(599.54)	10,633.68	1,126.60	11,760.28

Consolidated Statement of Changes in Equity (Contd...)

for the year ended March 31, 2024

(₹ in crore)

Attributable to owners of the Company												
Particulars	Reserves and Surplus								Item of other comprehensive income	Total Attributable to owners of the Company	Non - controlling interest	Total
	Capital Reserve	General Reserve	Retained Earnings	Capital Redemption Reserve	Debture Redemption Reserve	Self Insurance Reserve	Contingency Reserve	Securities Premium				
Profit for the year	-	-	1,137.28	-	-	-	-	-	-	1,137.28	58.33	1,195.61
Add/(Less): Other comprehensive income for the year (Net of Tax)	-	-	(0.64)	-	-	-	-	-	(246.01)	(246.65)	(35.82)	(282.47)
Total Comprehensive Income	-	-	1,136.64	-	-	-	-	-	(246.01)	890.63	22.51	913.14
(Less): Dividend paid	-	-	-	-	-	-	-	-	-	-	(85.78)	(85.78)
Add/(Less): Transfer from Retained Earning to Contingency Reserve	-	-	(21.49)	-	-	-	23.24	-	-	1.75	(1.75)	-
Add /(Less): Appropriation to Self Insurance Reserve	-	(24.67)	-	-	-	24.67	-	-	-	-	-	-
Add/(Less): Transfer from Retained Earning to Debture Redemption Reserve	-	-	0.65	-	(0.65)	-	-	-	-	-	-	-
Balance As at March 31, 2024	208.87	1,152.27	4,265.18	2,436.53	24.39	68.33	381.72	3,834.32	(845.55)	11,526.06	1,061.58	12,587.64
See accompanying notes forming part of the consolidated financial statements												

See accompanying notes forming part of the consolidated financial statements

As per our report of even date attached
For Walker Chandok & Co LLP
Chartered Accountants
Firm Registration no. 001076N/N500013

NEERAJ GOEL
Partner
Membership No. 99514

For and on behalf of the Board of Directors
ADANI ENERGY SOLUTIONS LIMITED
(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI
Chairman
DIN: 00006273

ANIL SARDANA
Managing Director
DIN: 00006867

KANDARP PATEL
Chief Executive Officer

KUNJAL MEHTA
Chief Financial Officer

JALADHI SHUKLA
Company Secretary

Place : Gurugram
Date : April 30, 2024

Place : Ahmedabad
Date : April 30, 2024

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

1. Corporate information

Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited) ("The Company") is a public limited company incorporated and domiciled in India having CIN no L40300GJ2013PLC077803. It's ultimate holding entity is S. B. Adani Family Trust (SBFT), having its registered office at 'Adani Corporate House', Shantigram, Near Vaishno Devi Circle, S.G.Highway, Khodiyar, Ahmedabad - 382421, Gujarat, India. The principal business of the Company and its subsidiaries (together referred to as "the Group") includes :

Power Transmission Business :

The Group carries on the business of establishing, commissioning, setting up, operating and maintaining electric power transmission systems and to peruse acquisition of available opportunity in power transmission systems/networks. The Group develops, owns and operates transmission lines across the States of Gujarat, Rajasthan, Bihar, Jharkhand, Uttar Pradesh, Maharashtra, Haryana, Chhattisgarh, Madhya Pradesh, West Bengal, Andhra Pradesh, Telangana, Karnataka, and Tamil Nadu. The Group has also entered in to new business opportunities through Optical Ground Wire (OPGW) fibres on transmission lines with the ambition of expanding its telecom solutions to Telcos, Internet service providers and long distance communication operators. The commercialization of the network shall be done through leasing out spare capacities to potential communication players.

Generation, Transmission and Distribution of Power (GTD Business) :

The Group has entered in Generation and Distribution business in Mumbai through acquisition of Integrated Mumbai Power Business i.e. Business of Generation, Transmission and Distribution (GTD). Further the group also provides facility of distribution of electricity, effluent & sewage treatment in Mundra SEZ area, Kutchh, Gujarat.

Smart Metering Business :

The Group's Distribution Platform shall implement the Smart Metering Project on Design-Build-Finance- Own-Operate-Transfer (DBFOOT) basis. As a part of mandate won, Smart Meters and related Communication & Cloud infrastructure

will be installed over a period of 27-30 months and maintained for the following 90 months, approximately. The projects shall cover end to end Smart Metering for Distribution Infrastructure and End Consumers, enabling complete energy accounting with zero manual intervention.

Cooling Solutions:

The District Cooling System (DCS) produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling. District Cooling Business: a centralized, energy-efficient and low carbon cooling solution to drive sustainability in cooling sector.

Other Business Activities :

The Group also deals in various Bullions.

2.1 Basis of preparation and presentation

These consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

The Consolidated Financial Statements of the Group have been prepared in accordance with Indian Accounting Standards (IndAS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Companies Act, 2013 ("the Act") and presentation requirements of Division II of schedule III to the Companies Act, 2013 (as amended from time to time).

The Consolidated financial statements are presented in Indian Rupee (INR) and all values are rounded off to the nearest crore (Transactions below ₹ 50,000.00 denoted as ₹ 0.00), unless otherwise indicated.

2.2 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and subsidiaries as at March 31, 2024. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its

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power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other

than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- (a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries.
- (b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- (c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Notes to Consolidated Financial Statements

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Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The list of Companies included in consolidation, relationship with Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) and its shareholding therein is as under:

Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2024	Shareholding as on March 31, 2023
1	Adani Transmission (India) Limited	India	Subsidiary	100%	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	India	Subsidiary	100%	100%
3	Sipat Transmission Limited [#]	India	Subsidiary	100%	100%
4	Raipur-Rajnandgaon-Warora Transmission Limited [#]	India	Subsidiary	100%	100%
5	Chhattisgarh-WR Transmission Limited [#]	India	Subsidiary	100%	100%
6	Adani Transmission (Rajasthan) Limited [#]	India	Subsidiary	100% ¹	100% ¹
7	North Karanpura Transco Limited	India	Subsidiary	100%	100%
8	Maru Transmission Service Company Limited	India	Subsidiary	100%	100%
9	Aravali Transmission Service Company Limited	India	Subsidiary	100%	100%
10	Hadoti Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
11	Barmer Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
12	Thar Power Transmission Service Limited [#]	India	Subsidiary	100%	100%
13	Western Transco Power Limited	India	Subsidiary	100%	100%
14	Western Transmission (Gujarat) Limited	India	Subsidiary	100%	100%
15	Fatehgarh-Bhadla Transmission Limited	India	Subsidiary	100%	100%
16	Ghatampur Transmission Limited	India	Subsidiary	100%	100%
17	Adani Electricity Mumbai Limited	India	Subsidiary	74.90%	74.90%
18	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	India	Subsidiary	100%	100%
19	OBRA-C Badaun Transmission Limited	India	Subsidiary	100%	100%
20	Adani Transmission Bikaner Sikar Private Limited	India	Subsidiary	100% ²	100% ²
21	WRSS XXI (A) Transco Limited	India	Subsidiary	100%	100%
22	Bikaner Khetri Transmission Limited	India	Subsidiary	100%	100%
23	Lakadia banaskantha Transco Limited	India	Subsidiary	100%	100%
24	Jamkhambhaliya Transco Limited	India	Subsidiary	100%	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	India	Subsidiary	100%	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	India	Subsidiary	100%	100%
27	Power Distribution Services Limited	India	Subsidiary	74.90%	74.90%
28	Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%

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Sr. No.	Name of Company	Country of Incorporation	Relationship	Shareholding as on March 31, 2024	Shareholding as on March 31, 2023
29	Khar Ghar Vikhroli Transmission Limited (Formerly known as Khar Ghar Vikhroli Transmission Private Limited)	India	Subsidiary	100%	100%
30	Alipurduar Transmission Limited	India	Subsidiary	100% ³	100% ³
31	AEML Seepz Limited (100% subsidiary of AEML)	India	Subsidiary	74.90%	74.90%
32	Adani Transmission Step One Limited	India	Subsidiary	100%	100%
33	Warora Kurnool Transmission Limited	India	Subsidiary	100%	100%
34	ATL HVDC Limited	India	Subsidiary	100%	100%
35	MP Power Transmission Package-II Limited	India	Subsidiary	100%	100%
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	India	Subsidiary	100%	100%
37	Karur Transmission Limited	India	Subsidiary	100%	100%
38	Khavda-Bhuj Transmission Limited	India	Subsidiary	100%	100%
39	Adani Electricity Jewar Limited	India	Subsidiary	100%	100%
40	Adani Transmission Step-Two Limited	India	Subsidiary	100%	100%
41	Adani Transmission Mahan Limited	India	Subsidiary	100%	100%
42	BEST Smart Metering Limited	India	Subsidiary	100%	100%
43	Adani Cooling Solutions Limited	India	Subsidiary	100%	100%
44	WRSR Power Transmission Limited	India	Subsidiary	100%	100%
45	Adani Transmission Step-Three Limited	India	Subsidiary	100%	100%
46	Adani Transmission Step-Four Limited	India	Subsidiary	100%	100%
47	Adani Transmission Step-Five Limited	India	Subsidiary	100%	100%
48	Adani Transmission Step-Six Limited	India	Subsidiary	100%	100%
49	Adani Transmission Step-Seven Limited	India	Subsidiary	100%	100%
50	Adani Transmission Step-Eight Limited	India	Subsidiary	100%	100%
51	NE Smart Metering Limited (Formerly know as Adani Transmission Step-Nine Limited)	India	Subsidiary	100%	100%
52	Adani Electricity Aurangabad Limited	India	Subsidiary	100%	100%
53	Adani Electricity Nashik Limited	India	Subsidiary	100%	100%
54	Khavda II-A Transmission Limited	India	Subsidiary	100%	100%
55	Adani Green Energy Thirty Limited	India	Subsidiary	100%	100%
56	Adani-LCC JV	India	Partnership Firm	20%	20%
57	KPS 1 Transmission Limited	India	Subsidiary	49% ⁴	-
58	Sangod Transmission Service Limited	India	Subsidiary	100%	-
59	Halvad Transmission Limited	India	Subsidiary	100%	-
60	Sunrays Infra Space Two Limited	India	Subsidiary	100%	-
61	Arasan Infra Two Limited	India	Subsidiary	100%	-
62	Adani Energy Solutions Step-Twelve Limited	India	Subsidiary	100%	-
63	Adani Energy Solutions Step-Thirteen Limited	India	Subsidiary	100%	-

#USPP Group

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1. Adani Transmission (Rajasthan) Limited (ATRL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATRL (the "Golden Share") in favour of the RRVPNL.
2. Adani Transmission Bikaner Sikar Private Limited (ATBSPL) has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of ATBSPL (the "Golden Share") in favour of the RRVPNL.
3. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Limited (APTL) in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the previous year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
4. During the year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.

3. Material accounting policy information

(a) Property, Plant and Equipment

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.

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.

Depreciation :

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of electricity business of the Group covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission ('Regulator').

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. The Group, based on technical assessment made by technical expert and management estimate, depreciates certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Estimated useful life of Regulated and Non Regulated assets are as below :

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	10-35 Years
Plant and Equipment - Meters	10 Years
Plant and Equipment - Batteries	10 Years
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment	3-15 Years
Computer Equipment	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years
Plant and Equipment, Building at DTPS	15 Years

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.

Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL present the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

(b) Intangible assets

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

In respect of Intangible Asset ("Assets") pertaining to Mumbai Generation, Transmission and Distribution business during the year with effect from August 29, 2018, the group has accounted for such Assets at their respective fair values based on the valuation done by professional valuation firm. Subsequent additions to the assets after August 29, 2018 are accounted for at cost.

Useful life

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

Intangible Assets with indefinite lives are not amortised but are tested for impairment on annual basis. 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 and distribution License	Indefinite
Computer Software	3-6 years

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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.

(c) Current / Non-Current Classification

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

(d) Financial Instruments

All financial assets and liabilities are recognized at fair value on initial recognition except Trade Receivables which are measured at Transaction Cost. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities measured at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

(A) Financial assets

Initial Recognition and measurement :

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

Subsequent measurement :

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

i) Classification and measurement of financial assets

a) Financial assets at amortised cost

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

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

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

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- 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 Consolidated profit or loss. The net gain or loss recognised in Consolidated profit or loss incorporates any dividend or interest earned on the financial asset.

ii) Impairment of financial assets

The Group assesses at each date of balance sheet whether a financial asset or a Group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Group recognises lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount

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equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

iii) Derecognition of financial assets

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

- the right to receive cash flows from the asset have expired, or
- the Group has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its right to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

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

(B) Financial liabilities and equity instruments

i) Classification as debt or equity

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

ii) Financial liabilities

Initial recognition and measurement

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

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 Consolidated Statement of Profit and Loss when the liabilities are derecognised as well as through the effective interest rate (EIR) amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost. Similarly, interest bearing loans (inter corporate deposits), trade credits and borrowings (including

Notes to Consolidated Financial Statements

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bonds) are subsequently measured at amortised cost using effective interest rate method. Trade credits include Buyer's credit, Foreign Letter of Credit and Inland Letter of Credit.

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

iii) Derecognition of Financial Liability

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

(e) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

The Group uses derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price 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 OCI and later reclassified to the statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

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

The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its

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designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(f) Asset Acquisition

The Group acquires transmission SPVs' from third parties. The Purchase consideration primarily pertains to the fair value of the transmission assets. Transmission SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

(g) Goodwill

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in other comprehensive income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

(h) Foreign currencies

The functional currency of the Group is Indian Rupee ₹. In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency are recognised at the rate of exchange prevailing on the date of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated. Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- (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.

(i) 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

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its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

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

(j) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

• Power Transmission Services

a. Transmission Service Agreements

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term

Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by the Group with LTTCs for periods of 35/25 years. The Group is required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. The Group's performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by the Group's performance as the Group performs.

b. Bulk Power Transmission Agreements

The Company as per the prevalent tariff regulations is required to recover its Annual Revenue Requirement ('ARR') comprising of expenditure on account of operations and maintenance expenses, financing costs, taxes and assured return on regulator approved equity with additional incentive for operational efficiencies. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA's / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

c. Service Concession Arrangements

The group also has been operating and maintaining the power transmission system including sub-station constructed to provide services for a specified period of time in accordance with the transmission agreement entered into with the grantor. Under Appendix D to Ind AS 115, this arrangement is considered as Service Concession Arrangement and in accordance with para 16 of the Appendix D to Ind AS 115, rights to receive the consideration from the grantor for providing services has been recognised as "financial assets". Finance Income for Service Concession Arrangements under

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finance assets model is recognised using effective interest rate method.

d. Incentive Income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by the Group and differences, if any is accounted upon receipt of certification.

e. Revenue From Change in law

Revenue from operations on account of Force Majeure / change in law events in terms of TSA with customers is accounted for by the Company based on the orders / reports of Regulatory Authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

• Sale of Power-Distribution business :

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined rate as determined by the respective State Electricity Regulatory Commission. Sales of power under Deviation settlement mechanism is recognised at variable cost.

• 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.

• Sale of Goods :

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;

- The amount of revenue can be measured reliably; and

- it is probable that the economic benefits associated with the transaction will flow to the Group;

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

• Construction and Development of Infrastructure Assets :

The Group's business operations includes in construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, Revenue from contracts for such construction and development activities is recognized on completion of relevant activities under the contract and the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer .

• Financing component:

The Group receives advance payments from customers for the setup and sale of customised Sub-station and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception.

The Group applies the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

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for the year ended March 31, 2024

- **Interest on Overdue Receivables / Delayed Payment Charges:**

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

Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges ('DPC') / interest on arrears ('IOA') is charged for the initial 15-30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulator / authorities.

- **Other Income**

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

(k) 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.

(l) Employee benefits

i) Defined benefit plans:

The Group has an obligation towards gratuity, a defined benefit retirement plan which is a combination of funded plan / unfunded plan for various companies in the Group.

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.

ii) Defined contribution plan:

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

iii) Compensated Absences:

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

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

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of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

(m) Leases

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

Group as a lessee

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

Right-of-use assets

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

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be paid over the

lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

(n) 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

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for the year ended March 31, 2024

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.

(o) Regulatory Deferral Account

The Group determines revenue gaps (i.e. surplus/ shortfall in actual returns over returns entitled) in respect of its regulated operations in accordance with the provisions of Ind AS 114 "Regulatory Deferral Accounts" read with the Guidance Note on Rate Regulated Activities issued by ICAI and based on the principles laid down under the relevant Tariff Regulations/Tariff Orders notified by the Electricity Regulator and the actual or expected actions of the regulator under the applicable regulatory framework. Appropriate adjustments in respect

of such revenue gaps are made in the regulatory deferral account of the respective year for the amounts which are reasonably determinable and no significant uncertainty exists in such determination. These adjustments/accruals representing revenue gaps are carried forward as Regulatory deferral accounts debit/credit balances (Regulatory Assets/ Regulatory Liabilities) as the case may be in the financial statements, which would be recovered/ refunded through future billing based on future tariff determination by the regulator in accordance with the electricity regulations.

The Group presents separate line items in the balance sheet for:

- i. the total of all regulatory deferral account debit balances; and
- ii. the total of all regulatory deferral account credit balances.

A separate line item is presented in the Statement of Profit and Loss for the net movement in regulatory deferral account. Regulatory assets/ liabilities on deferred tax expense/income is presented separately in the tax expense line item.

4. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. During the year ended March 31, 2024 MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

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for the year ended March 31, 2024

5.1 Property, Plant and Equipment and Intangible Assets

Description of Assets	Tangible Assets										Intangible Assets			Total		
	Land (Freehold)	Building	Plant and Equipment	Furniture and Fixtures	Office Equipment	Computer Equipment	Vehicles	Railway Slidings	Distribution System	Jetties	Electrical Installation	Total	Computer Software		Transmission and distribution License	Other Intangible Assets
I. Gross Carrying Amount																
Balance as at April 1, 2022	2,860.57	1,117.90	23,642.82	24.25	31.76	183.38	45.78	6.70	6,313.96	1.36	44.59	34,273.07	96.21	1,032.96	-	1,129.17
Additions	38.67	76.16	3,187.42	1.06	7.16	43.04	32.30	-	562.33	-	8.11	3,956.25	32.57	-	-	32.57
Disposals	(0.04)	(0.01)	(22.10)	(0.01)	(0.41)	(3.34)	(2.23)	-	(2.68)	-	(0.41)	(31.23)	-	-	-	-
Balance As at March 31, 2023	2,899.20	1,194.05	26,808.14	25.30	38.51	223.08	75.85	6.70	6,873.61	1.36	52.29	38,198.09	128.78	1,032.96	-	1,161.74
Additions	110.52	177.40	6,797.66	1.13	5.19	44.31	3.55	-	716.62	-	3.79	7,860.17	35.33	-	7.01	42.34
Disposals	-	(0.07)	(13.05)	(0.02)	(0.09)	(0.66)	(0.17)	-	(1.52)	-	(0.01)	(15.59)	-	-	-	-
Balance As at March 31, 2024	3,009.72	1,371.38	33,592.75	26.41	43.61	266.73	79.23	6.70	7,588.71	1.36	56.07	46,042.67	164.11	1,032.96	7.01	1,204.08
II. Accumulated depreciation and Amortisation																
Balance as at April 1, 2022	-	143.11	5,359.27	11.13	11.87	48.70	11.86	1.49	768.89	0.28	11.45	6,368.05	33.71	-	-	33.71
Depreciation and Amortisation Expense	-	42.47	1,163.05	1.45	4.84	45.04	3.41	0.41	290.10	0.09	4.38	1,555.24	28.68	-	-	28.68
Eliminated on disposal of assets	-	(0.01)	(14.21)	(0.01)	(0.23)	(3.33)	(1.31)	-	(1.00)	-	(0.38)	(20.48)	-	-	-	-
Balance As at March 31, 2023	-	185.57	6,508.11	12.57	16.48	90.41	13.96	1.90	1,057.99	0.37	15.45	7,902.81	62.39	-	-	62.39
Depreciation and Amortisation Expense	-	45.10	1,292.72	1.33	5.70	42.68	4.66	0.41	316.50	0.09	4.86	1,714.05	40.09	-	0.00	40.09
Eliminated on disposal of assets	-	(0.07)	(9.34)	(0.06)	(0.05)	(0.66)	(0.09)	-	(0.65)	-	(0.01)	(10.93)	-	-	-	-
Balance As at March 31, 2024	-	230.60	7,791.49	13.84	22.13	132.43	18.53	2.31	1,373.84	0.46	20.30	9,605.93	102.48	-	0.00	102.48
Net Carrying Value :																
As at March 31, 2023	2,899.20	1,008.48	20,300.03	12.73	22.03	132.67	61.89	4.80	5,815.62	0.99	36.84	30,295.28	66.39	1,032.96	-	1,099.35
As at March 31, 2024	3,009.72	1,140.78	25,801.26	12.57	21.48	134.30	60.70	4.39	6,214.87	0.90	35.77	36,436.74	61.63	1,032.96	7.01	1,101.60

Notes:

- The above Intangible Assets are other than internally generated Intangible Assets.
- The Transmission & Distribution Licenses was acquired as a part of the business acquisition. The licenses are valid for a period of 25 years & considering similar extensions have happened in the past, it is expected to be further extended at minimal cost. Based on an analysis of all of the relevant factors, the licenses are considered by the Group as having an indefinite useful life.

For charge created on aforesaid assets, refer note 22.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

5.2: Right of Use Assets

(₹ in crore)

Description of Assets	Leasehold Land	Building	Right of Way	Computer Equipment	Total
I. Gross Carrying Amount					
Balance as at April 1, 2022	620.83	102.89	40.16	1.55	765.43
Additions	2.42	0.06	7.18	-	9.66
Disposals	-	-	-	-	-
Balance As at March 31, 2023	623.25	102.95	47.34	1.55	775.09
Additions	1.34	0.27	150.00	-	151.61
Disposals	-	-	-	-	-
Acquisitions of subsidiaries	8.84	-	-	-	8.84
Balance As at March 31, 2024	633.43	103.22	197.34	1.55	935.54
II. Accumulated Depreciation / Amortization					
Balance as at April 1, 2022	21.89	63.24	6.63	0.67	92.43
Depreciation / Amortisation Expense	12.36	14.00	3.78	0.30	30.44
Eliminated on disposal of assets	-	-	-	-	-
Balance As at March 31, 2023	34.25	77.24	10.41	0.97	122.87
Depreciation / Amortisation Expense	12.68	10.47	6.11	0.30	29.56
Eliminated on disposal of assets	-	-	-	-	-
Balance As at March 31, 2024	46.93	87.71	16.52	1.27	152.43
Net Carrying Value :					
Net Carrying Value As at March 31, 2023	589.00	25.71	36.93	0.58	652.22
Net Carrying value as at March 31, 2024	586.50	15.51	180.82	0.28	783.11

5.3 Capital work-in-progress:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	6,200.44	5,060.16
Additions during the year	4,856.02	5,053.60
Additions on account of acquisition of subsidiaries	0.35	85.16
Capitalised during the year	(8,054.12)	(3,998.48)
Closing Balance	3,002.69	6,200.44

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

5.3 Capital Work in Progress (Contd...)

Notes :

(i) CWIP Ageing Schedule

(₹ in crore)

Particulars	Amount in CWIP for a period of				
	<1 year	1-2 years	2-3 years	> 3 years	Total
Capital-work-in progress ageing schedule:					
As at March 31, 2024					
- Projects in progress	1,773.25	813.08	293.45	122.91	3,002.69
- Projects temporarily suspended	-	-	-	-	-
Total	1,773.25	813.08	293.45	122.91	3,002.69
As at March 31, 2023					
- Projects in progress	4,128.91	1,792.89	222.72	54.22	6,198.74
- Projects temporarily suspended	0.97	0.67	0.00	0.06	1.70
Total	4,129.88	1,793.56	222.72	54.28	6,200.44

5.4 Depreciation and Amortisation Expense

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation on Tangible Assets	1,714.05	1,555.24
Amortisation of Intangible Assets	40.09	28.68
Depreciation / Amortisation of Right of Use	29.56	30.44
Less : Transferred to Capital work in progress	(7.62)	(6.62)
Total	1,776.08	1,607.74

6. Non Current Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Government Securities at amortised cost		
Contingency Reserve Investment (Quoted)	323.79	312.89
Total	323.79	312.89
Aggregate book value of Quoted Investments	323.79	312.89
Aggregate market value of Quoted Investments	309.38	290.60

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

7. Non Current Loans- At Amortised Cost

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	13.38	17.14
(Unsecured, Considered good)		
Loan to employees	9.13	8.96
Total	22.51	26.10

8. Non Current Financial Assets - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances held as Margin Money or security against borrowings*	1,622.66	1,100.85
Receivables Under Service Concession Arrangement (SCA)	969.91	1,028.45
Unbilled Revenue	201.68	867.00
Derivative instruments	925.04	899.65
Security deposit - Considered Good	36.65	53.98
Security deposit - Considered doubtful	6.37	6.63
Interest receivable	5.51	3.35
Other Receivable	79.67	21.42
Total	3,847.49	3,981.33
Less : Provision For Doubtful Deposits	(6.37)	(6.63)
Total	3,841.12	3,974.70

* Represents deposits Amount towards Debt Service Reserve Account (DSRA) and Capex Reserve Account (CRA)

9. Income Tax Assets (Net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Assets (Net)	57.55	60.78
Total	57.55	60.78

10. Other Non-current Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Employees	1.76	3.96
Capital advances (Considered Good)	1,205.22	770.26
Contract Assets	602.02	-
Prepaid Expenses	1.41	84.36
Deferred Assets (recoverable) / adjustable (Refer Note 28)	942.45	946.26
Total	2,752.86	1,804.84

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

11. Inventories

(At lower of Cost and Net Realisable Value)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Fuel	98.84	39.78
Fuel - in Transit	38.47	17.00
Stores & spares	117.97	95.13
Total	255.28	151.91

12. Current Investments

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Investment in Mutual Funds units at FVTPL (Unquoted)	392.30	1,020.43
Total (a)	392.30	1,020.43
Investments in Government Securities (Quoted) at amortised cost		
Contingency Reserve Investment (Quoted)	15.83	10.58
Total (b)	15.83	10.58
Treasury Bills at FVTPL (Quoted)	34.56	25.78
Total (c)	34.56	25.78
Total (a) + (b) + (c)	442.69	1,056.79
Aggregate book value of Quoted Investments	50.39	36.36
Aggregate market value of Quoted Investments	50.81	36.29

13. Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, Considered good	133.74	127.37
Unsecured, Considered good	1,394.93	1,270.22
Having significant increase in credit risk	36.28	40.00
Credit Impaired	24.45	24.45
	1,589.40	1,462.04
Less : Provision for doubtful Trade receivables	(24.45)	(24.45)
Total	1,564.95	1,437.59

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for the year ended March 31, 2024

13. Trade Receivables (Contd...)

13.1 Trade Receivables ageing Schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) Undisputed Trade receivables – considered good	628.81	746.53	120.18	20.72	9.20	0.30	1,525.74
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	16.99	9.92	3.62	5.72	-	-	36.25
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	14.39	-	0.45	14.84
(iv) Disputed Trade Receivables considered good	0.43	1.69	0.40	0.41	-	-	2.93
(v) Disputed Trade Receivables -which have significant increase in credit risk	0.03	-	-	-	-	-	0.03
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
Total	646.26	758.14	124.20	41.24	9.20	10.36	1,589.40

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023							
(i) Undisputed Trade receivables – considered good	570.85	796.21	13.04	13.93	0.28	0.02	1,394.33
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	17.23	14.72	2.87	5.15	-	-	39.97
(iii) Undisputed Trade Receivables –credit impaired	13.00	-	-	1.39	-	0.45	14.84
(iv) Disputed Trade Receivables considered good	0.92	1.54	0.32	0.48	-	-	3.26
(v) Disputed Trade Receivables -which have significant increase in credit risk	0.03	-	-	-	-	-	0.03
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	9.61	9.61
Total	602.03	812.47	16.23	20.95	0.28	10.08	1,462.04

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

13. Trade Receivables (Contd...)

	(₹ in crore)	
Movement in the allowance for doubtful trade receivables	As at March 31, 2024	As at March 31, 2023
Balance at the beginning of the year	24.45	11.89
Add/(Less) : Provision made / (Written off) during the year (net of recoveries)	0.00	12.56
Balance at the end of the year	24.45	24.45

Notes :

- (i) The Group holds security deposits (refer note 31) in respect of trade receivables of Distribution business. Trade receivables to the extent covered by such deposits are presented as secured.
- (ii) The average credit period for the Group's receivables from its distribution business is in the range of 15 to 30 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, one time delayed payment charges at the rate of 1.25% & interest after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum.
- (iii) The average credit period for the Group's receivables from its Transmission business is in the range of 30 to 60 days. No interest or delayed payment is charged on trade receivables till the due date. Thereafter, delayed interest charges, after 30 / 60 days from bill date is charged in the range of 12% to 15% per annum. For Transmission business, regulator approved tariff / Transmission Service charges is receivable from long-term transmission customers (LTTCs) that are highly rated companies or government parties. Counterparty credit risk with respect to these receivables is very minimal.
- (iv) The Group considers for impairment its receivables from customers in its Distribution business. The risk of recovery in these businesses is reduced to the extent of security deposits already collected and held as collateral. Balance amount receivable over and above the deposit is assessed for expected credit loss allowances. The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experienced and adjusted for forward- looking information. The expected credit loss allowance is based on ageing of the days the receivables are due and been calculated and applied at the respective entity level of the group.
- (v) Above trade receivables are pledged as security with the Lenders against borrowings. (Refer note 22).
- (vi) The concentration of credit risk is very limited due to the fact that the large customers are mainly government bodies / departments and remaining customer base is large and widely dispersed and secured with security deposit.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

14. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances with banks		
In current accounts	225.15	152.55
Fixed Deposits (with original maturity for three months or less)	501.35	23.53
Cheques / Drafts on Hand	14.18	14.13
Cash on Hand	1.38	0.43
Total	742.06	190.64

Note : Cash and cash equivalents include balances with banks which are unrestricted for withdrawal and usage for respective companies.

For charge created on aforesaid assets, refer note 22.

15. Bank Balance Other than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Balances held as Margin Money or security against borrowings	734.62	833.70
Fixed Deposits (with original maturity of more than 3 months)	751.46	679.80
Total	1,486.08	1,513.50

For charge created on aforesaid assets, refer note 22.

16. Current Financial Assets - Loans (At Amortised Cost)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, Considered good)		
Loans to employees	4.81	5.03
Loans to Others (towards acquisition) (Refer Note 58)	-	69.17
(Secured, Considered good)		
Housing loans to employee against Hypothecation of the property	2.97	3.00
Loans to Others (interest bearing loan towards acquisition) (Refer Note 58)	400.00	400.00
Total	407.78	477.20

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

17. Current Financial Assets - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest receivable	84.61	45.26
Unbilled Revenue	2,179.59	1,719.26
Receivables Asset Under Service Concession Arrangement (SCA)	62.11	62.38
Security deposit	12.82	13.33
Derivative instruments	3.82	27.21
Other Receivables	17.82	38.95
Total	2,360.77	1,906.39

18. Other Current Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance to Suppliers (Unsecured, Considered Good)	218.86	127.36
Advance for Acquisition of SPV (Unsecured, Considered Good)	69.17	6.35
Balances with Government authorities	108.04	24.75
Contract Assets	290.87	-
Security Deposit	51.44	-
Prepaid Expenses	40.19	46.34
Advance to Employees	8.58	4.21
Total	787.15	209.01

19. Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Authorised Share Capital		
1,50,00,00,000 (As at March 31, 2023-1,50,00,00,000) equity shares of ₹ 10 each.	1,500.00	1,500.00
Total	1,500.00	1,500.00
Issued, Subscribed and Fully paid-up equity shares		
111,54,92,683 (As at March 31, 2023- 111,54,92,683) fully paid up equity shares of ₹ 10 each.	1,115.49	1,115.49
Total	1,115.49	1,115.49

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

19. Equity Share Capital (Contd...)

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity Shares	As at March 31, 2024		As at March 31, 2023	
	No. Shares	(₹ in crore)	No. Shares	(₹ in crore)
At the beginning of the year	1,11,54,92,683	1,115.49	1,09,98,10,083	1,099.81
Issued during the year	-	-	1,56,82,600	15.68
Outstanding at the end of the year	1,11,54,92,683	1,115.49	1,11,54,92,683	1,115.49

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend if proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c. Details of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. Shares	% holding in the class	No. Shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Shri Gautam S. Adani / Shri Rajesh S. Adani (On the behalf of S.B. Adani Family Trust)	60,16,34,660	53.94%	60,16,34,660	53.94%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,58,04,325	8.59%	9,94,91,719	8.92%
	69,74,38,985	62.53%	70,11,26,379	62.86%

d. Details of Shareholding of Promoters

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2024			
Shri Gautambhai Shantilal Adani	1	0.00%	-
Shri Rajeshbhai Shantilal Adani	1	0.00%	-
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,58,04,325	8.59%	-3.71%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	-
Fortitude Trade and Investment Limited	-	-	-100.00%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	-
Flourishing Trade And Investment Limited	36,88,000	0.33%	-
Gelt Bery Trade and Investment Limited	5,51,33,600	4.94%	55133500.00%
	81,67,59,987	73.22%	

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

19. Equity Share Capital (Contd...)

Particulars	No. of shares	% of total shares	% Change during the year
As at March 31, 2023			
Shri Gautambhai Shantilal Adani	1	0.00%	0.00%
Shri Rajeshbhai Shantilal Adani	1	0.00%	0.00%
Shri Gautam S. Adani / Shri Rajesh S. Adani (on behalf of S. B. Adani Family Trust)	60,16,34,660	53.94%	-3.15%
Shri Gautam S. Adani / Smt. Priti G. Adani (on behalf of Gautam S. Adani Family Trust)	-	0.00%	-100.00%
Adani Tradeline Private Limited (Formerly Known as Adani Tradeline LLP)	9,94,91,719	8.92%	0.00%
Afro Asia Trade and Investments Limited	3,02,49,700	2.71%	0.00%
Fortitude Trade and Investment Limited	3,39,17,200	3.04%	12.12%
Worldwide Emerging Market Holding Limited	3,02,49,700	2.71%	0.00%
Flourishing Trade And Investment Limited	36,88,000	0.33%	0.00%
Gelt Bery Trade and Investment Limited	100	0.00%	100.00%
	79,92,31,081	71.65%	

20. Unsecured Perpetual Equity Instrument

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	-	3,055.65
Add: Availled during the year	-	-
(Less): Repaid during the year	-	(3,075.46)
Add: Distribution on Unsecured Perpetual Equity Instrument (Net of Tax)	-	19.81
Closing Balance	-	-

Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited (Parent Company) had issued Unsecured Perpetual Equity Instrument (the "Instrument") to Adani Infra (India) Limited. These Instrument are perpetual in nature with no maturity or redemption and are callable only at the option of the Parent company. During the previous year parent company has repaid ₹ 3,075.46 crore to Adani Infra (India) Limited including distribution on perpetual equity instrument.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

21. Other Equity

		(₹ in crore)	
Particulars	As at March 31, 2024	As at March 31, 2023	
a. Capital Reserve (Refer note (i) below)			
Opening Balance	208.87	208.87	
Add : Addition during the year	-	-	
Closing Balance Total (a)	208.87	208.87	
b. Effective portion of cashflow Hedge (Refer note (ii) below)			
Opening Balance	(599.54)	(409.86)	
Impact on account of restatement (Refer Note 61)	-	69.56	
Effective portion of cash flow hedge for the year	(246.01)	(259.24)	
Closing balance Total (b)	(845.55)	(599.54)	
c. General Reserve (Refer note (iii) below)			
Opening Balance	1,176.94	1,201.95	
Less: Appropriation to Self Insurance Reserve	(24.67)	(25.01)	
Closing Balance Total (c)	1,152.27	1,176.94	
d. Capital Redemption Reserve (Refer note (iv) below)			
Opening Balance	2,436.53	2,436.53	
Add : Addition during the year	-	-	
Closing Balance Total (d)	2,436.53	2,436.53	
e. Debenture Redemption Reserve (Refer note (v) below)			
Opening Balance	25.04	11.15	
Transfer from/(to) Retained Earning	(0.65)	13.89	
Closing Balance Total (e)	24.39	25.04	
f. Contingency Reserve (Refer note (vi) below)			
Opening Balance	358.48	334.89	
Addition during the year	23.24	23.59	
Closing Balance Total (f)	381.72	358.48	
g. Self Insurance Reserve (Refer note (vii) below)			
Opening Balance	43.66	18.65	
Addition during the year	24.67	25.01	
Closing Balance Total (g)	68.33	43.66	
h. Retained Earnings (Refer note (viii) below)			
Opening Balance	3,149.38	1,955.18	
Add : Profit for the year	1,137.28	1,256.33	
Add / (Less) : Other comprehensive income arising from remeasurement of Defined Benefit Plans	(0.64)	(6.67)	
(Less) : Distribution on Unsecured Perpetual Equity Instrument	-	(19.83)	
(Less) : Transfer to Contingency reserve	(21.49)	(21.74)	
Add / (Less) : Transfer to Debenture Redemption Reserve	0.65	(13.89)	
Closing Balance Total (h)	4,265.18	3,149.38	
i. Securities Premium Account (Refer note (ix) below)			
Opening Balance	3,834.32	-	
Add: Addition on account of issue of shares during the year	-	3,834.32	
Closing Balance Total (i)	3,834.32	3,834.32	
Total (a+b+c+d+e+f+g+h+i)	11,526.06	10,633.68	

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

21. Other Equity (Contd...)

Notes:

- i) It has been created on acquisition of subsidiary companies.
- ii) The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the designated portion of the hedging instruments that are recognised and accumulated under the heading of cash flow hedging reserve will be reclassified to profit or loss only when the hedged transaction affects the profit or loss, or included as a basis adjustment to the non-financial hedged item.
- iii) It has been created pursuant to the demerger of transmission undertaking of Adani Enterprises Limited into the company. The general reserve is used from time to time to transfer profit from retained earnings for apportionment purposes.
- iv) Under the provisions of Section 55 of the Companies Act, 2013 where the redemption of preference shares is out of profits, an amount equal to nominal value of shares redeemed is to be transferred to a reserve called 'capital redemption reserve'
- v) The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits available for payment of dividend. The DRR is created over the life of debentures out of retained earnings.
- vi) As per the provisions of MERC MYT Regulations read with Tariff orders passed by MERC, the Group being a Distribution and Transmission Licensee, makes an appropriation to the Contingency Reserve fund to meet with certain exigencies.
- vii) The company has decided that insurance of the transmission lines of subsidiary companies would be through the self-insurance to mitigate the loss of assets hence a reserve has been created. The insurance of sub stations of subsidiary companies are covered through insurance companies under all risk policy.
- viii) Retained earnings (in the event of availability of profits) represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013.

The Board of Directors of Adani Electricity Mumbai Limited (subsidiary of the company) in their meeting held on May 26, 2023, have declared interim dividend of ₹ 0.85 per equity share of ₹ 10 each for the financial year 2022-23 amounting to ₹ 341.77 crore. The Company has paid dividend after obtaining the necessary approvals.
- ix) The Group during the previous year has received an aggregate consideration of ₹ 3,850.00 crore from Green Transmission Investment Holding RSC Limited towards subscription of 1,56,82,600 equity shares of the company of the face value of ₹ 10 each at price of ₹ 2,454.95 per equity share which includes a premium of ₹ 2,444.95 per equity share aggregating to ₹ 3,834.32 crore.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Non Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	Non-current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Secured				
Bonds				
5.20% US Private Placement	2,819.80	2,873.16	96.89	95.43
4.25% USD Bonds	3,000.13	3,199.24	247.72	244.02
3.949% USD Bonds	7,289.87	8,158.69	-	-
4.00% USD Bonds	4,140.25	4,067.04	-	-
3.867% Sustainability Linked Notes	2,480.45	2,440.41	-	-
Term Loans				
From Banks				
Rupee loan	3,191.63	2,495.12	155.21	130.36
Foreign currency loan	2,809.79	1,845.07	145.04	59.99
From Financial Institutions	3,285.26	1,962.15	110.52	107.84
Trade Credits & Buyers Credit				
From Banks	-	717.11	-	-
Non Convertible Debentures	907.24	89.43	46.06	10.56
Unsecured				
Non Convertible Debentures	-	963.74	99.94	33.62
Loans and advances from related parties	1,307.32	229.71	-	-
Shareholders Affiliated Debts	2,327.88	2,289.52	-	-
Total	33,559.62	31,330.39	901.38	681.82
Amount disclosed under the head 'Current Financial Liabilities - Borrowings' (Refer Note 29)	-	-	(901.38)	(681.82)
Net amount	33,559.62	31,330.39	-	-

Note (i)

Borrowings	Security	Terms of Repayment
4.25% USD Bonds	4.00% USD Bonds, 4.25% USD Bonds are secured by way of first ranking pari passu charge in favour of the Security trustee (for the benefit of the Bond holders): (a) Mortgage of land situated at Sanand. (b) Hypothecation of all the assets (movable and immovable) including current assets of the Adani Transmission Step-One Limited. (c) Pledge over 100% equity shares of Adani Transmission (India) Limited (ATIL) and Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL), both are wholly owned subsidiaries of the company.	392.50 million USD Bonds aggregating to ₹ 3,273.65 crore (March 31, 2023- 422.50 million USD Bonds aggregating to ₹ 3,471.68 crore) are redeemable by Half yearly payment starting from May 2020 to May 2036.
4.00% USD Bonds	(d) All assets (movable and immovable) of ATIL & MEGPTCL including its current assets. (e) Assignment by way of security over loans given to ATIL & MEGPTCL. All its rights under the inter entity loan agreements entered or to be entered into between the Issuer, ATIL and MEGPTCL (the "Inter Entity Loans") (f) Corporate guarantee given by the Adani Energy Solutions Limited.	500 million USD Bonds aggregating to ₹ 4,170.25 crore (March 31, 2023- 500 million USD Bonds aggregating to ₹ 4,108.50 crore) are redeemable by bullet payment in FY 2026.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
3.949% USD Bonds	a) a first pari passu mortgage over certain Identified immovable Properties; b) a first pari passu charge on the movable assets of the AEML (both present and future); c) a first pari passu charge on all book debts, operating cash flows, receivables (excluding Past Period Regulatory Assets, monies in the Debenture Liquidity Account and the post distribution cash flows), commissions or revenues whatsoever arising out of the expansion or capex in relation to existing business of AEML (both present and future); d) a first pari passu charge on the Accounts under the Project Accounts Deed (except the Excluded Accounts (which means the AEML PPRA Account, the Debenture Liquidity Account, each of the AEML Post Distribution Cash Flow Accounts; any accounts opened for the purpose of managing any Excluded Cash Flows; and the AEML Distributions Account)) and amounts lying to the credit of such Accounts (both present and future); e) a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC; f) a pledge over 100% of the entire paid up equity and preference share capital of the AEML;	3.949% Bond amounting to ₹ 7,339.64 crore (March 31, 2023 ₹ 8,217.01 crore) is repayable by way of bullet payment in February 2030 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.
Sustainability Linked Notes - 3.867%	g) a non-disposal undertaking over immovable properties other than certain identified immovable properties; h) a non-disposal undertaking over the immovable and movable assets (including all book debts, operating cash flows, receivables, commissions or revenues whatsoever) of Power Distribution Services Limited (PDSL) (both present and future); and i) a non-disposal undertaking over 100% of the equity and preference share capital of PDSL. In addition to the aforesaid, the Collateral shall also include such security interest as may be required to be created by other group entities of the Issuer in the future, and such collateral may be shared in the same manner as aforementioned with other lenders of AEML, and such future obligors. Ranking of Security The Collateral will be a first charge ranking pari passu among the debt security holders, without any preference or priority and shall rank pari passu with all the senior secured debt of AEML in accordance with the Senior Secured Note Documents and the intercreditor agreement.	By way of bullet payment in July 2031 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the Bond on payment of premium.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
6.365% Shareholders Affiliated Debts	(i) First-ranking fixed charge over all its present and future right, title, benefit and interest in the Excluded Loan Accounts (ii) First-ranking floating charge over all of its present and future right, title, benefit and interest in the equity distribution account	Shareholders Affiliated Debts are repayable commencing from February 2027 through February 2040 with an obligation to prepay the debt on occurrence of certain events. AEML can voluntarily prepay the debt on payment of premium.
Rupee Term Loans, Foreign Currency Loans, Rupee Term Loan from Financial Institution and Letter of credits/ Buyers Credit	Availed by the Group from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval. Respective companies shares are pledged.	(A) Letter of credits (Foreign and Inland) from bank of Nil (March 31, 2023 - ₹ 717.11 crore) carry interest rates ranging from 7.20 % to 8.00% p.a. (B) Rupee term loans from Banks of ₹ 3,362.38 crore (March 31, 2023 ₹ 2,651.60 crore) and Rupee Term Loan from Financial Institution of ₹ 3,433.56 crore (March 31, 2023 ₹ 2,082.38 crore) carry interest rates ranging from 9.10% to 11.75%. The loan is repayable at different maturities ending on FY 2048-49. (C) Foreign Currency loan (ECB Loan) from bank (i) aggregating ₹ 80.58 crore (as at March 31, 2023 :- ₹ 87.64 crore carries an Interest @ 3 Months Euribor plus 1.52% per annum. The loan is repayable in quarterly installments commencing from December 18, 2017 which initial tenure was ending in August 2022 but extended with effect of supplemental agreement as on August 8, 2022 to August 2027 for additional five years.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
		(ii) aggregating to ₹ 2,255.68 crore (As on March 31, 2023 - ₹ 1,846.36 crore), having an interest rate of 6 Month Libor (2.50 - 3.50% p.a. Initial Margin + Spread). The repayment schedule will start from FY 2023-24 with Semi Annually installment with First Installment due on May-23 and will end on FY 2025-26. (iii) aggregating to ₹ 708.94 crore (As on March 31, 2023 - Nil), having an interest rate of SOFR + Spread (3.5626 to 3.92826) repayable by way of bullet repayment in July 2027.
5.20% US private Placement	5.20% US private Placement Notes are issued by six (6) transmission companies of USPP Group. The Notes are secured/ to be secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under Transmission Service Agreement and other project documents, charge or assignment of rights and/or designation of the Security Trustee as loss payee under each insurance contract in respect of Project. The Notes are also secured by way of pledge over 100% of shares of the company held by Holding Company, i.e. Adani Energy Solutions Limited	5.20%, 352.80 million USD Denominated Notes aggregating to ₹ 2,942.53 crore, (March 31, 2023- 364.60 million USD Denominated Notes aggregating to ₹ 2,995.93 crore) which has a semi-annual repayment schedule with first repayment in the month of Sep-2020 and semi-annually then after over the period of its tenor ending March-2050.
Non Convertible Debentures	Non Convertible Debentures are secured by having first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders.	NCD aggregating to ₹ 90.03 crore (as at March 31, 2023 - ₹ 100.65 crore) having an interest rate of 8.91% to 9.61% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2018-19 to FY 2033-34.
Non Convertible Debentures	Non-Convertible Debentures are secured by having first charge over movable/intangible assets created out of project on pari passu basis.	NCD aggregating to ₹ 873.00 crore (as at March 31, 2023 - ₹ 908.00 crore) having an interest rate of 7.95% to 8.27% p.a. which is governed by NCD agreement and redeemable in quarterly basis starting from FY 2022-23 to FY 2040-41.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

22. Non Current Financial Liabilities - Borrowings (Contd...)

Borrowings	Security	Terms of Repayment
Non Convertible Debentures	Unsecured	NCD aggregating to ₹ 100.00 crore (as at March 31, 2023 - ₹ 100.00 crore) having an interest rate of 8.50% p.a. which is governed by NCD agreement and redeemable by way of bullet repayment in December - 2024.
Unsecured Loan from Related Party	Unsecured Long term Loan	Inter-corporate loan ₹ 1,307.32 crore (as at March 31, 2023 :- ₹ 229.71 crore) from Related party is unsecured and carries interest at the rate of 9.5% to 11.05 % p.a. and repayable from range of FY 2025-26 to 2027-28.

Note (ii) - During the year the Group has complied with all the covenants as required under bond agreements / lender facility agreements.

23. Lease Liabilities

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Lease Liabilities	45.49	51.69	15.29	19.50
Total	45.49	51.69	15.29	19.50

24. Non Current Trade Payable

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(A) total outstanding dues of micro enterprises and small enterprises; and	-	-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.	37.39	32.76
Total	37.39	32.76

25. Non Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Payable on purchase of Property, Plant and Equipment	301.27	219.96
Derivative instruments	80.81	4.40
Other Payable towards Bilateral Charges & Liquidated Damages	130.65	114.14
Deposits from customer and Other	0.39	0.34
Total	513.12	338.84

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

26. Other Non-Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Revenue- Service Line Contributions from Consumers	420.37	332.96
Total	420.37	332.96

27. Provisions

(₹ in crore)

	Non-Current		Current	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (Refer note 52)	222.62	165.37	33.99	29.64
Provision for Compensated Absences	390.42	345.22	33.49	72.18
Provision for Other Employment Benefits	17.19	17.14	1.78	1.82
Provision for Stamp Duty	-	-	15.65	15.65
Provision towards Encashed Bank Guarantee	-	-	13.60	-
Total	630.23	527.73	98.51	119.29

28. Deferred Tax Assets / Liabilities (net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Assets (net)	40.43	-
Deferred Tax Liabilities (net)	1,652.78	1,424.32
Deferred Tax Liabilities		
Mark to Market Gain on Mutual Funds	(1.09)	(0.64)
Difference between book base and tax base of property, plant and equipment and SCA	(4,119.98)	(3,529.68)
Deferred Tax Liabilities (a)	(4,121.07)	(3,530.32)
Deferred Tax Assets		
Provision for Employee Benefits	261.66	209.60
Lease Liabilities	0.25	0.22
Provision for Bilateral Charges	28.22	-
Unabsorbed Depreciation	1,878.20	1,639.31
Unabsorbed Business Losses & MAT Credit Entitlement	47.89	62.39
Allowance for Doubtful Debts, Deposits, Advances and property tax payable	16.33	11.93
Hedge Reserve	276.17	182.55
Deferred Tax Assets (b)	2,508.72	2,106.00
Deferred Tax Assets/(Liabilities) Total (a+b)	(1,612.35)	(1,424.32)

Tariff regulations provide for the recovery of Income Tax from the beneficiaries / consumers by way of grossing up the return on equity based on effective tax rate for the financial year. Accordingly, deferred tax liability provided during the year which is fully recoverable from beneficiaries / consumers is disclosed as "deferred assets recoverable / adjustable". The same will be recovered when the related deferred tax liability get converted into current tax.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

28. Deferred Tax Assets / Liabilities (net) (Contd...)

a. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2023-24

(₹ in crore)

Particulars	Opening Balance as at April 1, 2023	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2024	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect to items constituting deferred tax liabilities							
Mark to Market gain on Mutual Funds	(0.64)	(0.45)	-	-	(1.09)	(0.12)	(0.97)
Difference between book base and tax base of property, plant and equipment and SCA	(3,529.68)	(590.30)	-	-	(4,119.98)	(178.82)	(3,941.16)
Total	(3,530.32)	(590.75)	-	-	(4,121.07)	(178.94)	(3,942.13)
Tax effect to items constituting deferred tax assets							
Provision for Employee Benefits	209.60	52.18	-	(0.12)	261.66	1.80	259.86
Provision for Bilateral Charges	-	28.22	-	-	28.22	21.53	6.69
Lease Liabilities	0.22	0.03	-	-	0.25	-	0.25
Unabsorbed Depreciation	1,639.31	238.89	-	-	1,878.20	195.34	1,682.86
Unabsorbed Business Losses & MAT Credit Entitlement	62.39	(14.50)	-	-	47.89	0.70	47.19
Allowance for Doubtful Debts, Deposits and Advances	11.93	4.40	-	-	16.33	-	16.33
Hedge Reserve	182.55	-	-	93.62	276.17	-	276.17
Total	2,106.00	309.22	-	93.50	2,508.72	219.37	2,289.35
Net Deferred Tax Asset / (Liabilities)	(1,424.32)	(281.53)	-	93.50	(1,612.35)	40.43	(1,652.78)

b. Movement in deferred tax assets/ (liabilities) (net) for the Financial Year 2022-23

(₹ in crore)

Particulars	Opening Balance as at April 1, 2022	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2023	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Tax effect to items constituting deferred tax liabilities							
Mark to Market gain on Mutual Funds	(0.31)	(0.33)	-	-	(0.64)	-	(0.64)
Difference between book base and tax base of property, plant and equipments and SCA	(3,076.32)	(453.36)	-	-	(3,529.68)	-	(3,529.68)
Total	(3,076.63)	(453.69)	-	-	(3,530.32)	-	(3,530.32)
Tax effect to items constituting deferred tax assets							
Provision for Employee Benefits	220.69	(11.11)	-	0.02	209.60	-	209.60
Lease Liabilities	0.13	0.09	-	-	0.22	-	0.22
Unabsorbed Depreciation	1,387.65	251.66	-	-	1,639.31	-	1,639.31
Unabsorbed Business Losses & MAT Credit Entitlement	27.97	34.42	-	-	62.39	-	62.39

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

28. Deferred Tax Assets / Liabilities (net) (Contd...)

(₹ in crore)

Particulars	Opening Balance as at April 1, 2022	Recognised in profit and loss	Acquisitions of subsidiaries	Recognised in OCI	Closing Balance as at March 31, 2023	Deferred Tax Assets (Net)	Deferred Tax Liabilities (Net)
Allowance for Doubtful Debts, Deposits and Advances	7.70	4.23	-	-	11.93	-	11.93
Hedge Reserve*	110.91	0.01	-	71.64	182.55	-	182.55
Total	1,755.05	279.30	-	71.66	2,106.00	-	2,106.00
Net Deferred Tax Liabilities	(1,321.58)	(174.39)	-	71.66	(1,424.32)	-	(1,424.32)

*Refer Note 61

Note (i) - Deferred income taxes are not provided on the undistributed earnings of subsidiaries where it is expected that earnings of the subsidiary will not be distributed in the foreseeable future and the company controls the timing of reversal of this temporary differences.

29. Current Financial Liabilities - Borrowings

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
From Banks		
Working Capital Loan / Cash Credit / Bank Overdraft	2,112.02	1,541.03
Rupee Loan	320.00	220.00
Total (a)	2,432.02	1,761.03
Unsecured		
From Banks		
Rupee loan	115.85	425.60
Total (b)	115.85	425.60
Current maturities of long-term borrowings (Refer note 22) Total (c)	901.38	681.82
Total (a+b+c)	3,449.25	2,868.45

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

29. Current Financial Liabilities - Borrowings (Contd...)

Notes:

Borrowings	Security	Terms of Repayment
Working Capital Loan / Cash Credit / Bank Overdraft	i) First charge on receivables and on immovable and movable assets created out of project on paripassu basis. ii) First pari passu charge on current assets (charge on receivable, cash, bank accounts) as well as non-current assets (i.e. investment, loans in group companies or other entities) of the respective company.	Loan aggregating ₹ 2,112.02 crore (March 31, 2023- ₹ 1,541.03 crore) from banks at the rate of interest ranges from 7.60% to 10.00% p.a.
Secured Loan from banks	First pari passu charge by way of hypothecation over all current assets of Adani Transmission Step-One Limited (ATSOL) and its subsidiaries viz, Adani Transmission (India) Limited (ATIL) & Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL) and negative lien on fixed assets of ATIL and MEGPTCL.	The Secured Term Loan from bank amounting to ₹ 320.00 crore. (March 31, 2023 - ₹ 220.00 crore) having rate of interest of 8.50% to 8.96% p.a.
Unsecured Loan from bank	Unsecured Loan	Loan aggregating ₹ 115.85 crore (March 31, 2023- ₹ 425.60 crore) from banks at the rate of interest ranges from 9.65% to 9.89 % p.a.

30. Trade Payables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
Micro and Small Enterprises	50.92	46.43
Other than Micro and Small Enterprises	1,671.19	1,754.00
Total	1,722.11	1,800.43

30.1 Trade Payables ageing schedule

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
(a) MSME	33.63	9.84	2.53	1.31	3.61	50.92
(b) Others	1,181.20	179.45	130.63	26.89	98.34	1,616.51
(c) Disputed dues – MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	92.07	-	92.07
Total	1,214.83	189.29	133.16	120.27	101.95	1,759.50

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

30. Trade Payables (Contd...)

(₹ in crore)

Particulars	Not Due	Outstanding for following periods from due date of payment				Total
		<1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023						
(a) MSME	27.33	13.09	1.67	1.27	3.07	46.43
(b) Others	975.93	364.69	192.61	99.71	61.75	1,694.69
(c) Disputed dues - MSME	-	-	-	-	-	-
(d) Disputed dues - Others	-	-	92.07	-	-	92.07
Total	1,003.26	377.78	286.35	100.98	64.82	1,833.19

Note : Ageing includes Long term and Short term Trade payable.

31. Current Financial Liabilities - Others

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings / deposits	290.99	272.66
Payable on purchase of Property, Plant and Equipment	1,052.37	920.85
Derivative Instruments	2.45	0.40
Security Deposits from Consumers, Customers & Vendors	596.64	531.08
Refundable to customers on truing up	101.38	112.83
Total	2,043.83	1,837.82

32. Other Current Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory liabilities	405.51	246.28
Advance from Customers	196.34	97.66
Other Payables	13.59	6.50
Deferred Revenue - Service Line Contributions from Consumers	15.24	12.90
Other Advances	-	0.45
Total	630.68	363.79

33. Current Tax Liabilities (Net)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current Tax Liabilities (Net)	3.18	8.01
Total	3.18	8.01

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

34. Revenue from Operations

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Income from sale of Power and Transmission Charges		
Income from sale of Power and Transmission Charges (net)	14,330.39	12,170.37
Income under Service Concession Arrangements (SCA)	136.72	139.05
Construction Income relating to Service Concession Arrangements (SCA)	858.31	-
Total (a)	15,325.42	12,309.42
b) Income from Trading Business		
Sale of Traded Goods	1,029.59	755.65
Total (b)	1,029.59	755.65
c) Other Operating Revenue		
Street Light Maintenance Charges	122.79	119.73
Sale of Coal Rejects / Fly Ash	13.44	13.90
Amortisation of Service Line Contribution	17.46	15.03
Others	98.66	78.99
Total (c)	252.35	227.65
Total (a+b+c)	16,607.36	13,292.72

35. Other Income

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income		
Bank	248.40	179.39
Others	138.22	315.38
Gain/(Loss) on Investments		
Gain on Sale/Fair Value of Current Investments measured at FVTPL	43.10	21.24
Other Non-operating Income		
Gain on buy-back of bond	136.49	-
Profit on Sale / Retirement of property, plant and equipment (Net)	3.77	-
Rent Income	1.03	-
Sale of Scrap	9.01	8.48
Bad debt recovery	20.91	17.89
Unclaimed liabilities / Excess provision written back	8.39	0.51
Sundry creditors written back	-	2.44
Miscellaneous Income	1.63	2.41
Total	610.95	547.74

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

36. Purchases of Stock - In - Trade

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchases of Stock - in - trade	1,028.95	755.13
Total	1,028.95	755.13

37. Employee Benefits Expense

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, Wages and Bonus (Refer note below)	753.33	797.10
Contribution to provident fund and other funds	65.29	67.48
Gratuity Expenses (refer note 52)	47.72	34.79
Staff Welfare Expenses	85.36	87.28
Total	951.70	986.65

A Special Voluntary Retirement Scheme (SVRS) 2023, was rolled out for employees of AEML from March 28, 2023 to April 15, 2023. Amount charged during the year towards expected payout in this regard and included ₹ Nil (March 31, 2023 : ₹ 211.72 crore). During the current financial year the Company has discharged an amount of ₹ 122.97 crore and reverse the balance amount of ₹ 88.75 crore

38. Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Loans & Debentures	1,695.52	1,415.33
Interest on Trade Credits	138.01	107.67
Interest on Lease Obligation	7.73	9.41
Bank Charges & Other Borrowing Costs	65.61	41.72
Interest - Hedging Cost	859.64	1,207.34
Total	2,766.51	2,781.47

39. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Stores and Spares	332.42	59.29
Construction Expenses relating to Service Concession Arrangements (SCA)	842.22	-
Transmission Charges	493.56	482.31
Repairs and Maintenance - Plant and Equipment	634.27	480.98
Repairs and Maintenance -Building	14.64	15.91
Repairs and Maintenance - Others	26.85	34.99

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for the year ended March 31, 2024

39. Other Expenses (Contd...)

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Short Term Lease Rental (Refer note 43)	22.52	24.97
Rates and Taxes	13.11	12.03
Legal & Professional Expenses	295.10	232.37
Payment to Auditors (including component auditors)	3.48	3.46
Travelling & Conveyance Expenses	48.58	47.42
Insurance Expenses	22.75	24.52
Bad Debt Written Off	17.09	15.21
Foreign Exchange Fluctuation Loss	0.40	0.46
Corporate Social Responsibility expenses	42.16	33.09
Security Charges	35.71	36.73
Provision for Doubtful Debts, Advances, Deposits	-	18.58
Loss on sale/scraping of Property, Plant and Equipment	0.04	0.20
Bilateral Charges & Liquidated Damages*	16.51	114.14
Miscellaneous Expenses	134.70	172.51
Total	2,996.11	1,809.17

***Note :** In respect of certain subsidiaries of Adani Energy Solutions Limited (Formerly Known as Adani Transmission Limited), on account of delay in commissioning of transmission assets for reasons beyond the control of the respective subsidiaries, a sum of ₹ 16.51 crore (PY : ₹ 114.14 crore) has been provided toward bilateral charges and liquidated damages. The subsidiaries have filed appeals against the same.

40. Income Tax

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current Tax :		
In respect of current year	298.00	260.55
In respect of Previous years	0.60	0.39
Deferred Tax	281.53	174.39
Total	580.13	435.33

(₹ in crore)

Tax recognised in other comprehensive income	For the year ended March 31, 2024	For the year ended March 31, 2023
Remeasurement of Defined Benefit Plans		
Total income tax recognised in other comprehensive income	0.01	(8.36)
Effective portion of gains and losses on designated portion of hedging instruments in a cash flow hedge		
Tax relating to items that will be reclassified to Profit or Loss	93.62	71.64
Total	93.63	63.28

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40. Income Tax (Contd...)

(₹ in crore)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Accounting profit before tax	1,779.56	1,711.72
Tax Rate	25.168%	25.168%
Income tax expense at tax rate applicable	447.88	430.80
Tax Effect of :		
Income and Expenses not allowed under Income Tax		
i) Differences in respect of Distribution on Perpetual Equity Instrument	-	(4.99)
ii) Current year Losses for which no Deferred Tax Asset is created	122.70	78.81
iii) Adjustments in respect of current income tax of previous year	(11.89)	1.72
iv) Non deductible Expenses	(1.24)	14.89
v) Subsidiary charged at different rate	114.90	139.39
vi) MAT Credit not recognised	178.50	239.28
vii) 80IA claims	(238.50)	(435.62)
viii) Unrecognized Deferred Tax upto Previous year	(11.84)	(1.11)
ix) Credit Taken for Previous year losses for which no deferred tax was recognized	(101.65)	(37.87)
x) Tax on dividend income from subsidiary	64.49	-
xi) Others (Includes Tax at different rate)	16.78	10.03
Gross Tax	580.13	435.33

Unrecognised deductible temporary differences, unused tax losses and unused tax credits

Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following expiry as per details below :

(₹ in crore)				
As at March 31, 2024	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	-	-	-	-
Greater than one year, less than five years	0.02	-	-	0.02
Greater than five years	1,488.92	-	1,777.39	3,266.31
No expiry date	-	418.19	-	418.19
Total	1,488.94	418.19	1,777.39	3,684.52

(₹ in crore)				
As at March 31, 2023	Business Losses	Unabsorbed Depreciation	Mat Credit	Total
Unrecognised deferred tax assets				
Within One Year	8.43	-	-	8.43
Greater than one year, less than five years	739.57	-	-	739.57
Greater than five years	718.27	-	1,577.94	2,296.21
No expiry date	-	276.78	-	276.78
Total	1,466.27	276.78	1,577.94	3,320.99

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for the year ended March 31, 2024

41. Earnings Per Share (EPS)

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
A After net Movement in Regulatory Deferral Balance			
Profit after tax attributable to the owners of the Company (₹ in crore)		1,137.28	1,256.33
Less: Distribution on Unsecured perpetual Equity Instrument (₹ in crore)		-	(19.83)
Net Profit attributable to Equity Shareholders including Regulatory income/(expense) (₹ in crore)		1,137.28	1,236.50
Weighted average number of equity shares outstanding during the year	No.	1,11,54,92,683	1,11,37,31,076
Nominal Value of equity share	₹	10	10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) after net Movement in Regulatory Deferral Balance	₹	10.20	11.10
B Before net Movement in Regulatory Deferral Balance			
Profit after tax attributable to the owners of the Company (₹ in crore)		1,137.28	1,256.33
Less: Distribution on Unsecured perpetual Equity Instrument (₹ in crore)		-	(19.83)
Add/(Less): Regulatory Income / (expense) (net) (₹ in crore)		298.50	(640.13)
Net Profit attributable to Equity Shareholders before Regulatory income/(expense) (₹ in crore)		1,435.78	596.37
Weighted average number of equity shares outstanding during the year	No.	1,11,54,92,683	1,11,37,31,076
Nominal Value of equity share	₹	10	10
Basic / Diluted Earnings per Equity Share (Face Value of ₹ 10 each) before net Movement in Regulatory Deferral Balance	₹	12.87	5.35

42. Contingent Liabilities and Commitments

Particulars		For the year ended March 31, 2024	For the year ended March 31, 2023
(₹ in crore)			
(i) Contingent liabilities :			
Claims against the Company not acknowledged as debts			
(a) Direct & Indirect tax		41.95	44.18
(b) Demand disputed by the Group relating to Service tax on street light Maintenance, wheeling charges and cross subsidy surcharges - (Refer note 1)		353.55	353.55
(c) Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels.(Refer Note 1)		127.65	127.65

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

42. Contingent Liabilities and Commitments (Contd...)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(d) Claims raised by Vidarbha Industries Power Limited (VIPL) in respect of increase in fuel cost for the financial year ended March 31, 2019 (Refer Note 1)	1,381.28	1,381.28
(e) Way Leave fees claims disputed by the Group relating to rates charged (Refer Note 1)	28.43	28.43
(f) Other claims against the Group not acknowledged as debts	33.43	33.43
(g) Property related disputes (Refer Note 1)	2.59	2.59
(h) Demand disputed by the Company relating to Standby charges including interest payable (Refer Note 2)	398.68	213.79
(i) Liability in respect of termination of power purchase lease agreement (refer note 6)	@@	@@
Total	2,367.56	2,184.90

@@ Amount not determinable

- 1 In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.
- 2 Appeal has been filed by AEML under Section 111 of the Electricity Act, 2003, challenging the Order dated March 31, 2023 passed by the Maharashtra Electricity Regulatory Commission directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited.
- 3 The above Contingent Liabilities (except interest payable of ₹ 28.67 crore included in point "h" above) to the extent pertaining to Regulated Business having cost plus model, which on unfavourable outcome are recoverable from consumers subject to MERC/CERC approval.
- 4 Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- 5 Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- 6 AEML had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by the ATE. The proceedings are ongoing with the Hon'ble Supreme Court.

The Group, in respect of the above mentioned Contingent Liabilities has assessed that it is only possible but not probable that outflow of economic resources will be required.

(ii) Commitments :	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of Advance)	6,854.26	5,705.37
Total	6,854.26	5,705.37

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

42. Contingent Liabilities and Commitments (Contd...)

(iii) Other Commitments:

- For procurement of Hybrid (Solar/Wind) power on long term basis, AEML has entered into a long term 25 years Power Purchase Agreement 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.
- AEML has entered into a Power Purchase Agreement for procurement of Power 500 MW per annum on Medium term basis i.e. from September 1, 2022 to October 14, 2024 with a group entity (Adani Enterprises Limited) at ₹ 5.98 per unit.
- MPSEZ Utilities Limited (MUL) has entered into Power Purchase Agreement for a tenure of 15 years, starting from FY 2023-24, with Adani Power Limited (APL) for procurement of power 360 MV per annum for fixed charge at ₹ 5 per kWh @ 85% plant load factor.

- The Group has acquired the control of Adani Electricity Mumbai Limited ("AEML") w.e.f. August 29, 2018, through its purchase from Reliance Infrastructure Limited ("R-Infra"), of the equity shares of AEML.

On August 21, 2022, R-Infra has filed a Consolidated statement of arbitration claims under the Share Purchase Agreement. The Management has been legally advised by external legal counsel that the said claim is unlikely to succeed. The Management following the due process laid out under the Share Purchase Agreement for dispute resolution has responded against R-Infra in the arbitration proceedings.

The Hon'ble Supreme Court, while hearing in respect of the issues between Vidarbha Industries Power Limited ("VIPL"), R-Infra and AEML has being appraised that both R-Infra and VIPL have raised similar issues before two forums i.e., before the Hon'ble Supreme Court and Arbitrator. Therefore, the Hon'ble Supreme Court, considering the above submission, passed a direction vide order dated November 22, 2022, to stay the Arbitration Proceedings in view of pendency of the present case.

43. Lease

Disclosure under Ind AS 116 Leases:

(i) The following is the movement in Lease liabilities during the year ended March 31, 2024

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening Balance	71.19	87.21
Lease Liabilities on account of Leases entered / terminated during the year	1.48	0.44
Lease Liabilities on account of acquisition	2.52	-
Finance Costs incurred during the year	7.73	9.41
Net Payments of Lease Liabilities	(22.14)	(25.87)
Closing Balance (Refer note 23)	60.78	71.19

- The Group's significant leasing arrangements, other than lease hold land, are in respect of office premises, residential premises, and warehouses taken on lease. The arrangements range between 11 months to 5 years generally and are usually renewable by mutual consent on mutually agreeable terms. Under these arrangements, generally refundable interest free deposits have been given. The Group has not entered into any material financial lease.
- Leasing arrangements with respect to land range between 20 years to 99 years generally. The lease agreement is of fixed rate and non-cancellable. There is no contingent rent, no sub-leases and no restrictions imposed by the lease arrangements.
- 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 & Short-term leases - ₹ 22.52 crore (March 31, 2023 ₹ 24.97 crore).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. 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 Controlling Entity	S. B. Adani Family Trust (SBAFT)
(B) Key Management Personnel:	Mr. Gautam S. Adani, Chairman
	Mr. Rajesh S. Adani, Director
	Mr. Anil Sardana, Managing Director
	Ms. Meera Shankar - Non Executive - Independent Director
	Ms. Lisa Caroline Maccallum - Non Executive - Independent Director
	Dr. Ravindra H. Dholakia - Non Executive - Independent Director
	Mr. K. Jairaj - Non Executive - Independent Director
	Mr. Kandarp Patel, Chief Executive Officer (Appointed w.e.f November 2, 2022)
	Mr. Kunjal Mehta, Chief Financial Officer (Appointed w.e.f April 1, 2024)
	Mr. Bimal Dayal, Chief Executive Officer (Resigned w.e.f December 8, 2023)
	Mr. Rohit Soni - Chief Financial Officer (Resigned w.e.f March 31, 2024)
	Mr. Jaladhi Shukla, Company Secretary
(C) Enterprises over which (A) or (B) above have control or significant influence :	ACC Limited
	Adani Airport Holdings Limited
	Adani Brahma Synergy Private Limited
	Adani Bulk Terminals (Mundra) Limited
	Adani CMA Mundra Terminal Private Limited
	Adani Digital Labs Private Limited
	Adani Enterprises Limited
	Adani Estate Management Private Limited
	Adani Foundation
	Adani Green Energy (UP) Limited
	Adani Green Energy Limited
	Adani Hazira Port Private Limited
	Adani Hospitals Mundra Private Limited
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)
	Adani Infra (India) Limited
	Adani Infrastructure and Developers Private Limited
	Adani Infrastructure Management Services Limited
	Adani Institute For Education & Research
	Adani International Container Terminal Private Limited
	Adani Krishnapatnam Port Limited
	Adani Logistics Limited
	Adani Mundra SEZ Infrastructure Private Limited
	Adani New Industries Limited
	Adani Petronet Dahej Port Private Limited

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(C) Enterprises over which (A) or (B) above have control or significant influence :	Adani Ports And Special Economic Zone Limited
	Adani Power (Jharkhand) Limited
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)
	Adani Power Limited
	Adani Power Maharashtra Limited (Amalgamated with Adani Power Limited)
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)
	Adani Properties Private Limited
	Adani Rail Infra Private Limited
	Adani Renewable Energy (KA) Limited
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)
	Adani Road Transport Limited
	Adani Skill Development Center
	Adani Social Development Foundation
	Adani Sportline Private Limited
	Adani Total Gas Limited
	Adani TotalEnergies E-Mobility Limited
	Adani Tracks Management Services Private Limited
	Adani Vizhinjam Port Private Limited
	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)
	AdaniConnex Private Limited
	AEML Gratuity Fund
	AEML Superannuation Fund
	Ahmedabad International Airport Limited
	Alpha Design Technologies Private Limited
	Ambuja Cements Limited
	AMG Media Networks Limited
	Belvedere Golf and Country Club Private Limited
	DC Development Hyderabad Private Limited
	DC Development Noida Limited
	Dharavi Redevelopment Project Private Limited
	Dighi Port Limited
	Guwahati International Airport Limited
	Karnavati Aviation Private Limited
	Kutch Copper Limited
	Lucknow International Airport Limited
	Mangaluru International Airport Limited
	Mumbai International Airport Limited
	Mundra Crude Oil Terminal Private Limited
	Mundra LPG Terminal Private Limited
	Mundra Petrochem Limited
	Mundra Sez Textile And Apparel Park Private Limited
	Mundra Solar Energy Limited

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(C) Enterprises over which (A) or (B) above have control or significant influence :	Mundra Solar PV Limited
	Mundra Solar Techno Park Private Limited
	Mundra Solar Technology Limited
	PLR Systems (India) Limited
	PLR Systems Private Limited
	Raipur Energen Limited (Amalgamated With Adani Power Limited)
	SBRSR Power Cleantech Eleven Private Limited
	Superheights Infraspac Private Limited
	TRV (Kerala) International Airport Limited
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)
	Valuable Properties Private Limited
	Vishakha Renewables Private Limited
	Wardha Solar (Maharashtra) Private Limited

Enterprises having significant influence of Ultimate Controlling Entity, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
CSR Expenditure	Adani Foundation	33.98	25.76
	Adani Skill Development Center	1.84	-
Distribution on Perpetual Equity Instruments	Adani Infra (India) Limited	-	19.83
Earnest Money Deposit Received	Adani Total Gas Limited	-	0.10
	Ambuja Cements Limited	0.50	-
	Vishakha Renewables Private Limited	0.14	-
	ACC Limited	0.50	-
Earnest Money Deposit Refunded	Ambuja Cements Limited	0.50	-
	ACC Limited	0.50	-

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for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Employee balance transfer	Adani Airport Holdings Limited	0.23	0.62
	Adani Enterprises Limited	5.74	0.23
	Adani Green Energy Limited	0.27	0.57
	Adani Infra (India) Limited	0.00	-
	Adani Infrastructure and Developers Private Limited	0.32	-
	Adani Infrastructure Management Services Limited	0.09	0.08
	Adani Krishnapatnam Port Limited	0.01	0.44
	Lucknow International Airport Limited	-	0.02
	Adani New Industries Limited	-	0.08
	Adani Petronet Dahej Port Private Limited	-	0.01
	Adani Ports And Special Economic Zone Limited	0.55	0.24
	Adani Power (Jharkhand) Limited	-	0.08
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	-	0.09
	Adani Total Gas Limited	0.10	-
	AdaniConnex Private Limited	0.04	-
	Adani Power Limited	0.02	0.19
	Adani Power Maharashtra Limited (Amalgamated with Adani Power Limited)	-	0.01
	Adani Sportline Private Limited	-	0.09
	Adani Vizhinjam Port Private Limited	-	0.04
	Ahmedabad International Airport Limited	0.26	0.02
	Ambuja Cements Limited	0.11	0.90
	Dighi Port Limited	-	0.01
	Dharavi Redevelopment Project Private Limited	0.09	-
	Guwahati International Airport Limited	-	0.05
	Mumbai International Airport Limited	-	0.50
	Mundra Petrochem Limited	0.00	0.11
	Mundra Solar PV Limited	-	0.85
	Mundra Solar Energy Limited	0.02	-
	PLR Systems (India) Limited	0.02	-
	PLR Systems Private Limited	0.03	0.03
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.24

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses	Adani Infra (India) Limited	39.68	0.12
	Adani Green Energy Limited	0.01	-
	Adani Rail Infra Private Limited	16.47	-
	Adani Properties Private Limited	34.50	3.66
Interest Income	Adani Enterprises Limited	0.64	22.69
	Adani Infra (India) Limited	7.60	15.21
	Adani Properties Private Limited	-	108.61
Loan Given	Adani Infra (India) Limited	-	119.72
	Adani Properties Private Limited	-	1,591.13
Loan Received back	Adani Infra (India) Limited	-	179.32
	Adani Properties Private Limited	-	2,631.13
Loan Repaid	Adani Infra (India) Limited	101.08	-
	Adani Properties Private Limited	150.80	907.40
	Adani Rail Infra Private Limited	387.28	-
Loan Taken	Adani Infra (India) Limited	-	104.58
	Adani Green Energy Limited	0.14	-
	Adani Rail Infra Private Limited	580.00	-
	Adani Properties Private Limited	790.00	765.38

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for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Goods / Receiving of Services	Adani Digital Labs Private Limited	0.08	0.03
	AdaniConnex Private Limited	25.15	-
	Adani Enterprises Limited	2,636.79	2,175.78
	Adani Estate Management Private Limited	0.04	0.02
	Adani Green Energy Limited	0.02	-
	Adani Green Energy (UP) Limited	0.10	-
	Adani Hospitals Mundra Private Limited	0.01	0.07
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	930.83	708.82
	Adani Infra (India) Limited	-	11.37
	Adani Infrastructure Management Services Limited	71.89	78.23
	Adani Institute For Education & Research	-	0.02
	Adani Petronet Dahej Port Private Limited	3.61	4.04
	Adani Ports And Special Economic Zone Limited	10.73	9.21
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	277.47	142.94
	Adani Power Limited	52.82	-
	Adani Renewable Energy (KA) Limited	12.70	10.56
	Adani Sportline Private Limited	0.01	-
	Adani Social Development Foundation	0.20	-
	Adani Total Gas Limited	0.00	-
	Adani TotalEnergies E-Mobility Limited	0.54	-
	Adani New Industries Limited	0.23	-
	Ambuja Cements Limited	0.08	-
	Alpha Design Technologies Private Limited	1.94	3.54
	Belvedere Golf and Country Club Private Limited	0.16	0.27
	Karnavati Aviation Private Limited	9.00	9.00
	Mumbai International Airport Limited	-	1.14
	Mundra Sez Textile And Apparel Park Private Limited	-	0.05
	Mundra Petrochem Limited	1.98	-
	Wardha Solar (Maharashtra) Private Limited	0.02	-
	Mundra Solar Energy Limited	-	1.25
	Mundra Solar PV Limited	-	0.18
	SBRSR Power Cleantech Eleven Private Limited	-	0.62
	Udupi Power Corporation Limited (Amalgamated With Adani Power Limited)	-	25.86

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Purchase of Land	Adani Enterprises Limited	0.18	0.08
Reimbursement of Expenses	Adani Enterprises Limited	-	6.01
	Mumbai International Airport Limited	0.08	-
Repayment of Perpetual Securities	Adani Infra (India) Limited	-	3,055.65
Sale of Goods / Rendering of Services	Adani Enterprises Limited	5.46	17.37
	Adani Bulk Terminals (Mundra) Limited	0.55	-
	Adani Digital Labs Private Limited	0.07	-
	Adani Infrastructure Management Services Limited	0.21	-
	Adani Power (Mundra) Limited (Amalgamated with Adani Power Limited)	0.04	-
	Adani Power Limited	1.65	1.82
	Adani Power Rajasthan Limited (Amalgamated with Adani Power Limited)	-	3.86
	DC Development Hyderabad Private Limited	89.46	-
	DC Development Noida Limited	16.03	-
	Mundra Sez Textile And Apparel Park Private Limited	0.07	0.07
	Mundra Solar Techno Park Private Limited	3.30	12.95
	Kutch Copper Limited	35.99	-
Service line contribution received	Adani Bulk Terminals (Mundra) Limited	4.29	-
	Adani CMA Mundra Terminal Private Limited	0.53	-
	Adani International Container Terminal Private Limited	0.55	-
	Adani Ports and Special Economic Zone Limited	1.56	-
	Adani Tracks Management Services Private Limited	3.72	-
	Kutch Copper Limited	49.78	-
	Mundra Crude Oil Terminal Private Limited	0.46	-
	Mundra Solar Technology Limited	2.63	-
Security Deposit for Bidding	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	-	0.04

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(₹ in crore)

Nature of Transaction	Name of Related Party	For the year ended March 31, 2024	For the year ended March 31, 2023
Advance	Adani Bulk Terminals (Mundra) Limited	-	6.12
Contribution to	AEML Gratuity Fund	0.95	7.71
Employee Benefits	AEML Superannuation Fund	6.06	-
Director Sitting Fees	Director Sitting Fees	0.77	0.35
Commission to Director	Key Managerial Personnel	0.80	-
Compensation of Key Management Personnel	Short-term benefits	32.87	22.50
	Post-employment benefits	1.13	0.86

Note :

- All above transactions are in the normal course of business and are made on terms equivalent to those that prevail at arm's length transactions.
- Adani Electricity Mumbai Limited and MPSEZ Utilities Limited, a subsidiary and a wholly owned subsidiary respectively of Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) is dealing in the distribution of Power to the domestic, industrial and commercial consumers. The above related party transaction do not include the transactions of Sale of Power to the Related Parties in ordinary course of business, as all such transactions are done at Arm's Length Price Only. As per Para 11(c)(iii) of IND AS -24 "Related Party Disclosures", normal dealings of Company with Related Parties by virtue of public utilities are excluded from the purview of Related Party Disclosures.
- Transactions amongst related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2023: INR Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- Compensation of Key Management Personnel does not include provision for Leave Encashment and Gratuity as it is provided in the books of account on the basis of actuarial valuation for the Group as a whole and hence individual figures cannot be identified.

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2024	As at March 31, 2023
Balance Payable	Adani Airport Holdings Limited	0.25	0.49
	Adani Bulk Terminals (Mundra) Limited	-	6.12
	Adani Brahma Synergy Private Limited	0.00	-
	ACC Limited	0.00	-
	Adani Digital Labs Private Limited	-	0.01
	Adani Enterprises Limited	27.81	200.68
	Adani Green Energy Limited	0.29	0.62
	Adani Hazira Port Private Limited	-	0.03
	Adani Hospitals Mundra Private Limited	-	0.04
	Adani Hybrid Energy Jaisalmer Four Limited (Formerly known as RSEPL Hybrid Power One limited)	89.07	140.89

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for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

		(₹ in crore)	
Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Payable	Adani Infra (India) Limited	0.00	3.84
	Adani Infrastructure and Developers Private Limited	0.32	-
	Adani Infrastructure Management Services Limited	75.92	93.44
	Adani International Container Terminal Private Limited	0.02	0.02
	Adani Krishnapatnam Port Limited	0.00	0.44
	AdaniConnex Private Limited	28.58	-
	Lucknow International Airport Limited	0.02	0.02
	Adani New Industries Limited	0.00	0.05
	Adani Petronet Dahej Port Private Limited	-	0.01
	Adani Ports And Special Economic Zone Limited	10.93	11.68
	Adani Power (Jharkhand) Limited	-	0.02
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	-	14.56
	Adani Power Limited	16.20	0.01
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	-	0.01
	Adani Properties Private Limited	0.02	-
	Adani Renewable Energy (KA) Limited	0.50	0.14
	Adani Renewable Energy Holding Twelve Limited (Formerly known as Adani Green Energy Twenty Eight Limited)	0.04	0.04
	Adani Road Transport Limited	0.00	-
	Adani Sportline Private Limited	-	0.09
	Adani Total Gas Limited	0.10	0.28
	Adani TotalEnergies E-Mobility Limited	0.64	-
	Ahmedabad International Airport Limited	0.26	0.02
	Alpha Design Technologies Private Limited	-	0.40
	Ambuja Cements Limited	0.12	0.90
	AMG Media Networks Limited	0.00	-
	Belvedere Golf and Country Club Private Limited	0.01	-
	DC Development Hyderabad Private Limited	27.61	-
	Dharavi Redevelopment Project Private Limited	0.09	-
	Dighi Port Limited	-	0.01
	Guwahati International Airport Limited	-	0.05

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Payable	Karnavati Aviation Private Limited	-	6.05
	Mangaluru International Airport Limited	-	0.10
	Mumbai International Airport Limited	0.04	0.59
	Mundra Petrochem Limited	-	0.11
	Mundra Sez Textile And Apparel Park Private Limited	-	0.01
	Mundra Solar Energy Limited	0.01	1.40
	Mundra Solar PV Limited	0.95	0.95
	PLR Systems Private Limited	0.03	0.03
	PLR Systems (India) Limited	0.02	-
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.01
	SBRSR Power Cleantech Eleven Private Limited	-	0.62
	Superheights Infraspaces Private Limited	79.00	79.00
	TRV (Kerala) International Airport Limited	0.02	-
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	-	3.46
	Vishakha Renewables Private Limited	0.14	-
	Valuable Properties Private Limited	0.06	0.06
Balance Receivable	Ahmedabad International Airport Limited	-	0.05
	Adani CMA Mundra Terminal Private Limited	0.00	-
	Adani Enterprises Limited	57.18	0.54
	Adani Green Energy Limited	0.02	0.04
	Adani Infra (India) Limited	0.20	-
	Adani Infrastructure Management Services Limited	4.85	0.04
	Adani International Container Terminal Private Limited	0.01	-
	Adani Krishnapatnam Port Limited	0.01	-
	Adani Logistics Limited	0.00	-
	Adani New Industries Limited	0.25	0.03
	Adani Ports And Special Economic Zone Limited	1.22	0.23
	Adani Power (Jharkhand) Limited	0.06	0.06
	Adani Power (Mundra) Limited (Amalgamated With Adani Power Limited)	-	0.06
	Adani Power Limited	0.35	2.20
	Adani Power Maharashtra Limited (Amalgamated With Adani Power Limited)	-	0.20
	Adani Digital Labs Private Limited	0.07	-
	DC Development Noida Limited	4.31	-
	Adani Vizhinjam Port Private Limited	0.03	0.03

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

44. Related Party Disclosure (Contd...)

(₹ in crore)

Closing Balance	Name of Related Party	As at March 31, 2024	As as March 31, 2023
Balance Receivable	Adani Wind Energy Kutchh One Limited (Formerly known as Adani Green Energy (MP) Limited)	0.00	-
	Ahmedabad International Airport Limited	0.05	-
	Dighi Port Limited	0.00	-
	Kutch Copper Limited	3.03	-
	Mumbai International Airport Limited	-	13.05
	Mundra LPG Terminal Private Limited	0.00	-
	Mundra Petrochem Limited	0.00	-
	Mundra SEZ Textile and Apparel Park Private Limited	0.01	-
	Mundra Solar Energy Limited	0.02	-
	Mundra Solar PV Limited	0.02	-
	Mundra Solar Techno Park Private Limited	0.00	6.69
	Vishakha Renewables Private Limited	0.00	-
	Raipur Energen Limited (Amalgamated With Adani Power Limited)	-	0.22
	Udupi Power Corporation Limited (Amalgamated with Adani Power Limited)	-	0.04
Capital Advance	Adani Infra (India) Limited	113.87	106.48
	Adani Mundra SEZ Infrastructure Private Limited	13.80	13.80
Advance to vendor	Adani Bulk Terminals (Mundra) Limited	1.92	-
Loan Payable	Adani Infra (India) Limited	485.52	104.70
	Adani Green Energy Limited	0.16	-
	Adani Rail Infra Private Limited	194.82	-
	Adani Properties Private Limited	626.81	125.01

45. Fair Value Measurement :

a) The carrying value of financial instruments by categories as of March 31, 2024 is as follows :

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	392.30	-	392.30	392.30
Investments in Government securities	-	34.56	339.62	374.18	360.19
Trade Receivables	-	-	1,564.95	1,564.95	1,564.95
Cash and Cash Equivalents	-	-	742.06	742.06	742.06
Bank Balances other than Cash and Cash Equivalents above	-	-	1,486.08	1,486.08	1,486.08
Loans	-	-	430.29	430.29	430.29
Derivative instruments	928.86	-	-	928.86	928.86

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

45. Fair Value Measurement : (Contd...)

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Other Financial Assets	-	-	5,273.03	5,273.03	5,273.03
Total	928.86	426.86	9,836.03	11,191.75	11,177.76
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	37,299.86	37,299.86	35,469.60
Derivative instruments	83.26	-	-	83.26	83.26
Lease Liabilities	-	-	60.78	60.78	60.78
Trade Payables	-	-	1,759.50	1,759.50	1,759.50
Other Financial Liabilities	-	-	2,182.70	2,182.70	2,182.70
Total	83.26	-	41,302.84	41,386.10	39,555.84

b) The carrying value of financial instruments by categories as of March 31, 2023 is as follows :

(₹ in crore)

Particulars	Fair Value through other Comprehensive income	Fair Value through profit or loss	Amortised cost	Total Carrying value in books	Fair value
Financial Assets					
Investments in Mutual Funds	-	1,020.43	-	1,020.43	1,020.43
Investments in Government securities	-	25.78	323.47	349.25	326.89
Trade Receivables	-	-	1,437.59	1,437.59	1,437.59
Cash and Cash Equivalents	-	-	190.64	190.64	190.64
Bank Balances other than Cash and Cash Equivalents above	-	-	1,513.50	1,513.50	1,513.50
Loans	-	-	503.30	503.30	503.30
Derivative instruments	926.86	-	-	926.86	926.86
Other Financial Assets	-	-	4,954.23	4,954.23	4,954.23
Total	926.86	1,046.21	8,922.73	10,895.80	10,873.44
Financial Liabilities					
Borrowings (Including current maturities and Interest Accrued)	-	-	34,471.50	34,471.50	29,924.20
Derivative instruments	4.80	-	-	4.80	4.80
Lease Liabilities	-	-	71.19	71.19	71.19
Trade Payables	-	-	1,833.19	1,833.19	1,833.19
Other Financial Liabilities	-	-	1,899.20	1,899.20	1,899.20
Total	4.80	-	38,275.08	38,279.88	33,732.58

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

45. Fair Value Measurement : (Contd...)

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

Fair value of mutual funds are based on the price quotations near the reporting date.

The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.

The fair value of loans from banks and other financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flow using rates currently available for debt on similar terms, credit risk and remaining maturities.

The Group enters into derivative financial instruments with various counterparties, principally banks and financial institutions with investment grade credit ratings. Foreign exchange derivatives are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing and swap models using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying currency. All derivative contracts are fully collateralized, thereby, eliminating both counterparty and the Group's own non-performance risk.

46. Fair Value hierarchy :

Particulars	(₹ in crore)			
	As at	As at	As at	As at
	March 31, 2024	March 31, 2024	March 31, 2023	March 31, 2023
	Level 1	Level 2	Level 1	Level 2
Assets measured at fair value				
Investments in unquoted Mutual Funds measured at FVTPL	-	392.30	-	1,020.43
Derivative Instruments	-	928.86	-	926.86
Investments in treasury bills at FVTPL	34.56	-	25.78	-
Asset for which Fair Value are disclosed				
Investments in Government Securities	325.64	-	301.11	-
Total	360.20	1,321.16	326.89	1,947.29
Liabilities measured at fair value				
Derivative Instruments	-	83.26	-	4.80
Liabilities for which fair values are disclosed				
Borrowings (Including current maturities and Interest Accrued)	16,515.92	18,953.68	14,802.51	15,121.69
Total	16,515.92	19,036.94	14,802.51	15,126.49

Note :

- The fair values of investments in mutual fund units is based on the net asset value ('NAV').
- The fair value of Government Securities have been determined based on the prevailing market rate as on the reporting date.
- The fair value of Derivative instruments is derived using valuation techniques which include forward pricing and swap models using present value calculations.
- The Borrowing includes USD bonds which are listed in Singapore Stock Exchange. The fair value of Bonds have been determined based on the prevailing market rate as on the reporting date. The fair value of rest of the borrowings is equivalent to carrying value.

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for the year ended March 31, 2024

47. Capital Management

The Group's objectives to manage capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Group's overall strategy remains unchanged from previous year.

The Group sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation, borrowings. The Group's policy is to use borrowings to meet anticipated funding requirements.

No changes were made in the objectives, policies or processes for managing capital during the years ended as at March 31, 2024 and as at March 31, 2023.

(₹ in crore)			
Particulars	Refer Note	As at March 31, 2024	As at March 31, 2023
Total Borrowings (Including Current Maturities of Long Term Debt)	22 & 29	37,008.87	34,198.84
Less: Cash and bank balances	14 & 15	2,228.14	1,704.14
Less: Current Investments	12	442.69	1,056.79
Net Debt (A)		34,338.04	31,437.91
Equity Share Capital & Other Equity	19 & 21	12,641.55	11,749.17
Total Equity (B)		12,641.55	11,749.17
Total Equity and Net Debt (C=A+B)		46,979.59	43,187.08
Gearing Ratio : (A)/(C)		0.73	0.73

48. Financial Risk Management Objectives

The Group's principal financial liabilities comprises borrowings, trade and other payables, The main purpose of these financial liabilities is to finance the Group's operations/projects .The Group's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

In the ordinary course of business, the Group is mainly exposed to risks resulting from exchange rate fluctuation (currency risk), interest rate movements (interest rate risk) collectively referred as Market Risk, Credit Risk, Liquidity Risk and other price risks such as equity price risk. The Group's senior management oversees the management of these risks. It manages its exposure to these risks through derivative financial instruments by hedging transactions. It uses derivative instruments such as Principal only Swaps, Interest rate swaps, Cross Currency Swaps, foreign currency future options and foreign currency forward contract to manage these risks. These derivative instruments reduce the impact of both favorable and unfavorable fluctuations.

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

The decision of whether and when to execute derivative financial instruments along with its tenure can vary from period to period depending on market conditions and the relative costs of the instruments. The tenure is linked to the timing of the underlying exposure, with the connection between the two being regularly monitored.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

48. Financial Risk Management Objectives (Contd...)

The Group is exposed to losses in the event of non-performance by the counterparties to the derivative contracts. All derivative contracts are executed with counterparties that, in our judgment, are creditworthy. The outstanding derivatives are reviewed periodically to ensure that there is no inappropriate concentration of outstanding to any particular counterparty.

In the ordinary course of business, the Group is exposed to Market risk, Credit risk, and Liquidity risk.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and foreign currency risk.

Interest rate risk

The Group is exposed to changes in market interest rates due to financing, investing and cash management activities. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates and period of borrowings. The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The Group enters into interest rate swap contracts or cross currency swap contracts to manage its exposure to changes in the underlying benchmark interest rates.

During the year 2021-22, AEML issued the Sustainability Linked Bond (SLB) of USD 300 million through 10-year notes under USD 2 billion Global Medium-Term Notes program (GMTN) which carry fixed rate of interest till maturity with certain Sustainability Performance Targets (SPTs), non-attainment of which will result in increase in fixed rate of interest by 0.15 percent p.a. for SPT 1 in March 2027 and further 0.15 percent p.a. for SPT 2 for March 2029.

Interest rate sensitivity

The sensitivity analysis below have been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher / lower and all other variables were held constant, the Group's profit for the year ended March 31, 2024 would decrease / increase by ₹ 59.01 crore (Previous Year ₹ 47.22 crore). This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's foreign currency borrowings. The Group manages its foreign currency risk by hedging transactions that are expected to realise in future.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

48. Financial Risk Management Objectives (Contd...)

- a) The Group has taken various derivatives to hedge its foreign exposure. The outstanding position of exposure against variation in interest rates and foreign exchange rate are as under:

Nature	Purpose	As at March 31, 2024		As at March 31, 2023	
		₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	9,614.93	USD 1,152.80	10,555.56	USD 1,284.60
(ii) Forward covers	a. Hedging of foreign currency borrowing principal liability	350.68	USD 42.05	278.36	USD 33.88
	b. Hedging of foreign currency interest liability				
(iii) Cross Currency Swaps	Hedging of foreign currency borrowing principal & interest liability	15,860.77	USD 1,892.00 EUR 8.97	14,951.62	USD 1,808.93 EUR 9.80
(iv) Coupon only Swaps	Hedging of foreign currency borrowing interest liability	4,003.44	USD 480.00	4,930.20	USD 600.00

- b) The details of foreign currency exposures not hedged by derivative instruments are as under :

Particulars	As at March 31, 2024		As at March 31, 2023	
	₹ in crore	Foreign Currency (in million)	₹ in crore	Foreign Currency (in million)
Creditors	212.07	AED 93.37	-	-
	2.61	USD 0.31	7.79	USD 0.95
	0.25	EUR 0.03	0.32	EUR 0.04

A change of 1% in Foreign currency would have following impact on profit before tax

(₹ in crore)

Particulars	For the Year 2023-24		For the Year 2022-23	
	1% Increase	1% Decrease	1% Increase	1% Decrease
Foreign Currency Sensitivity				
RUPEES / AED - (Increase) / Decrease	(2.12)	2.12	-	-
RUPEES / USD - (Increase) / Decrease	(0.03)	0.03	(0.08)	0.08
RUPEES / EUR - (Increase) / Decrease	(0.00)	0.00	(0.00)	0.00

Notes to Consolidated Financial Statements

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48. Financial Risk Management Objectives (Contd...)

Derivative Financial Instrument

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

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

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

The Group enters into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2024.

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

Derivative Financials Instruments	As at March 31, 2024		As at March 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Cross Currency Swaps	451.60	58.30	367.96	3.60
Foreign Currency Swaps	340.63	18.01	38.15	0.80
Coupon Only Swaps	4.51	4.50	14.45	-
Forward	0.29	2.45	2.09	0.40
Principal Only Swaps	131.83	-	504.21	-
Total	928.86	83.26	926.86	4.80

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group is dealing with Sovereign equivalent counterparties and state counterparties as a means of mitigating the risk of financial losses from default, and generally does not obtain any collateral or other security on trade receivables.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

48. Financial Risk Management Objectives (Contd...)

The carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk. Since the Group is an Inter State and Intra State transmission Licensee (ISTS), the responsibility for billing and collection on behalf of the Group lies with the Central Transmission Utility (CTU) / State Transmission Utility (STU). Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (DICs) which in majority of the cases are central / state government organizations and further based on an analysis of the past trends of recovery, the management is of the view that the entire receivables are fully recoverable. Accordingly, the Group does not recognize any impairment loss on its receivables.

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

Liquidity risk

The Group monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Group's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

The table below analysis derivative and non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

(₹ in crore)

As at March 31, 2024	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	6,770.30	18,974.42	29,102.40	54,847.12
Trade Payables	1,722.11	-	37.39	1,759.50
Derivative Liabilities	2.45	80.81	-	83.26
Lease Liabilities*	9.62	42.49	47.86	99.97
Other financial Liabilities	2,041.38	432.31	-	2,473.69

*Carrying Value of lease liabilities is ₹ 60.78 Crore

(₹ in crore)

As at March 31, 2023	Less than 1 year	1-5 years	Over 5 years	Total
Borrowings#	5,509.42	20,698.31	27,320.20	53,527.93
Trade Payables	1,800.43	-	32.76	1,833.19
Derivative Liabilities	0.40	4.40	-	4.80
Lease Liabilities*	18.31	37.62	51.68	107.61
Other financial Liabilities	1,837.42	334.44	-	2,171.86

*Carrying Value of lease liabilities is ₹ 71.19 Crore

#The table has been drawn up based on the undiscounted contractual maturities of the financial liabilities including interest that will be paid on those liabilities upto the maturity of the instruments, ignoring the call and refinancing options available with the Group. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

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for the year ended March 31, 2024

49. Transaction with Struck Off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding (₹ in crore)	Relation with the struck off company, if any, to be disclosed
As at March 31, 2024			
Receivables			
United Glass Works Pvt. Ltd.	Sale of Power	0.01	Consumer
Suchammedi Mover Pvt. Ltd.	Sale of Power	0.01	Consumer
N R Enterprises Ltd.	Sale of Power	0.01	Consumer
J V D Developers Pvt. Ltd.	Sale of Power	0.01	Consumer
New Vision Pvt. Ltd.	Sale of Power	0.01	Consumer
Real Infrastructure Co.	Sale of Power	0.01	Consumer
Zenith Construction Co.	Sale of Power	0.01	Consumer
Others - 631 Parties < 50K	Sale of Power	0.14	Consumer
As at March 31, 2023			
Payables			
Saptagiri Electrical Engineering	Purchase of Service	0.02	Vendor
Inavit Engineering & Consulting Pvt	Purchase of Service	0.01	Vendor
Sanjyot Laser Pvt Ltd	Purchase of Service	0.01	Vendor
Receivables			
Shree Sai Seva Kripa Sra Society Ltd	Sale of Power	0.01	Consumer
Shanti Sagar Realty India Private Ltd	Sale of Power	0.01	Consumer
N R Enterprises Ltd	Sale of Power	0.01	Consumer
Parekh Bldg Dev P Ltd	Sale of Power	0.01	Consumer
Comet Plast Machinery P Ltd	Sale of Power	0.01	Consumer
Others - 797 Parties < 50K	Sale of Power	0.15	Consumer

Note : If any transaction with a struck off company has happened during a financial year and settled / reversed / squared off etc., during the same financial year such that the balance outstanding is Nil as at March 31, 2024 is less than ₹ 50,000 (March 31, 2023: Less than ₹ 50,000)

50. Segment information : Operating Segments

The reportable segments of the Group are largely organised and managed separately according to the organisation structure that is designed based on the nature of service. Operating segments reported in a manner consistent with the internal reporting provided to the Chairman and Managing Director jointly regarded as the Chief Operating Decision Maker ("CODM"). Description of each of the reportable segments for all periods presented, is as under:-

- Transmission : providing transmissison line for power transmission.
- GTD Business : Generation, Transmission and Distribution of Power business for Mumbai City and Mundra Distribution.
- Smart Metering : supply, install and maintain of Smart Metering Project on Design-Build-Finance-Own-Operate-Transfer (DBFOOT) basis
- Trading : Trading activity of goods.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

50. Segment information : Operating Segments (Contd...)

The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments. The CODM reviews revenue and gross profit at the performance indicator for all of the operating segments.

The measurement of each segment's revenues, expenses and assets is consistent with the accounting policies that are used in preparation of the financial statements. Segment profit represents the profit before interest and tax.

Information regarding the company's reportable segments is presented below:

(₹ in crore)

Particulars	Transmission	GTD Business	Smart Metering	Trading	Elimination	Total
1. Revenue						
External Sales	5,114.14	10,172.77	290.86	1,029.59	-	16,607.36
	3,945.16	8,591.91	-	755.65	-	13,292.72
Total Revenue	5,114.14	10,172.77	290.86	1,029.59	-	16,607.36
	3,945.16	8,591.91	-	755.65	-	13,292.72
Results						
Segment Results	2,731.51	1,201.31	1.66	0.64	-	3,935.12
	2,607.31	1,337.62	-	0.52	-	3,945.45
Unallocated Corporate Income (Net)						610.95
						547.74
Operating Profit						4,546.07
						4,493.19
Less: Finance Expense						(2,766.51)
						(2,781.47)
Profit before tax						1,779.56
						1,711.72
Current Taxes						298.60
						260.94
Deferred Tax						285.35
						170.18
Total Tax						583.95
						431.12
Profit after tax						1,195.61
						1,280.60
Less: Non-Controlling Interests						(58.33)
						(24.27)
Net profit						1,137.28
						1,256.33

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for the year ended March 31, 2024

50. Segment information : Operating Segments (Contd...)

(₹ in crore)

Particulars	Transmission	GTD Business	Smart Metering	Trading	Elimination	Total
2. Other Information						
Segment Assets	30,762.81	20,359.16	349.86	-	-	51,471.83
	<i>27,278.24</i>	<i>20,084.83</i>	-	-	-	<i>47,363.07</i>
Unallocated Corporate Assets						7,106.98
						<i>6,568.68</i>
Total Assets						58,578.81
						<i>53,931.75</i>
Segment Liabilities	1,449.06	4,146.03	241.51	-	-	5,836.60
	<i>1,120.70</i>	<i>4,026.65</i>	-	-	-	<i>5,147.35</i>
Unallocated Corporate Liabilities						39,039.08
						<i>35,908.63</i>
Total liabilities						44,875.68
						<i>41,055.98</i>
Depreciation /Amortisation	970.64	805.44	-	-	-	1,776.08
	<i>855.86</i>	<i>751.88</i>	-	-	-	<i>1,607.74</i>
Non Cash Expenditure other than Depreciation/ Amortisation	0.44	13.32	-	-	-	13.76
	<i>0.66</i>	<i>15.21</i>	-	-	-	<i>15.87</i>
Capital Expenditure	3,953.06	1,476.48	-	-	-	5,429.54
	<i>3,547.51</i>	<i>1,154.70</i>	-	-	-	<i>4,702.21</i>

Previous figures are given in italics

Note 1: The business operations of the Group are entirely based in India accordingly the entity has no separate geographical segment to disclose.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
1	Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited)	48.91%	10,921.54	40.25%	594.91	0.01%	(0.02)	49.76%	594.89
	Subsidiaries (Indian)								
2	Maharashtra Eastern Grid Power Transmission Company Limited	18.14%	4,050.65	20.74%	306.49	0.21%	(0.59)	25.59%	305.90
3	Adani Transmission (India) Limited	13.99%	3,124.41	20.33%	300.43	0.03%	(0.08)	25.12%	300.35
4	Sipat Transmission Limited	0.60%	133.88	2.13%	31.42	2.99%	(8.46)	1.92%	22.96
5	Raipur-Rajnandgaon-Warora Transmission Limited	1.35%	300.93	4.79%	70.80	6.79%	(19.18)	4.32%	51.62
6	Chhattisgarh-WR Transmission Limited	0.96%	214.98	4.59%	67.90	4.88%	(13.79)	4.53%	54.11
7	Adani Transmission (Rajasthan) Limited	0.20%	44.37	0.75%	11.05	-	-	0.92%	11.05
8	North Karanpura Transco Limited	0.17%	38.69	0.52%	7.73	-0.01%	0.04	0.65%	7.77
9	Maru Transmission Service Company Limited	0.18%	39.24	0.62%	9.12	0.00%	0.00	0.76%	9.12
10	Aravali Transmission Service Company Limited	0.03%	7.20	0.23%	3.38	0.05%	(0.13)	0.27%	3.25
11	Western Transco Power Limited	1.05%	233.88	1.34%	19.81	0.00%	0.00	1.66%	19.81
12	Western Transmission (Gujarat) Limited	0.71%	158.53	0.86%	12.69	0.00%	0.00	1.06%	12.69
13	Hadoti Power Transmission Service Limited	0.51%	113.70	1.65%	24.33	0.83%	(2.35)	1.84%	21.98
14	Barmer Power Transmission Service Limited	0.42%	93.78	1.28%	18.96	0.58%	(1.64)	1.45%	17.32
15	Thar Power Transmission Service Limited	0.36%	80.44	1.16%	17.11	0.55%	(1.54)	1.30%	15.57
16	Fatehgarh-Bhadla Transmission Limited	-0.07%	(14.67)	0.15%	2.24	0.00%	-	0.19%	2.24
17	Ghatampur Transmission Limited	1.45%	323.50	4.49%	66.43	0.00%	0.01	5.56%	66.44
18	Adani Transmission Bikaner Sikar Private Limited	0.37%	83.64	0.88%	13.07	-	-	1.09%	13.07
19	OBRA-C Badaun Transmission Limited	0.44%	98.43	1.03%	15.23	0.00%	0.00	1.27%	15.23
20	Adani Electricity Mumbai Limited	20.55%	4,588.51	15.55%	229.86	50.34%	(142.21)	7.33%	87.65
21	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	0.00%	(0.07)	0.00%	(0.01)	-	(0.00)	0.00%	(0.01)
22	Bikaner-Khetri Transmission Limited	0.98%	217.78	2.03%	29.97	0.00%	(0.00)	2.51%	29.97
23	WRSS XXI (A) Transco Limited	-0.04%	(9.20)	-0.43%	(6.39)	0.45%	(1.28)	-0.64%	(7.67)

Notes to Consolidated Financial Statements

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51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
24	Lakadia Banaskantha Transco Limited	-0.10%	(23.09)	-1.04%	(15.43)	0.32%	(0.90)	-1.37%	(16.33)
25	Jam Khambaliya Transco Limited	0.11%	24.02	0.03%	0.42	0.00%	0.00	0.04%	0.42
26	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	0.00%	(0.99)	-0.03%	(0.50)	0.00%	-	-0.04%	(0.50)
27	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	-0.01%	(3.13)	-0.11%	(1.59)	0.00%	-	-0.13%	(1.59)
28	Power Distribution Services Limited	0.03%	7.67	0.13%	1.94	0.00%	-	0.16%	1.94
29	Adani Electricity Mumbai Infra Limited	1.90%	423.49	0.00%	(0.01)	0.16%	(0.46)	-	(0.47)
30	Alipurduar Transmission Limited	1.47%	331.43	2.83%	42.02	0.00%	0.01	3.52%	42.03
31	Kharghar Vikhroli Transmission Limited (Formerly known as Kharghar Vikhroli Transmission Private Limited)	0.18%	40.16	2.77%	40.95	0.18%	(0.51)	3.38%	40.44
32	Warora Kurnool Transmission Limited	1.21%	269.91	-0.96%	(14.26)	-0.02%	0.05	-1.19%	(14.21)
33	AEML Seepz Limited	0.01%	2.92	0.04%	0.57	0.00%	-	0.05%	0.57
34	Adani Transmission Step-One Limited	-19.00%	(4,241.23)	-29.43%	(434.93)	29.66%	(83.77)	-43.39%	(518.70)
35	MP Power Transmission Package-II Limited	0.61%	135.37	0.91%	13.40	-0.06%	0.16	1.13%	13.56
36	MPSEZ Utilities Limited (formerly known as MPSEZ Utilities Private Limited)	0.53%	117.77	1.13%	16.76	0.00%	-	1.40%	16.76
37	Karur Transmission Limited	0.00%	0.41	0.03%	0.45	0.00%	0.00	0.04%	0.45
38	Khavda-Bhuj Transmission Limited	0.61%	137.26	0.03%	0.46	-0.01%	0.02	0.04%	0.48
39	ATL HVDC Limited	-0.14%	(31.37)	-1.06%	(15.73)	2.09%	(5.89)	-1.81%	(21.62)
40	Adani Electricity Jewar Limited	0.00%	(0.04)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
41	Adani Transmission Step-Two Limited	0.00%	(0.46)	-0.03%	(0.41)	0.00%	-	-0.03%	(0.41)
42	Adani Transmission Mahan Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
43	BEST Smart Metering Limited	0.00%	0.15	0.01%	0.14	0.00%	-	0.01%	0.14
44	Adani Cooling Solutions Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
45	WRSR Power Transmission Limited	0.71%	159.21	0.00%	(0.01)	-0.01%	0.03	0.00%	0.02
46	Adani Transmission Step-Three Limited	0.00%	0.04	0.00%	0.03	0.00%	-	0.00%	0.03
47	Adani Transmission Step-Four Limited	0.00%	0.47	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
48	Adani Transmission Step-Five Limited	0.00%	(0.00)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

51. Additional information of net assets and share in profit or loss contributed by various entities as recognised under Schedule III of the Companies Act, 2013 (Contd...)

Sr. No.	Name of the Entity	As % of Consolidated Net Assets as on March 31, 2024	₹ in crore	As % of Consolidated Profit or Loss for the year ended March 31, 2024	₹ in crore	As % of Consolidated Other Comprehensive Income for the year ended March 31, 2024	₹ in crore	As % of Consolidated Total Comprehensive Income for the year ended March 31, 2024	₹ in crore
49	Adani Transmission Step-Six Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
50	Adani Transmission Step-Seven Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
51	Adani Transmission Step-Eight Limited	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
52	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	0.00%	0.00	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
53	Adani Electricity Aurangabad Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
54	Adani Electricity Nashik Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
55	Khavda II-A Transmission Limited	0.39%	86.44	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
56	Adani Green Energy Thirty Limited	0.21%	48.00	-0.18%	(2.69)	0.00%	-	-0.23%	(2.69)
57	KPS 1 Transmission Limited	0.00%	(0.58)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
58	Sangod Transmission Service Limited	0.00%	(0.29)	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
59	Halvad Transmission Limited	0.00%	0.00	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
60	Sunrays Infra Space Two Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
61	Arasan Infra Two Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
62	Adani Energy Solutions Step-Twelve Limited	0.00%	0.01	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
63	Adani Energy Solutions Step-Thirteen Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	Total	100%	22,327.73	100%	1,478.01	100%	(282.47)	100%	1,195.54
	Less: Adjustment of Consolidation		7,563.02		282.40		-		282.40
	Less: Non Controlling Interest		1,061.58		58.33		(35.82)		22.51
	Consolidated Net Assets/ Profit after tax		13,703.13		1,137.28		(246.65)		890.63

52. As per Ind AS 19 "Employee Benefits", the disclosures are given below.

(a) Defined Contribution Plan

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

The Group has recognised the following amounts as expense in the financial statements for the year:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Contribution to Provident Fund	43.10	42.36
Contribution to Employees Superannuation Fund	6.06	7.71
Contribution to Employees Pension Scheme	5.83	6.37
Total	54.99	56.44

(b) Defined Benefit Plan

The Group has a defined benefit gratuity plan (funded) and is governed by the Payment of Gratuity Act, 1972. Under the Act, every employee who has completed at least five year of service is entitled to gratuity benefits on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India (LIC) in form of a qualifying insurance policy with effect from September 1, 2010 for future payment of gratuity to the employees.

Each year, the management reviews the level of funding in the gratuity fund. Such review includes the asset – liability matching strategy. The management decides its contribution based on the results of this review. The management aims to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

The Group operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	677.31	703.26
Current Service Cost	33.47	39.54
Interest Cost	45.24	48.95
Re-measurement (or Actuarial) (gain) / loss arising from:		
- Change in demographic assumptions	0.77	0.28
- Change in financials assumptions	20.64	(23.25)
- Experience variance (i.e. Actual experience vs assumptions)	(8.38)	(27.16)
Liabilities Extinguished on Settlement	-	(18.16)
Benefits paid	(86.89)	(43.00)
Liabilities Transfer In/Out	(0.28)	(3.15)
Present Value of Defined Benefit Obligations at the end of the Year	681.88	677.31

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
ii. Reconciliation of Opening and Closing Balances of the Fair value of Plan assets		
Fair Value of Plan assets at the beginning of the Year	482.30	490.67
Investment Income	30.39	34.24
Contributions	5.88	7.52
Assets Transferred Out/ Divestments	(4.93)	(6.55)
Benefits paid	(86.64)	(40.98)
Return on plan assets, excluding amount recognised in net interest expenses	(1.73)	(2.60)
Fair Value of Plan assets at the end of the Year	425.27	482.30
iii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	681.88	677.31
Fair Value of Plan assets at the end of the Year	(425.27)	(482.30)
Net Asset / (Liability) recognized in balance sheet as at the end of the year	(256.61)	(195.01)
iv. Composition of Plan Assets		
100% of Plan Assets are administered by LIC	-	-
v. Gratuity Cost for the Year		
Current service cost	33.47	39.54
Interest cost	45.24	48.95
(Gains)/Losses on Curtailments And Settlements	(0.43)	(18.16)
Expected return on plan assets	(30.39)	(34.25)
Amount Capitalised	(0.17)	(1.29)
Net Gratuity cost recognised in the statement of Profit and Loss	47.72	34.79
vi. Other Comprehensive Income		
Actuarial (gains) / losses		
Change in demographic assumptions	0.77	0.28
Change in financial assumptions	20.64	(23.25)
Experience variance (i.e. Actual experiences assumptions)	(8.38)	(27.16)
Return on plan assets, excluding amount recognised in net interest expense	1.73	2.60
Components of defined benefit costs recognised in other comprehensive income	14.76	(47.53)
vii. Actuarial Assumptions		
Discount Rate (per annum)	7.20% to 7.50%	6.98% to 7.50%
Annual Increase in Salary Cost (per annum)	8.00% to 10.50%	8.50% to 10.25%
Attrition Rate (per annum)	0.00% to 10.0%	0.00% to 40.0%
Mortality Table	100% of IALM 2012-14	100% of IALM 2012-14

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
viii. Maturity profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cash flows)	5 to 29 years	3 to 29 years

ix. Expected contribution during the next annual reporting period

The Group's best estimate of contribution during the next year is ₹ 38.71 crore.

x. Maturity Profile of Defined Benefit Obligation

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
The expected cash flows of defined benefit obligation over the future periods (valued on undiscounted bases)		
1 year	42.13	108.3
2 to 5 years	204.13	177.74
6 to 10 years	345.43	318.47
Beyond 10 years	797.18	728.25

xi. Asset – Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk.

However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

(c) Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹ in crore)

Sensitivity analysis	As at March 31, 2024		As at March 31, 2023	
Particulars	Decrease	Increase	Decrease	Increase
Discount rate	86.09	73.37	73.36	63.22
Salary Growth Rate	70.85	82.07	61.38	70.02
Attrition Rate	39.25	37.44	31.32	28.95
Mortality Rate	27.24	27.22	21.18	21.16

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

52. As per Ind AS 19 "Employee Benefits", the disclosures are given below. (Contd...)

These plans typically expose the Group to actuarial risks such as below

Interest Rate risk: The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Salary Escalation Risk: The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

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.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

53. Contract balances:

(a) The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables (Refer note 13)	1,564.95	1,437.59
Unbilled Revenue (Refer note 8 and 17)	2,381.27	2,586.26
Contract Assets on account of Service Concession Arrangements (refer note 10 and 18)	892.89	-
Contract liabilities (Refer note 31 and 32)	297.72	210.49
Recoverable from / (Liabilities) towards consumers - regulatory assets / (liabilities) other than distribution	(19.36)	18.33

Contract assets

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract Assets are transferred to receivables when the rights become unconditional.

Contract liabilities

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

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

53. Contract balances: (Contd...)

(b) Significant changes in contract assets and liabilities during the period:

(₹ in crore)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance		
Recoverable from consumers	18.33	-
Liabilities towards consumers	-	2.94
(A)	18.33	2.94
Income to be adjusted in future tariff determination (Net)	38.00	(21.27)
Movement in Regulatory deferral balance other comprehensive income	(0.31)	-
(B)	37.69	(21.27)
Recoverable from consumers	-	18.33
Liabilities towards consumers	(19.36)	-
Closing Balance	(19.36)	18.33

Reconciliation the amount of revenue recognised in the statement of profit and loss with the contracted price:

(₹ in crore)		
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue as per contracted price	15,540.62	12,526.59
Adjustments		
Discounts	78.97	83.54
Revenue from contract with customers	15,461.65	12,443.05

54. Regulatory Deferral Account

(₹ in crore)		
Particulars	As at March 31, 2024	As at March 31, 2023
Regulatory Deferral Account - Liability		
Regulatory Liabilities	53.83	-
Regulatory Deferral Account - Assets		
Regulatory Assets	1,571.36	1,963.83
Net Regulatory Assets/(Liabilities)	1,517.53	1,963.83

Rate Regulated Activities

- As per the Ind AS-114 'Regulatory Deferral Accounts', the business of electricity distribution is a Rate Regulated activity wherein Maharashtra Electricity Regulatory Commission (MERC) & Gujarat Electricity Regulatory Commission (GERC), the regulator determines Tariff to be charged from consumers based on prevailing regulations in place.
- MERC Multi Year Tariff Regulations, 2019 (MYT Regulations), is applicable for the period beginning from April 1, 2020 to March 31, 2024. These regulations require MERC and GERC to determine tariff in a manner wherein the Company can recover its fixed and variable costs including assured rate of return on approved equity base, from its consumers. The Company determines the Revenue, Regulatory Assets and Liabilities as per the terms and conditions specified in MYT Regulations.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

54. Regulatory Deferral Account (Contd...)

3. 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.
4. Reconciliation of Regulatory Assets/Liabilities of distribution business as per Rate Regulated Activities is as follows:

		(₹ in crore)	
S. No.	Particulars	As at March 31, 2024	As at March 31, 2023
A	Opening Regulatory Assets (Net)	1,963.83	852.46
	Add:		
B	Revenue gap for current year	226.20	772.83
C	Accrued in respect of earlier year consequent to receipt of tariff order	(15.02)	338.54
	Closing Balance (A+B+C+D)	2,175.01	1,963.83
	Less:		
D	Recovered / (refunded) during the year	657.48	-
E	Net Movement during the year (B + C - D)	(446.30)	1,111.37
F	Closing Balance (A + E)	1,517.53	1,963.83

Note : The Group will recover regulatory gap of ₹ 828.60 crore in FY 2024-25, out of ₹ 1,517.53 crore while balance will be recovered over the life of the projects as per existing regulations.

55. (i) Impairment testing of intangible Assets

The Transmission license granted to AEML is an asset specific license 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", AEML as at March 31, 2024 tested the Transmission Cash Generating Unit ("TCGU") which includes carrying value of Transmission License (₹ 981.62 crore) having indefinite useful life for impairment. The recoverable amount of the TCGU has been determined applying value in use approach. The value in use of the TCGU has been determined using Discounted Cash Flow Method (DCF).

In deriving the recoverable amount of the TCGU a discount rate (post tax) of 9.50 % (March 31, 2023: 9.50%) per annum has been used. In arriving at the recoverable amount of the TCGU , financial projections have been developed for 6 years (March 31, 2023: 6 years) and thereafter in perpetuity considering a terminal growth rate of 2% (March 31, 2023: 1%) per annum.

Based on the results of the TCGU impairment test, the estimated value in use of the TCGU was higher than its carrying amount, hence no impairment loss is recorded during the year (March 31, 2023 - Nil). Management believes that any reasonably possible change in the key assumptions on which recoverable amount is based would not cause the aggregate carrying amount to exceed the fair value of the Transmission License.

The key assumptions used in determining the recoverable amount of TCGU are as follows :

- Discount Rate: 9.50 % (March 31, 2023: 9.50 %) Post-Tax Discount rate has been derived based on current cost of borrowing and equity rate of return in line with the current market expectations.
- Capital expenditure / Capitalisation: Capital expenditure and capitalisation for 6 years (March 31, 2023: 6 years) is estimated based on management projections subject to regulatory approval and thereafter ₹ 675 crore per annum (March 31, 2023: ₹ 500 crore per annum).
- Terminal growth rate considered at 2% per annum (March 31, 2023 - 1% per annum).

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

(ii) Goodwill

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Balance at beginning of the year	598.29	598.29
Arising on account of Business combination	-	-
Balance at end of the year	598.29	598.29
Segment wise information of Goodwill generated on account of acquisitions over the years		
Transmission Segment	330.74	330.74
GTD Segment	267.55	267.55
	598.29	598.29

Impairment testing of Goodwill

The group tests on a annual basis, goodwill arising on business combination amounting to ₹ 576.02 crore for March, 2024 (₹ 576.02 crore for March 2023) which has been allocated to the respective Cash Generating Unit ("CGU") (ATIL, MEGPTCL and AEML) for impairment. Based on the annual impairment test no provision towards impairment was required necessary.

The recoverable amounts of the CGUs are determined from value-in-use calculations and the projections based on the period of the transmission and distribution licenses (including expected extensions).

The key assumptions for the value-in-use calculations are those regarding discount rates, growth rates, capital expenditure, and expected increase in direct costs . Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money. The growth rates are based on management's forecasts/ tariff regulations. Changes in direct costs are based on past practices and expectations of future changes in the market.

The Group prepares its forecasts based on the most recent financial budgets approved by management with projected revenue growth rates per respective tariff regulation wherein the revenue is determined considering the parameters/benchmarks laid down in the respective MERC/CERC tariff regulations.

The rates used to discount the forecasts is 8.56% to 10.51% p.a (Post Tax) (March 31, 2023 : 9.55% to 10% p.a (Post Tax))

Management believes that any reasonable possible change in any of these assumptions would not cause the carrying amount to exceed its recoverable amount.

- 56.** During the previous year pursuant to an agreement between Adani Energy Solutions Limited ("AESL") (Formerly known as Adani Transmission Limited)) and its wholly owned subsidiaries, viz; Adani Transmission Step-One Limited ("ATSOL"), Adani Transmission (India) Limited ("ATIL"), and Maharashtra Eastern Grid Power Transmission company Limited ("MEGPTCL"), AESL has transferred/novated, as the case may be, its investments in equity shares of, and Inter Corporate Deposits placed with ATIL and MEGPTCL, USD denominated borrowings of Senior Secured Notes / Bonds (aggregating USD 937.50 million outstanding as at date of restructuring) along with corresponding hedge contracts, identified fixed assets, cash equivalent to restricted reserve and working capital loans to ATSOL after obtaining requisite approvals and consents. ATSOL has discharged the consideration towards acquisition of the said assets and liabilities by way of issuance of Compulsorily Convertible Debentures to AESL. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

- 57.** a) During the year 2022-23, Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated March 31, 2023, has approved for (i) truing-up of the tariff for the period from the financial year 2019-20, 2020-21 & 2021-22, (ii) Provisional truing up of financial year 2022-23 and (iii) Aggregate Revenue Requirement (ARR) for FY 2023-24 and FY 2024-25 for Adani Transmission (India) Limited ("ATIL"), Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL") and Adani Electricity Mumbai Limited ("AEML"). Accordingly, based on the MERC order, during the year ended March 31, 2023, Group has recognized revenue of ₹ 656.22 crore for the period from April, 2019 to March, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.
- b) During the earlier year Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"), had received MERC order vide dated June 3, 2021 and has given impact to the Hon'ble APTEL Judgment in the matter of Appeal No. 260 of 2016 dated July 24, 2020, revised the Annual Revenue Requirement (ARR) of MEGPTCL retrospectively effective from April 1, 2013 and directed MEGPTCL to claim the incremental ARR (including the related carrying cost) during the Mid Term Review (MTR) in FY 2023-24. Consequent to the above MERC order, during the year ended March 31, 2023, MEGPTCL has recognized additional revenue from operations of ₹ 31.01 crore for the period April, 2014 to March, 2022 and recognized ₹ 102.04 crore for the year ended on March 31, 2023. Under the circumstances, the figures for the current year are not comparable with the corresponding figures of the previous year, to that extent.
- c) Central Electricity Regulatory Commission ("CERC") vide its order dated January 21, 2022, has partly disallowed certain expenses (interest and depreciation) in relation to truing up tariff petition for the control period 2015-19 and tariff determination petition for the control period 2020-24 filed by Adani Transmission (India) Limited ("ATIL"), a wholly owned subsidiary of the Company. The Management has, basis an external legal opinion, assessed that it has reasonably good case on merits in the light of the prevailing Tariff Regulations, settled principles of law as per earlier judicial precedence and, is in the process of preferring an appeal in Appellate Tribunal for Electricity against such CERC order. Having regard to the above, the disallowances aggregating to ₹ 108.11 crore up to March 31, 2023 are not reckoned with in the aforementioned results.
- 58.** During the previous year, the Company had signed definitive agreements with Essar Power Limited ("EPL") for acquiring 673 Ckt. kms operational inter-state transmission project (Stage II) owned and operated by Essar Power Transmission Company Limited (EPTCL), a subsidiary of EPL. The Enterprise value for the transaction is ₹ 1,913.00 crore. Pursuant to the agreement, the Company has given an interest bearing loan of ₹ 400.00 crore and advance of ₹ 69.17 crore towards acquisition to EPL. The transaction is expected to be completed by June 2024 as the approval of Central Electricity Regulatory Commission ("CERC") and National Company Law Tribunal ("NCLT") for bifurcation of the license is received.
- 59.** Maharashtra Electricity Regulatory Commission ("MERC") vide its order dated December 26, 2022 granted an in-principal approval for the transfer of Adani Electricity Mumbai Limited ("AEML") distribution network infrastructure in Seepz SEZ area to AEML Seepz Limited ("ASL"), a subsidiary of Adani Energy Solution Limited. Based on the principles laid down by MERC, ASL filed requisite petitions for approval of tariff, power procurement plan and switchover/ changeover protocol (i.e. shifting of consumers from other Distribution Licensees to ASL and vice versa in SEEPZ area) which have been approved by MERC on October 9, 2023.
- Subsequently, the AEML and ASL have entered into a Business Transfer agreement dated November 1, 2023 for transfer of Company's distribution network infrastructure (including movable and immoveable assets) in Seepz SEZ area as a going concern to ASL, on a slump sale for a total consideration of ₹ 36.96 crore. The transaction being a common control transaction, does not affect the Consolidated Financial Statements of the Group.
- 60.** Pursuant to approval by Board of Directors in their meeting held on May 26, 2023 and approval of management committee of the Board of Directors of the Adani Electricity Mumbai Limited ("AEML") in their meeting held on November 13, 2023, during the year AEML has completed partial re-purchase of USD 120 million of its outstanding

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

3.949% USD 1,000 million senior secured notes due 2030, through cash Tender Offer for purchase price of USD 850 for early bid and USD 800 for post early bid per USD 1,000 principal amount based on the terms and conditions mentioned in tender offer memorandum, on November 30, 2023.

Post re-purchase, AEML has recognised one time income of ₹ 136.49 crore (net of expenses ₹ 13.57 crore) on derecognition of liability and has cancelled the aforementioned 3.949% USD 120 million Senior Secured notes due 2030.

- 61.** During the year, the Group has recognised the deferred tax expense/credit with respect to the effective portion of gain/(losses) on a cash flow hedge classified in Other Comprehensive Income in accordance with Ind AS 12, Income Taxes. Pursuant to the impact of aforesaid changes, the Group has restated the numbers for the comparative periods, which has resulted increase in deferred tax credit on Other Comprehensive Income by ₹ 22.91 crore for the year ended March 31, 2023, with corresponding impact on Total Comprehensive Income for the year. The opening balances as at April 1, 2022 have also been restated in respect of Other Equity increased by ₹ 69.56 crore, Non-Controlling Interest increased by ₹ 23.31 crore and Deferred Tax Liabilities decreased by ₹ 92.87 crore in respect of the above matter. As a result of the above, Other Equity and Non-Controlling Interest has been increased by ₹ 86.73 crore and ₹ 29.05 crore respectively and Deferred Tax Liabilities has been decreased by ₹ 115.78 crore as at March 31, 2023.

62. Non Controlling Interests (NCI)

Summary of financial information for Adani Electricity Mumbai Limited and its subsidiaries that has non-controlling interests (Shareholding of NCI : 25.10%) that are material to the Group. The amounts disclosed for a subsidiary are before inter-company eliminations.

	(₹ in crore)	
Summarised Balance Sheet	March 31, 2024	March 31, 2023
Total Non-Current Assets	19,779.38	18,298.18
Total Current Assets	2,498.68	2,789.99
Regulatory Deferral Account - Assets	1,570.98	1,961.73
Total Assets	23,849.04	23,049.90
Non-Current Liabilities	14,596.97	14,091.53
Current Liabilities	4,250.63	3,744.86
Total Liabilities	18,847.60	17,836.39
Accumulated NCI	1,255.36	1,308.59

	(₹ in crore)	
Summarised statement of Profit and Loss	March 31, 2024	March 31, 2023
Profit /(Loss) for the year	230.46	94.80
Other Comprehensive Income / (Loss) for the year	(142.67)	(51.07)
Total Comprehensive Income /(Loss) for the year	87.79	43.73
Profit/(Loss) Allocated to NCI	57.85	23.79
Total Comprehensive Income /(Loss) allocated to NCI	22.04	10.98

	(₹ in crore)	
Summarised Cash Flow allocated	March 31, 2024	March 31, 2023
Net cash from operating activities for the year	2,342.05	1,184.07
Net cash (used in) investing activities for the year	(1,399.43)	(1,056.52)
Net cash (used in) financing activities for the year	(654.32)	(124.95)
Net increase / (decrease) in cash and cash equivalents	288.30	2.60

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

63. During the year, Adani Energy Solutions Limited (Formerly known as Adani Transmission Limited) (the Parent Company)

- i) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, KPS 1 Transmission Limited ("KPS1"), incorporated by Megha Engineering & Infrastructures Limited. KPS1 will aim to implement KPS1-Khavda PS GIS (KPS2) 765 kV double circuit line & augmentation of Khavda PS1.
- ii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Sangod Transmission Service Limited ("STSL"), incorporated by Rajasthan Rajya Vidyut Prasaran Nigam Limited. STSL will aim to establish Transmission Project – RAJ/PPP – 11 – 2X 400/220kV, 500MVA GSS at Sangod along with 220/132kV, 160 MVA transformer and associated transmission line.
- iii) Signed a Share Purchase Agreement (SPA) and completed the acquisition of the SPV, Halvad Transmission Limited ("HTL"), incorporated by PFC Consulting Limited. HTL project consists of evacuation of 7 GW of renewable energy (RE) from Khavda RE Park, under the Phase III Part A package. The project includes setting up a 765 kV Halvad switching station with 765 kV, 2x330 MVar bus reactors and LILO (Line-In Line-Out) of the Lakadia – Ahmedabad 765 kV D/C line at Halvad.

The above entities SPV's are with fixed tariff revenues under the Transmission Services Agreements (TSAs). The only key activity for these SPV's, once the SPV is operational, is the maintenance of the transmission assets which is or will be outsourced to third parties. There are no employees retained on acquisition and no other significant processes were existed for earning tariff revenues.

Based on evaluation of the above fact pattern vis-à-vis the guidance on definition of business under Ind AS and also keeping in view the relevant guidance on similar fact pattern available under accounting standards applicable in other jurisdictions, the management has classified the acquisition of transmission SPVs as asset acquisition.

Summary of assets acquired and liabilities assumed as part of Assets acquisition when compared to the consideration paid is as below :

Net amount of Assets and Liabilities

(₹ in crore)

Particulars	KPS 1 Transmission Limited	Sangod Transmission Service Limited	Halvad Transmission Limited
Date of Acquisition	August 17, 2023	October 5, 2023	December 26, 2023
Assets			
Non-current assets			
Property, Plant and Equipment	-	8.84	-
Capital Work-In-Progress	-	0.35	-
Contract Assets	16.56	-	18.42
	16.56	9.19	18.42
Current assets			
Cash and cash equivalents	0.01	0.05	0.01
	0.01	0.05	0.01
Total Assets (i)	16.57	9.24	18.43
Total Liabilities(ii)	0.58	2.52	-
Net Assets (i-ii)	15.99	6.72	18.43

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Consideration Transferred :

(₹ in crore)			
Particulars	KPS 1 Transmission Limited	Sangod Transmission Service Limited	Halvad Transmission Limited
Consideration Paid in cash	15.99	6.72	18.43

- 64.** During the previous financial year, a short seller report ("SSR") was published in which certain allegations were made on certain Adani Group Companies including the Company and its subsidiaries. In this regard, certain writ petitions were filed with the Hon'ble Supreme Court ("SC") seeking independent investigation of the allegations in the SSR and the Securities and Exchange Board of India ("SEBI") also commenced investigating the allegations made in the SSR for any violations of applicable SEBI Regulations. The SC also constituted an expert committee to investigate and advise into the various aspect of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. The Expert committee submitted its report dated May 6, 2023, finding no evidence of regulatory failure, in respect of applicable laws and regulations. The SEBI also concluded its investigations in twenty two of the twenty-four matters as per the status report dated August 25, 2023 to the SC.

The SC in it's order dated January 3, 2024, disposed off all matters of appeal in various petitions including petitions for separate independent investigations relating to the allegations in the SSR (including other allegation) and stated that the SEBI should complete the pending two investigations, preferably within 3 months, and take its investigations (including the twenty-two investigations already completed) to their logical conclusion in accordance with law. During the quarter, the Company has received Show Cause Notice (SCN) from the SEBI relating to validity of Peer Review Certificate (PRC) of one of the former statutory auditor in respect of an earlier period, which the Company has responded. Based on legal advice obtained, management believes that the matter is technical in nature and has no material consequential effects to relevant financial statements, and that there is no material non-compliance of applicable laws and regulations.

In April 23, the Company had obtained a legal opinion by independent law firm, confirming (a) none of the alleged related parties mentioned in the short-seller report were related parties to the Company or its subsidiaries, under applicable frameworks; and (b) the Company and its subsidiaries are in compliance with the requirements of applicable laws and regulations.

Based on the legal opinions, the SC order and the fact that there are no pending regulatory or adjudicatory proceedings as of date, except as mentioned above, the management concludes that there are no consequences of the allegations mentioned in the SSR and other allegations on the Company and its subsidiaries and accordingly, these Consolidated financial statement do not have any adjustments in this regard.

- 65.** The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company uses an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, the audit trail feature is not enabled at database level for accounting software SAP S/4 HANA to log any direct data changes for users with certain privileged access rights.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

Further there is no instance of audit trail feature being tampered with in respect of the accounting software where such feature is enabled.

Presently, the log is enabled at the application level and the privileged access to HANA database continues to be restricted to limited set of users who necessarily require this access for maintenance and administration of the database.

66 Ultimate Beneficiary Disclosure

- (i) During the year, the loan amount of ₹ 177.49 crore was advanced by Adani Energy Solutions Limited (Parent Company) on various dates involving 14 transactions in months of April 2023, May 2023, June 2023 and July 2023 to ATL HVDC Limited (a wholly owned subsidiary of the company), which has been further advanced by this entity on same dates to Adani Electricity Mumbai Infra Limited (a subsidiary of the company).
- (ii) During the year, ATL HVDC Limited (a subsidiary of the company) has received ₹ 705.54 crore by way of foreign currency loan on various dates involving 3 transactions in months of August 2023, October 2023 and January 2024, which has been further advanced on same dates to Adani Electricity Mumbai Infra Limited (a fellow subsidiary).
- (iii) During the year, the loan amount of ₹ 80 crore was advanced by Adani Properties Private Limited (an entity over which ultimate controlling entity or KMP have control or significant influence) involving 2 transactions in months of April 2023 and May 2023 to Sunrays Infra Space Limited (a wholly owned subsidiary of the company), which has further advanced such loan to Adani Energy Solutions Limited (Parent Company).

The intra-group loan transactions with subsidiaries / fellow subsidiaries during the year are in compliance with the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act, 2013 and not in violation of Prevention of Money-Laundering Act, 2002 (15 of 2003) and are in normal course of business to optimize the group cash flows and are eliminated in full in the consolidated financial statements.

67. Statutory disclosures

- (i) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020, and invited suggestions from stakeholders which are under consideration by the Ministry. The Company and its subsidiaries will assess the impact and its evaluation once the subject rules are notified. The Company and its subsidiaries will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.
- (ii) The Group does not have any benami property, where any proceeding has been initiated or pending against the Group for holding any benami property.
- (iii) The quarterly returns or statements of Current assets filed by the Group with the banks or financial institutions are in agreement with the books of accounts.

Notes to Consolidated Financial Statements

for the year ended March 31, 2024

68. Subsequent Event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the approval of consolidated financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the consolidated financial statements. As of April 30, 2024, there are no subsequent events to be recognized or reported that are not already disclosed.

69. The Consolidated Financial Statements for the year ended March 31, 2024 have been approved by the Audit Committee and approved by the Board of Directors at their meetings held on April 30, 2024.

As per our report of even date attached

For Walker Chandiok & Co LLP

Chartered Accountants

Firm Registration no. 001076N/N500013

NEERAJ GOEL

Partner

Membership No. 99514

Place : Gurugram

Date : April 30, 2024

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

KANDARP PATEL

Chief Executive Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 30, 2024

ANIL SARDANA

Managing Director

DIN: 00006867

KUNJAL MEHTA

Chief Financial Officer

Form No. AOC-I

Salient features of the financial statement of subsidiaries as per Companies Act, 2013

PART "A" : Subsidiaries

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus ¹	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
1	Adani Transmission (India) Limited	2023-24	INR	110.05	-	1,200.00	1,814.36	4,249.83	1,125.42	15.70	717.69	364.01	59.47	304.54	-	100%
2	Maharashtra Eastern Grid Power Transmission Company Limited	2023-24	INR	707.50	-	-	3,343.15	6,361.05	2,310.40	90.41	977.79	371.49	65.30	306.49	-	100%
3	Sipat Transmission Limited	2023-24	INR	44.00	-	-	89.88	696.25	562.37	15.47	95.85	42.24	10.82	31.42	-	100%
4	Rajpur-Rajnandgaon-Warora Transmission Limited	2023-24	INR	91.10	-	-	209.83	1,589.11	1,288.18	31.70	221.86	95.18	24.38	70.80	-	100%
5	Chhattisgarh-WR Transmission Limited	2023-24	INR	68.00	-	-	146.98	1,222.43	1,007.45	42.38	188.91	90.93	23.03	67.90	-	100%
6	Adani Transmission (Rajasthan) Limited	2023-24	INR	8.50	-	-	35.87	164.86	120.49	21.86	25.38	14.84	3.79	11.05	-	100% ³
7	North Karanpura Transco Limited	2023-24	INR	0.05	-	31.57	7.07	703.85	665.16	-	47.91	10.34	2.61	7.73	-	100%
8	Maru Transmission Service Company Limited	2023-24	INR	8.94	-	-	30.30	201.80	162.56	4.51	37.60	12.29	3.17	9.12	-	100%
9	Aravali Transmission Service Company Limited	2023-24	INR	5.23	-	-	1.97	115.79	108.59	6.20	23.02	4.53	1.16	3.37	-	100%
10	Western Transco Power Limited	2023-24	INR	10.00	-	-	223.88	576.64	342.76	8.77	54.85	26.89	7.08	19.81	-	100%
11	Western Transmission (Gujarat) Limited	2023-24	INR	10.00	-	-	148.53	356.17	197.64	-	31.54	17.25	4.56	12.69	-	100%
12	Hadoti Power Transmission Service Limited	2023-24	INR	10.00	-	-	103.70	275.72	162.02	10.66	48.83	32.88	8.55	24.33	-	100%
13	Barmer Power Transmission Service Limited	2023-24	INR	8.00	-	-	85.78	212.29	118.51	7.55	38.93	25.57	6.62	18.95	-	100%
14	Thar Power Transmission Service Limited	2023-24	INR	7.00	-	-	73.44	188.21	107.77	8.64	34.94	23.06	5.94	17.12	-	100%
15	Fatehgarh-Bhadla Transmission Limited	2023-24	INR	25.50	-	-	(40.17)	650.28	664.95	12.27	79.01	(11.17)	(13.41)	2.24	-	100%
16	Adani Electricity Mumbai Limited	2023-24	INR	4,020.82	-	-	567.69	22,103.00	17,514.49	281.59	9,747.95	479.33	249.47	229.86	-	74.90%
17	Ghatampur Transmission Limited	2023-24	INR	121.96	-	39.46	162.08	1,730.04	1,406.54	32.54	270.94	80.73	14.30	66.43	-	100%
18	Adani Transmission Bikaner Sikar Private Limited	2023-24	INR	10.00	-	-	73.64	259.41	175.77	25.42	30.75	17.55	4.48	13.07	-	100% ⁴
19	OBRA-C Badaun Transmission Limited	2023-24	INR	55.50	-	-	42.93	810.56	712.13	-	118.05	20.49	5.27	15.22	-	100%
20	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)	2023-24	INR	0.01	-	-	(0.08)	9.45	9.52	-	-	(0.01)	-	(0.01)	-	100%

(₹ in crore)

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus ¹	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
21	Bikaner Khetri Transmission Limited	2023-24	INR	54.00	37.67	63.74	62.37	930.39	712.60	55.82	136.25	36.90	6.93	29.97	-	100%
22	WRSS XXI (A) Transco Limited	2023-24	INR	0.05	-	-	(9.25)	1,483.89	1,493.09	313.04	156.81	(6.39)	-	(6.39)	-	100%
23	Lakadia Banaskantha Transco Limited	2023-24	INR	0.05	-	-	(23.14)	1,362.73	1,385.82	413.56	120.66	(15.43)	0.00	(15.43)	-	100%
24	Jam Khambhaliya Transco Limited	2023-24	INR	21.25	-	-	2.77	340.93	316.91	12.29	45.01	0.31	(0.11)	0.42	-	100%
25	Arasan Infra Limited (Formerly Known as Arasan Infra Private Limited)	2023-24	INR	0.01	-	-	(1.00)	6.46	7.45	-	-	(0.50)	-	(0.50)	-	100%
26	Sunrays Infra Space Limited (Formerly Known as Sunrays Infra Space Private Limited)	2023-24	INR	0.01	-	-	(3.14)	16.78	19.91	-	24.30	(1.59)	-	(1.59)	-	100%
27	Power Distribution Services Limited	2023-24	INR	0.01	-	-	7.66	10.79	3.12	-	12.71	2.59	0.65	1.94	-	74.90%
28	Adani Electricity Mumbai Infra Limited	2023-24	INR	0.01	-	424.09	(0.61)	1,746.39	1,322.90	-	-	(0.01)	-	(0.01)	-	74.90%
29	Alipurdar Transmission Limited	2023-24	INR	55.63	-	-	275.80	1,247.28	915.85	12.44	154.44	56.53	14.51	42.02	-	100% ⁵
30	Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)	2023-24	INR	0.05	-	-	40.11	1,497.19	1,457.03	-	100.30	54.47	13.52	40.95	-	100%
31	Warora-Kurnool Transmission Limited	2023-24	INR	537.00	-	186.07	(453.16)	4,158.15	3,888.24	-	241.49	(19.30)	(5.04)	(14.26)	-	100%
32	Adani Transmission Step One Limited	2023-24	INR	0.01	-	3,340.00	(7,581.24)	3,826.53	8,067.76	1,246.60	370.58	(434.93)	-	(434.93)	-	100%
33	AEML Seepz Limited	2023-24	INR	13.51	-	-	(10.59)	52.24	49.32	-	33.98	1.20	0.63	0.57	-	74.90%
34	MP Power Transmission Package-II Limited	2023-24	INR	124.64*	-	-	10.72	1,204.82	1,069.46	-	46.33	16.83	3.43	13.40	-	100%
35	MPSEZ Utilities Limited	2023-24	INR	13.14	-	-	104.63	375.10	257.33	-	391.38	12.38	(4.38)	16.76	-	100%
36	Karur Transmission Limited	2023-24	INR	0.01	-	-	0.40	187.92	187.51	-	11.95	0.53	0.09	0.44	-	100%
37	KHAVDA-BHUJ Transmission Limited	2023-24	INR	138.16	-	-	(0.90)	1,147.45	1,010.19	51.04	13.90	0.36	(0.10)	0.46	-	100%
38	ATL HVDC Limited	2023-24	INR	0.01	-	-	(31.38)	1,007.30	1,038.67	-	164.40	(15.73)	-	(15.73)	-	100%
39	Adani Electricity Jewar Limited	2023-24	INR	0.01	-	-	(0.05)	0.01	0.05	-	-	(0.00)	-	(0.00)	-	100%
40	Adani Transmission Step-Two Limited	2023-24	INR	0.01	-	-	(0.47)	0.37	0.83	0.01	-	(0.41)	-	(0.41)	-	100%
41	Adani Transmission Mahan Limited	2023-24	INR	0.01	-	-	(0.01)	0.00	0.01	-	-	(0.01)	-	(0.01)	-	100%
42	BEST Smart Metering Limited	2023-24	INR	0.01	-	-	0.14	105.23	105.08	-	78.64	0.19	0.05	0.14	-	100%
43	Adani Cooling Solutions Limited	2023-24	INR	0.01	-	-	(0.01)	0.44	0.44	-	-	(0.01)	-	(0.01)	-	100%
44	WRSR Power Transmission Limited	2023-24	INR	160.82	-	-	(1.61)	641.02	481.81	-	294.97	(0.01)	-	(0.01)	-	100%
45	Adani Transmission Step-Three Limited	2023-24	INR	0.01	-	-	0.03	13.07	13.03	-	24.03	0.05	0.01	0.04	-	100%

* Includes share application money pending allotment

(₹ in crore)

Sr. No.	Name of the Subsidiary	Reporting Period	Reporting Currency	Share Capital	Unsecured Perpetual Equity Instrument	Instruments Entirely Equity in Nature	Reserves & Surplus¹	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend	% of Shareholding
46	Adani Transmission Step-Four Limited	2023-24	INR	0.50	-	-	(0.03)	0.51	0.04	-	-	(0.01)	-	(0.01)	-	100%
47	Adani Transmission Step-Five Limited	2023-24	INR	0.01	-	-	(0.01)	0.29	0.29	-	-	(0.01)	-	(0.01)	-	100%
48	Adani Transmission Step-Six Limited	2023-24	INR	0.01	-	-	(0.01)	122.51	122.51	-	103.96	(0.00)	-	(0.00)	-	100%
49	Adani Transmission Step-Seven Limited	2023-24	INR	0.01	-	-	(0.01)	65.39	65.39	-	55.47	(0.00)	-	(0.00)	-	100%
50	Adani Transmission Step-Eighth Limited	2023-24	INR	0.01	-	-	(0.01)	11.24	11.24	-	9.53	(0.00)	-	(0.00)	-	100%
51	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited)	2023-24	INR	0.01	-	-	(0.01)	13.71	13.71	-	11.29	(0.00)	-	(0.00)	-	100%
52	Adani Electricity Aurangabad Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
53	Adani Electricity Nashik Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
54	Khavda II-A Transmission Limited	2023-24	INR	87.38	-	-	(0.94)	419.19	332.75	-	205.64	(0.01)	-	(0.01)	-	100%
55	Adani Green Energy Thirty Limited	2023-24	INR	3.51	-	47.53	(3.04)	48.18	0.18	-	-	(2.68)	-	(2.68)	-	100%
56	KPS1 Transmission Limited²	2023-24	INR	0.05	-	-	(0.63)	157.80	158.38	-	80.16	(0.01)	-	(0.01)	-	49%
57	Sangod Transmission Service Limited²	2023-24	INR	0.05	-	-	(0.34)	44.22	44.51	-	-	(0.00)	-	(0.00)	-	100%
58	Halvad Transmission Limited²	2023-24	INR	0.01	-	-	(0.01)	53.00	53.00	-	18.56	(0.01)	-	(0.01)	-	100%
59	Sunrays Infra Space Two Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
60	Arsan Infra Two Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
61	Adani Energy Solutions Step-Twelve Limited	2023-24	INR	0.01	-	-	(0.00)	0.01	0.00	-	-	(0.00)	-	(0.00)	-	100%
62	Adani Energy Solutions Step-Thirteen Limited	2023-24	INR	-	-	-	-	-	-	-	-	-	-	-	-	100%

1. Reserves & Surplus includes Other Comprehensive Income
2. Date of Acquisition by the company:
KPS 1 Transmission Limited - August 17, 2023
Sangod Transmission Service Limited - October 5, 2023
Halvad Transmission Limited - December 26, 2023
3. Adani Transmission (Rajasthan) Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
4. Adani Transmission Bikaner Sikar Private Limited has entered into a contract (Transmission Service Agreement) with Rajasthan Rajya Vidyut Prasaran Nigam Limited (RRVPNL) providing for the issue and allotment of one non-transferable equity share of the Company (the "Golden Share") in favor of the RRVPNL.
5. The Group has signed definitive agreements with Kalpataru Power Transmission Limited (KPTL) on July 5, 2020 for acquisition of Alipurduar Transmission Ltd. ("APTL") in a manner consistent with Transmission Service Agreement and applicable consents. The Group has already acquired of 49% Equity Shares of Alipurduar Transmission Limited ("APTL") and during the year 2022-23, Group has further acquired additional 25% equity shares of APTL from KPTL in a manner consistent with Transmission Service Agreement and applicable consents. Further, the balance 26% equity shares of APTL will be acquired from KPTL after obtaining requisite approvals.
6. During the year, the Group acquired under-development transmission company 'KPS 1 Transmission Limited' from Megha Engineering & Infrastructures Ltd. The acquisition involves the implementation of the KPS1 - Khavda PS GIS (KPS2) 765 kV double circuit line and the augmentation of Khavda PS1 in the state of Gujarat. The Company has signed definitive agreements with Megha Engineering & Infrastructures Limited (MEIL) on August 16, 2023 for acquisition of KPS1 Transmission Limited ("KPS1") in a manner consistent with Transmission Service Agreement and applicable consents. The Company has acquired 49% Equity Shares of KPS1 Transmission Limited ("KPS1") during the year, and the balance equity shares of KPS1 will be acquired from MEIL after obtaining requisite approvals. Considering the rights available to the Group under the Share Purchase Agreement (SPA), the group has concluded that it controls KPS1 with effect from August 16, 2023.
7. In respect of KPS1 Transmission Limited, Sangod Transmission Service Limited and Halvad Transmission Limited; the statement of salient features of subsidiaries contains amount in respect of Turnover, Profit/(Loss) before Taxation, Provision for Taxation, Profit/(Loss) after Taxation and Proposed Dividend for the full financial year, whereas in consolidated statement of profit and loss contains amount pertaining to the period after acquisition of control in these subsidiary companies.
8. Name of the Subsidiaries which are yet to commence operations

Sr. No.	Name of the Subsidiary
1	North Karanpura Transco Limited*
2	MP Power Transmission Package-II Limited*
3	Adani Electricity Mumbai Infra Limited
4	WRSR Power Transmission Limited
5	Khavda II-A Transmission Limited
6	KPS1 Transmission Limited
7	Sangod Transmission Service Limited
8	Halvad Transmission Limited
9	Adani Electricity Navi Mumbai Limited (Formerly known as AEML Infrastructure Limited)
10	BEST Smart Metering Limited#
11	Adani Transmission Step-Five Limited#

Sr. No.	Name of the Subsidiary
12	Adani Transmission Step-Six Limited [#]
13	Adani Transmission Step-Seven Limited [#]
14	Adani Transmission Step-Eighth Limited [#]
15	NE Smart Metering Limited (Formerly known as Adani Transmission Step-Nine Limited) [#]

*Part Capacity Commissioned; [#]Smart Metering Business

Note: There are no associate companies or joint ventures companies within the meaning of Section 2(6) of the Companies Act, 2013. Hence, Part B relating to the same is not applicable.

For and on behalf of the Board of Directors

ADANI ENERGY SOLUTIONS LIMITED

(Formerly Known as Adani Transmission Limited)

GAUTAM S. ADANI

Chairman

DIN: 00006273

ANIL SARDANA

Managing Director

DIN: 00006867

KANDARP PATEL

Chief Executive Officer

KUNJAL MEHTA

Chief Financial Officer

JALADHI SHUKLA

Company Secretary

Place : Ahmedabad

Date : April 30, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion is intended to convey the management's perspective on our financial condition and results of operations for Fiscals 2026, 2025 and 2024. Unless otherwise stated, the financial information in this section has been derived from the Audited Consolidated Financial Statements and the Consolidated Unaudited Quarterly Financial Results included elsewhere in this Preliminary Placement Document. Our financial year ends on March 31 of each year. Accordingly, references to Fiscals 2026, 2025 and 2024, are to the 12-month period ended March 31 of the relevant year. Unless otherwise stated, all financial numbers are presented in crores. 1 crore is equal to 10 million.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled "Power transmission and distribution, and smart metering" issued in July 2026 ("**CRISIL Report**") prepared and issued by CRISIL Intelligence, appointed by us and exclusively commissioned and paid for by us in connection with the Offer, and other publicly available information. CRISIL Intelligence has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from publicly available documents from various sources and the CRISIL Report, and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the CRISIL Report, see "Risk Factors – 51. Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable." on page 60.*

Ind AS differs in certain respects from, IFRS and U.S. GAAP and other accounting principles with which prospective investors may be familiar. Please also see "Risk Factors — 54. Differences exist between Ind AS and other accounting principles, such as IFRS and U.S. GAAP, which may be material to investors' assessments of our financial condition, result of operations, and cash flows" on page 61. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, such as the risks set forth in the chapters entitled "Risk Factors" and "Forward Looking Statements" beginning on pages 35 and 16, respectively.

OVERVIEW

We are part of the Adani portfolio, which had an average market capitalization of ₹14 trillion during the three months ended June 30, 2026 and is one of the largest listed business groups in India in terms of market capitalization during the same period.¹⁶ We are an integrated pan-India energy solutions provider through our multiple businesses, including transmission, distribution, smart metering, centralized cooling and an energy solutions platform. We are one of the leading players in India's transmission and distribution sector and India's largest private sector transmission company, with a 42.1% share of the private operational network as of March 31, 2026.¹⁷ Our Subsidiary, Adani Electricity Mumbai Ltd. ("**AEML**"), is the largest private distribution licensee in Mumbai with a customer base of 3.27 million as of March 31, 2026.¹⁸ We are one of India's leading advanced metering infrastructure service providers as of March 31, 2026 and are among the few companies to have cumulatively installed 11.40 million smart meters across discoms as of March 31, 2026.¹⁹ We have secured ten contracts totaling to 24.60 million smart meters, representing approximately 16.30% of the smart metering market awarded in India as of March 31, 2026.²⁰ We have also recently entered the cooling solutions business to deliver centralized and energy-efficient cooling under a "cooling-as-a-service" model with approximately 76,000 tons of refrigeration ("**TR**") of projects under implementation as of June 30, 2026. In addition, we have established an energy solutions platform with supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of battery energy storage systems ("**BESS**") and an energy portfolio of over 1.00 GW across commercial and industrial ("**C&I**") customers, data centers and utilities.

We are contributing to India's energy transition goals with our portfolio of assets in transmission that will aid evacuation of renewable power (Green Energy Corridor), coupled with high renewable power penetration in the distribution business and expansion into the smart metering business, cooling solutions and energy solutions.

We operate five main businesses: (a) transmission; (b) distribution; (c) smart metering; (d) cooling solutions; and (e) an energy solutions platform.

• ¹⁶ Source: CRISIL Report
• ¹⁷ Source: CRISIL Report
• ¹⁸ Source: CRISIL Report
• ¹⁹ Source: CRISIL Report
• ²⁰ Source: CRISIL Report

As of June 30, 2026, we have 27,949 circuit kilometers (“**ckms**”) of transmission lines across 14 states in India, of which 20,023 ckms were fully operational and 7,926 ckms were under construction. We operate 123,175 megavolt-ampere (“**MVA**”) of power transformation capacity under our transmission business as of the same date. As of June 30, 2026, our distribution business served over 3.29 million households (representing approximately 13.00 million distribution consumers) of AEML and 113 industrial customers of MPSEZ Utilities Limited (“**MUL**”). The annual energy requirement was approximately 13,660 million units (“**MUs**”) (12,245 MUs through AEML and 1,415 MUs through MUL) as of March 31, 2026. Through our power transmission business, we build, commission, operate and maintain electricity inter-state transmission systems (“**ISTS**”) and intra-state transmission systems (“**InSTS**”). As of June 30, 2026, we owned 35 fully operational transmission systems across the states of Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Tamil Nadu, Telangana, West Bengal, Haryana, Jharkhand and Karnataka in India, which in aggregate have a network of power transmission lines of approximately 20,023 ckms and 82 substations having 123,175 MVA of transformation capacity. We are also developing 13 transmission systems across the states of Gujarat, Maharashtra, Rajasthan and Madhya Pradesh in India as of June 30, 2026. These transmission systems have a total network of power transmission lines of approximately 7,926 ckms and 11 substations having 73,775 MVA of transformation capacity. Our total under-construction transmission pipeline was ₹71,779 crore as of June 30, 2026. In July 2026, we were awarded an inter-state transmission project in Andhra Pradesh for certain proposed green hydrogen/ green ammonia projects as well as emerging digital infrastructure demand in the Pendurthi–Visakhapatnam region, with an estimated project value of approximately ₹8,500 crore.

The transmission systems were awarded to us under the “tariff-based competitive bidding” mechanism (“**TBCB**”) on a “build-own-operate-maintain” (“**BOOM**”) or “build-own-operate-transfer” (“**BOOT**”) basis. Our ISTS transmission systems earn revenue under long-term transmission services agreements (“**TSAs**”) and tariff orders passed by CERC, and our InSTS transmission systems earn revenue under long-term bulk power transmission agreements (“**BPTAs**”) and tariff orders passed by the relevant state electricity regulatory authority. These transmission systems receive availability-based tariffs under the TSAs or BPTAs, as applicable, irrespective of the quantum of power transmitted through the line. The tariff for transmission systems in India is contracted for the period of the TSA, which is up to 35 years from commercial operations date (“**COD**”), or BPTA, which is up to 25 years and may be renewed or extended for another ten years in accordance with the provision of underlying agreement, TSA or BPTA. Tariffs under the TSAs and BPTAs are billed and collected pursuant to the “point of connection” (“**PoC**”) mechanism, a regulatory payment pooling system. Under the PoC mechanism, payments are made to a central/state payment pool, and the proceeds are distributed proportionately to all transmission services providers, including us. The availability-based tariffs and PoC payment mechanism enable a stable and certain cash flow stream. For further details, see “*Industry Overview*” on page 497.

We have maintained an annual average availability for our operational transmission systems in excess of 99.50% since commissioning, for which we have earned maximum incentive revenues under the respective TSAs and BPTAs. Maintaining availability of the transmission systems in excess of 95.00% for high voltage direct current (“**HVDC**”) systems and 98.00% for AC systems gives us the right to claim incentives on a pro-rata basis, under the TSAs and BPTAs, ensuring an adequate upside to maximize availability.

We operate our electricity distribution business through our Subsidiaries AEML, AEML SEEPZ Limited (“**ASL**”) (a wholly owned subsidiary of AEML) and MUL. As of June 30, 2026, our distribution systems included AEML’s 594 ckms of 220 kV transmission lines and MUL’s 254 ckms of 220, 66, 33, 11 and 0.415 kV transmission lines and seven substations having 710 MVA transformation capacity. AEML has received various recognitions for its operational performance, customer service standards and governance practices. AEML has maintained an A+ integrated rating from the Power Finance Corporation during Fiscals 2025 and 2026 and was ranked first among distribution utilities by the Ministry of Power under its Integrated Utility Ranking for Fiscal 2026.²¹ AEML has also received credit rating upgrades from domestic rating agencies, with both India Ratings and CRISIL Ratings upgrading its rating to AAA/Stable during Fiscal 2026. Additionally, CareEdge Global assigned a new international rating of BBB+ with a Stable outlook to AEML.

Leveraging our distribution and transmission platforms and expertise, we entered into the smart metering business in Fiscal 2023, which involves the installation of smart meters and providing end-to-end smart metering services under the design-build-finance-own-operate-and-transfer (“**DBFOOT**”) model. Smart meters can improve the operational efficiency of distribution utilities, support their financial sustainability, and enhance consumer services by enabling more accurate monitoring of electricity consumption, improving billing efficiency and reducing power theft.²² As of March 31, 2026, we have cumulatively installed 11.40 million smart meters, making it one of the highest smart meter installations in India as of the same date.²³ Further, as of June 30, 2026, we have cumulatively installed 13.44 million smart meters. In addition, we have obtained an order book to install 24.60 million smart meters across five states in India as of June 30, 2026. At more than 22,000 to 23,000 installations per day, we had one of the highest installation rates in India’s smart metering industry during Fiscal 2026.²⁴ Further, our proposed acquisition of IntelliSmart Infrastructure Private Limited (“**IntelliSmart**”), subject to regulatory and other customary approvals. This is a smart metering joint venture between National Investment and Infrastructure Fund and Energy Efficiency Services Limited and is expected to expand our smart metering portfolio and geographic presence, including in

• ²¹ Source: CRISIL Report

• ²² Source: CRISIL Report

• ²³ Source: CRISIL Report

• ²⁴ Source: CRISIL Report

Gujarat, Uttar Pradesh and Madhya Pradesh, and further enhance the scale of our smart metering platform.

Further, we recently forayed in our cooling solutions business through our wholly owned Subsidiary, Adani Cooling Solutions Limited (“ACSL”), which constructs and operates centralized district cooling systems on a design-build-finance-own-operate (“DBFOO”) basis. As of June 30, 2026, we are developing a township project at Shantigram, Ahmedabad. We have also identified a pipeline of approximately 278,950 TR across airports, data centers, industrial estates, IT hubs, metro rail projects and real estate developments as of the same date. Separately, we operate an energy solutions platform that serves as an end-to-end energy management offering for large power consumers across sectors including cement, airports, data centers, ports, automotive, chemicals and fertilizers, FMCG, textiles, metals, infrastructure and hospitality.

We received a credit rating of BBB- and Baa3 Stable by Fitch and Moody’s, respectively, in Fiscal 2026. Further, the Japan Credit Rating Agency assigned a long-term foreign currency credit rating of BBB+ (Stable) to us in January 2026. In Fiscals 2026, 2025 and 2024, we generated a total income of ₹28,325.16 crore, ₹24,446.55 crore and ₹17,218.31 crore, respectively, an EBITDA (before exceptional items) of ₹8,725.97 crore, ₹7,745.98 crore and ₹6,322.15 crore, respectively, and a net profit after tax of ₹2,392.75 crore, ₹921.69 crore and ₹1,195.61 crore, respectively.

Significant Factors Affecting Results of Operations

Tariff Structure

Transmission Assets

Our main source of revenue from our transmission business is tariffs from the sale of power and transmission charges. In Fiscals 2026, 2025 and 2024, revenue from our transmission business was ₹9,823.88 crore, ₹8,330.59 crore and ₹4,635.00 crore, which accounted for 35.61%, 35.05% and 30.79% of our total revenue from operations, respectively. We earn transmission tariffs under two mechanisms – (1) TBCB, and (2) “cost-plus” basis. In addition, we are eligible to receive incentive payments based on availability of our transmission assets. We have briefly described each mechanism below:

- *TBCB mechanism:* Technically qualified developers bid for an inter-state or intra-state power transmission assets on a BOOM or BOOT basis, which is awarded to the developer whose levelized tariff is the lowest after a e-reverse auction process. The electricity transmission tariff is collected and paid to us in the form of transmission charges by Long Term Transmission Customers (“LTTCs”). The tariff is comprised of a fixed ‘non-escalable’ charge, a variable ‘escalable charge’, incentives for actual availability beyond the target availability and surcharge (for late payment).
 1. *Non-escalable charges:* are fixed charges, detailed in the TSA or BPTA and applicable tariff orders, and is paid to us as part of the transmission charges. These charges are billed on monthly basis to the central transmission utility (“CTU”), state transmission utility (“STU”) or LTTC.
 2. *Escalable charges:* are variable charges which are only fixed in the TSA or BPTA, and the relevant tariff order for first year of scheduled operations and vary in subsequent years according to the escalation index, which may be determined semi-annually or annually from a formula linked to the inflation rate in India. Any change in the inflation rate in India will directly impact the escalable charges paid to us and our revenue from operations.
 3. *Incentive:* Incentive is paid to us based on the actual availability achieved over and above normative/ target availability.
 4. *Surcharges:* are paid to transmission licensees such as us for any failure or delay on the part of customers to make payments to the central transmission utility (“CTU”) or state transmission utility (“STU”), which affects the capability of the CTU or STU to make corresponding payments to us.
 5. For availability-based incentives, see “– Availability based incentives” below.

In Fiscals 2026, 2025 and 2024, we earned a revenue of ₹8,064.32 crore, ₹6,405.87 crore and ₹2,940.97 crore from transmission assets under the TBCB mechanism, respectively.

- *“Cost-plus” basis:* The tariff applicable to a transmission asset under the “cost-plus” basis is designed to compensate the licensee for the costs of construction of the transmission asset, for the operation of the system thereafter, as well as provide a pre-determined rate of return on the licensee’s investment in the transmission asset (capital cost). In addition, we are eligible to receive incentive payments based on availability of our transmission assets. This “cost-plus basis” tariff is determined on a number of components, such as operation and maintenance expenses, depreciation, interest on long-term loan, interest on working capital, return on equity, contribution to contingency reserves and non-tariff income that are aggregated into an annual transmission charge (“ATC”) which is paid to us by the appropriate regulatory commission. We submit tariff petitions for approval to electricity regulators once the construction of a transmission asset is completed, and subsequently if our costs of operations increase. The regulator first issues a provisional order and then issues a final tariff order approving a final tariff after the regulator has reviewed our proposal, documents and financial statements, which may be different than the provisional tariff. We are allowed to recover the revenue gap caused by increase in unforeseeable costs

by adding it to future tariffs. Once the period for which the tariffs were determined is completed, the regulator carries out truing up these years and determines the revenue gap or revenue surplus based on the ATC allowed at the time of truing up and actual revenue billed. For surplus tariffs, the applicable amount is deducted/ increased from future tariffs. Any change to the tariffs applicable to our transmission assets directly impact our revenue. See “*Risk Factors – Risks Relating to Our Business – 3. Any changes to current tariff policies or modifications of tariffs standards by regulatory authorities could have a material adverse effect on our business, prospects, financial condition, and results of operations.*” on page 37.

In Fiscals 2026, 2025 and 2024, we earned a revenue of ₹1,759.56 crore, ₹1,924.72 crore and ₹1,694.41 crore from transmission assets under the cost-plus basis mechanism, respectively. We had higher revenue from transmission assets under the cost-plus mechanism in Fiscal 2025 and 2024 as a result of the one-time impact of tariff true-ups and APTEL’s judgement.

- *Availability based incentives:* We operate our transmission assets under an availability-based tariff regime, which incentivizes transmission asset operators like us to provide the highest possible system reliability. System reliability is measured as “availability”, which is defined as the time in hours during a given period for which the transmission asset is capable of transmitting electricity at its rated voltage, expressed as a percentage of total hours in the period. Central and state tariff regulations provide specific guidance on the calculation of availability and take into account the elements in the transmission asset (including transmission lines, transformers and substations), as well as the reason for any outages, with *force majeure* outages being excluded from the calculation. Availability rates are calculated by the regional load dispatch center (“**RLDC**”) and certified to us. We are required to maintain system availability of over 95% for high voltage direct current (“**HVDC**”) systems and over 98% for alternating current (“**AC**”) systems in order to receive 100% of the ATC to which we are entitled. If the availability rate of our transmission assets falls below the relevant threshold, the tariff for the period is pro-rated accordingly. Incentive payments are paid on a quarterly, half-yearly or annual basis based on each regulator’s requirements. Incentive payments payable to us increases with a corresponding increase in the availability rate of our transmission assets. In Fiscals 2026, 2025 and 2024, our transmission assets have maintained an annual average system availability above 99.5% and have received incentive payments. Our availability is affected by our ability to maintain our power transmission assets and restore them in the event they are rendered inoperable. Our ability to maintain target availability under the TSA and BPTA directly impacts our revenues.

Distribution Assets

Our main source of revenue from our distribution business is tariffs from the distribution of electricity. In Fiscals 2026, 2025 and 2024 revenue from our distribution business was ₹12,450.02, ₹12,266.48 crore and ₹10,172.77 crore and accounted 45.13%, 51.61% and 61.25% of our total revenue from operations, respectively. For our distribution business, we are paid a tariff by consumers based on rate of return and normative costs determined by the regulator. Under the Electricity Act and the applicable tariff regulations, a transmission and distribution licensee such as us is required to seek a tariff determination from the regulator for our distribution assets. The tariff applicable to a transmission asset is designed to compensate the licensee for the costs of construction of the transmission asset and for the operation of the distribution asset thereafter, as well as provide a pre-determined rate of return on the licensee’s investment in the transmission asset. This tariff is determined based on a number of components that are aggregated into the aggregate revenue requirement (“**ARR**”), which is collected from consumers.

Through AEML, ASL and MUL, we submit tariff petitions for approval to electricity regulators once every two-three years. The regulator approves the tariff based on the projected sales and ARR. The regulator also allows for the recovery of revenue gaps, if any. Once the period for which the tariffs were determined is completed, the regulator carries out truing up these years and determines the revenue gap or revenue surplus based on the ARR allowed at the time of truing up and actual revenue billed. We are allowed to recover the revenue gap by adding it to future tariffs. For surplus tariffs, the applicable amount is deducted from future tariffs. The regulator grants a provisional order, which forms the basis for the tariff for the year. The regulator then issues a final tariff order approving the final tariff, which may be different from the provisional tariff. Any change to the tariffs applicable to our distribution assets will directly impact our revenue.

Smart Metering

We also offer the installation, operations and maintenance of smart meters used to provide public service on a “Design-Build-finance-Own-Operate-Transfer” (“**DBFOOT**”) basis. These smart meters are transferred to the relevant authority at the end of the terms of the contract. Smart meters and their related communication and cloud infrastructure are installed over a period of approximately 27-30 months and maintained for approximately the following 90 months. The projects cover end to end Smart Metering for Distribution Infrastructure and End Consumers, enabling complete energy accounting with zero manual intervention.

In Fiscals 2026, 2025 and 2024, revenue from our smart metering business was ₹3,574.90 crore, ₹1,572.10 crore and ₹290.86 crore, respectively.

We have recently expanded into the district cooling systems (“**DCS**”) business, which provides centralized cooling infrastructure for residential, commercial, industrial and mixed-use developments. A DCS produces chilled water at a central cooling plant and distributes cooling capacity through a network of underground pipes to multiple buildings for space and

process cooling applications. Revenue from this business is expected to be derived from the development, ownership, operation and maintenance of district cooling infrastructure and the supply of cooling services under long-term contractual arrangements. The growth and performance of this business will depend on, among other factors, the timing of project execution and commissioning, customer demand and utilization levels, operating efficiency of cooling plants, energy costs and our ability to secure and execute additional projects.

Operating Costs

Our operating costs primarily include (i) cost of power purchased for our distribution business, (ii) employee benefits expense, (iii) other expenses, which primarily comprise transmission and network-related operating and maintenance expenses, repairs and maintenance costs, stores and spares consumption, construction expenses relating to service concession arrangements and smart metering projects, and other project-related expenses, and (iv) cost of materials and equipment associated with our trading, EPC and other business activities.

Power purchase expenses for the distribution business are recovered in tariffs based on an actual basis at approved costs. We have been implementing various short and long-term strategies, such as banking of power and increasing the mix of renewable power in order to optimize power purchase expenses and minimize the impact on consumer tariffs. At the time of determination of tariffs in advance for a year, costs are approved by the regulator based on projections made by us, which include the projections for cost of power purchase. However, once the tariff rates are determined and as the year progresses, the actual cost for power purchases for the year may differ from cost accounted for in approved tariffs. We can recover any increase in fuel costs, which is referred to as fuel adjustment charge (“FAC”), through revised future tariffs. FAC ensures that we are not out-of-pocket and have the ability to charge our consumers. In cases where the actual power purchase cost incurred is less than the approved costs, as per recent practice and our regulators’ directions, we are required to create a FAC fund. This fund is then adjusted against the FAC recoverable from consumers in subsequent months to mitigate any sudden increases in tariffs. The FAC is billed by us to our consumers with a two-month lag. For example, the difference between the power purchase cost as per the tariff order and the actual power purchase cost incurred for the month of April will be billed to consumers in the month of June and appear as a separate item in the consumer bill.

Employee benefits expenses include salary, wages and other benefit expenses of our employees.

Our operating and maintenance expenses include costs incurred in relation to the operation, maintenance and upkeep of our transmission and distribution network assets, smart metering infrastructure and other utility assets, including expenses incurred under operation and maintenance arrangements with third-party service providers. Such expenses are recognized in accordance with applicable accounting standards and include, among others, repairs and maintenance expenditure, stores and spares consumption and replacement of network and transmission components, where required. We continue to deploy technology-enabled solutions across our operations to enhance operational efficiency, improve asset reliability and optimize maintenance costs.

Financing Requirements

We operate in a capital-intensive industry. As a result, our ability to access cost-effective financing is crucial to our business. As of June 30, 2026, our total borrowings (non-current borrowing and current borrowing) were ₹50,841.67 crore. Our debt financing framework includes debt instruments from multiple Indian and international lenders providing both new financing and refinancing instruments. We have benefitted previously from equity investments from investors including mutual funds, venture capital funds, insurance companies and foreign portfolio investors. Our ability to access diversified pools of capital has enabled it to raise finance and refinance projects regularly and on competitive terms to maximize its capital efficiency. We have, a well-balanced mix of equity, corporate debt and project financing, as well as a relatively low interest rate environment (for example, the interest rates of our outstanding bonds as of March 31, 2026 range from 3.87% to 5.20%), which have contributed to the rapid growth of its business. While we expect to fund the construction and development of our projects with a combination of cash flows from operations, debt financings and equity financings, our ability to arrange for such financing remains subject to various factors, including those affecting the macro-economic environment. Further, our ability to meet payment obligations under outstanding debt depends on our ability to generate significant cash flows in the future, which, to some extent, is subject to general economic, financial, competitive, legislative and regulatory factors that are beyond our control. We maintain a careful balance between our exposure to fixed and floating interest rate instruments. Our finance costs in Fiscals 2026, 2025 and 2024 were ₹3,632.90 crore, ₹3,259.16 crore and ₹2,766.51 crore, respectively. Rising interest rates could adversely affect our ability to secure financing on favourable terms and our cost of borrowings could, consequently, increase. We intend regularly refinance our existing indebtedness to extend repayment tenors, enhance borrowing limits and reduce its overall debt service requirements.

Material Accounting Policies

Certain of our accounting policies require application of judgment by our management in selecting appropriate assumptions for calculating financial estimates, which inherently contain some degree of uncertainty. Our management bases its estimates on historical experience and various other assumptions that they believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the reported carrying values of assets and liabilities and the reported amounts

of revenues and expenses that may not be readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

We believe the following are the most relevant critical accounting policies, related judgments and estimates used in the preparation of our consolidated financial statements:

Current / Non-Current Classification

Based on the time involved between acquisition of assets for processing and their realisation in cash and cash equivalents, we have identified twelve months as our operating cycle for determining current and non-current classification of assets and liabilities in the balance sheet.

Property, plant and equipment

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.

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.

Depreciation

Depreciation commences when an asset is ready for its intended use. Depreciation is recognised based on the cost of assets (other than land) less their residual values over their useful lives.

(i) Regulated Assets

Depreciation on Property, plant and equipment in respect of our electricity business covered under Part B of Schedule II of the Companies Act, 2013, has been provided on the straight line method at the rates specified in tariff regulations notified by the respective Electricity Regulatory Commission.

(ii) Non-Regulated Assets

Depreciation is recognised on the cost of assets (other than freehold land and properties under construction) less their residual values over their estimated useful lives, using the straight-line method.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. We, based on technical assessment made by technical expert and management estimate, depreciate certain items of building, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. Our management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Estimated useful life of Regulated and Non Regulated assets are as below:

Type of Assets	Useful lives
Building	3-60 Years
Plant and Equipment (Except Meters & Batteries)	25-35 Years
Plant and Equipment - Meters	25 Years [#]
Plant and Equipment - Batteries	10 Years [#]
Furniture and Fixtures	3-15 Years
Street Light	25 Years
Office Equipment	3-15 Years
Computer Equipment	3-6 Years
Vehicles	8-15 Years
Distribution Line / Transmission Cable	35 Years

^{*} Consequent to amendments in tariff regulations, with respect to assets in-principle approved on or after August 11, 2024, the Company has changed the useful life (years) in respect of meters (from 10 to 25 years), office equipment (from 5 to 15 years), Computer Equipment (from 3 to 6 years).

[#]Relates to AEML's business.

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.

Service line contribution received from consumers towards unconnected lines are recognised under other current financial liabilities till such lines are fully commissioned. When the lines are fully commissioned and capitalised in books, such contribution received is recognised in carrying value of such lines from the block of property, plant and equipment. MUL presents the service lines contribution as deferred revenue under the head of non-current liabilities. Further, hitherto, the company presented depreciation charge on such assets as net of amortisation on such contribution being capitalised, the depreciation is presented on gross value and amortisation of such line is being presented as other operating income.

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 we expect to be entitled in exchange for those goods or services.

Power transmission services

1. Transmission service agreements

Revenue from contracts with customers comprises of revenue from power transmission services rendered in India to Long Term Transmission Customers (LTTCs) pursuant to the respective Transmission Services Agreements (TSAs) executed by us with LTTCs for periods of 35/25 years. We are required to ensure that the transmission assets meet the minimum availability criteria under the respective TSAs. Our performance obligation under the TSAs is to provide power transmission services. The performance obligation is satisfied over time as the customers receive and consume the benefits provided by our performance as we perform.

2. Bulk power transmission agreements

We, as per the prevalent tariff regulations, are required to recover our 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. Any surplus/shortfall in the recovery is accounted as revenue based on the final tariff orders by the regulatory authority.

Accordingly, the revenue from power transmission services is recognised over time based on the transmission asset availabilities and the tariff charges approved under the respective TSA’s / tariff orders and includes unbilled revenues accrued up to the end of the accounting period. The payment is generally due within 30-60 days upon receipt of monthly invoice by the customer.

3. Service concession arrangements

We have entered into contracts:

- (i) for establishing, commissioning, setting up, operating and maintaining electric power transmission systems / network including sub-stations and related infrastructure
- (ii) as a Advanced Metering Infrastructure Service Provider (AMISP) model which requires for supply, installation, operation and maintenance of smart meters and related infrastructure used to provide public service under "Design-Build-Finance-Own- Operate-Transfer" (DBFOOT) basis. The said infrastructure, will be transferred to relevant authority at the end of the terms of the contract. These arrangements are accounted as per Appendix D to Ind AS 115, Service Concession Arrangements (“SCA”). The Group recognizes the rights granted by these arrangements as a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from the grantor for the services it performs. These rights arise as the Company performs the agreed-upon scope of work of the project. The AMISP contract involves two separate performance obligations: (a) the supply, installation, integration, testing, and commissioning of the AMI system, and (b) the operation, maintenance, and support services post-installation. The Group has exercised judgement in allocating the transaction price between the performance obligations based on management’s assessment of the nature of activities performed and the underlying economic substance of the arrangement.

Recognition and Measurement

Financial assets are recognized at fair value upon initial recognition. The asset is subsequently measured at amortized cost using the effective interest method. Interest income from these financial assets arising from the Group's principal revenue generating activities is recognized in the statement of profit and loss under the head Revenue from Operations. During the project construction phase, the Group recognizes construction costs as an expense when incurred. Revenue related to supply and installation is recognized over the period based on the input cost method, and the contract assets are recognized. The Group recognizes financial assets as 'Receivables under Service Concession Arrangements' to the extent that it has an unconditional contractual right to receive cash or another financial asset under the Agreement. The fair value of future cash flows receivable under the project have been initially recognized under the head contract

assets and carried at amortized cost subsequently. Until the set-up of infrastructure related to the project, the 'Receivables under Service Concession Arrangements' are a contract asset. Post the completion of set-up of infrastructure these become a financial asset.

4. Incentive income

Income from transmission system incentive is accounted for based on certification of availability by respective regulatory nominated body. Where certification by the regulatory nominated body is not available, incentive is accounted for on provisional basis as per estimate of availability by us and differences, if any is accounted upon receipt of certification.

5. Revenue from change in law

Revenue from operations on account of Force Majeure / change in law events in terms of TSA with customers is accounted for by us based on the orders / reports of regulatory authorities, best management estimates, wherever needed and reasonable certainty to expect ultimate collection.

Sale of power-distribution business

Revenue from sale of power is recognised net of cash discount over time for each unit of electricity delivered at the pre-determined rate as determined by the respective SERC. Sales of power under deviation settlement mechanism is recognised at variable cost.

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.

Sale of goods

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

- We have transferred to the buyer the significant risks and rewards of ownership of the goods;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to us; and
- There is no significant judgement involved while evaluating the timing as to when customers obtain control of promised goods and services.

Construction and development of infrastructure assets

Our business operations include construction and development of infrastructure assets. Where the outcome of the project cannot be estimated reasonably, revenue from contracts for such construction and development activities is recognized on completion of relevant the activities under the contract and upon the transfer of control of the infrastructure when all significant risks and rewards of ownership in the infrastructure assets are transferred to the customer.

Financing component

We receive advance payments from customers for the setup and sale of customised substation and transmission line with a construction lead time of 6 months after signing the contract and receipt of payment. There is a significant financing component for these contracts considering the length of time between the customers' payment and the transfer of the equipment, as well as the prevailing interest rate in the market. As such, the transaction price for these contracts is discounted, using the interest rate implicit in the contract. This rate is commensurate with the rate that would be reflected in a separate financing transaction between us and the customer at contract inception.

We apply the practical expedient for short-term advances received from customers. That is, the promised amount of consideration is not adjusted for the effects of a significant financing component if the period between the transfer of the promised good or service and the payment is one year or less.

Interest on overdue receivables / delayed payment charges

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

Power Distribution Business: Consumers are billed on a monthly basis and are given average credit period of 15 to 30 days for payment. No delayed payment charges (“DPC”) / interest on arrears (“IOA”) is charged for the initial 15 to 30 days from the date of invoice to customers. Thereafter, DPC / IOA is charged at the rate prescribed in the tariff order on the outstanding amount. Revenue in respect of delayed payment charges and interest on delayed payments leviable as per the relevant contracts are recognised on actual realisation or accrued based on an assessment of certainty of realization supported by either an acknowledgement from customers or on receipt of favorable order from regulators or authorities.

Other Income

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

Sale of Power-Power Trading business

Revenue from contracts with customers is recognised when control of goods and services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods and services and specific criteria have been met for each of the company's activities as described below:

Sale of Power

Revenue from sale of power is recognised net of estimated rebates and other similar allowances when the units of electricity is delivered. Revenue from such contracts is recognised over the time for each unit of electricity is delivered at the pre-determined rate. As the customer simultaneously receives and consumes the benefit of the Group's performance obligation, it best depicts the value to the customer and complete satisfaction of performance obligation.

In the arrangements, we are acting as a trader and the revenue is recognised on a net basis when unit of electricity are delivered to power procurers because this is when we transfer control over our service and the customer benefits from such agency services.

We determine our revenue on certain contracts net of power purchase cost based on the following factors:

- a. Another party is primarily responsible for fulfilling the contract as we do not have the ability to direct the use of power supplied or obtain benefits from supply of power.
- b. We do not have inventory risk before or after the power has been delivered to customers as the power is directly supplied to customer.
- c. We have no discretion in establishing the price for supply of power. Our consideration in these contracts is only based on the difference between sales price charged to procurer and purchase price given to supplier.

For other contracts which do not qualify the condition mentioned above, revenue is determined on gross basis.

Rendering of service

Revenue in nature of advisory services rendered towards finalisation of power purchase agreements, load management, etc is recognised determined under the terms of respective agreements. For sale of power under banking arrangements only margin earned on the transactions is accounted for as revenue.

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.

Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement:

We use derivative financial instruments, such as forward currency contracts, interest rate swaps and forward commodity contracts, to hedge its foreign currency risks, interest rate risks and commodity price 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 or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

At the inception of a hedge relationship, we formally designate and document the hedge relationship to which we wish to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes our risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument’s fair value in offsetting the exposure to changes in the hedged item’s fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

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

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

Principal Components of Our Profit and Loss Statement

Income

Our income comprises revenue from our operations and other income. We have five reportable segments: (i) transmission; (ii) distribution, which we refer to as our distribution business; (iii) smart metering; (iv) trading; and (v) others (EPC activities). Effective Fiscal 2026, we identified smart metering as a separate reportable segment, which was previously included under “others” until Fiscal 2025. Accordingly, comparatives for Fiscal 2025 have been restated to reflect the smart metering business segment separately. In Fiscal 2025 (as originally reported), we had four reportable segments: (i) transmission; (ii) distribution; (iii) trading; and (iv) others (which included smart metering and EPC activities). In Fiscal 2024 (as originally reported), we had four reportable segments: (i) transmission; (ii) distribution; (iii) trading; and (iv) others.

We primarily earn revenue from transmission tariffs and distribution tariffs that we collect from CTUs and STUs under long-term TSAs and BPTAs for our transmission business, and from retail, industrial and commercial consumers for our distribution business. We also earn revenue from our smart metering business, which is accounted for under service concession arrangements as per IND AS 115, that we collect on monthly basis for the meters installed and operationalized through a direct debit facility (“**DDF**”) where an account is opened pursuant to a quadric-partite agreement between us, distribution company, agent bank and payment gateway. Customers directly deposit payments to their DDF account and provide an irrevocable standing instruction to the agent bank to directly pay to us from such DDF account. Revenue from smart metering business is typically earned once a milestone, based on the number of smart meters installed and operationalized, is completed. Such milestones are generally 5% of the contracted for meters or 25,000 meters, whichever is less.

We also earn revenue from the sale of traded goods from trading of bullions, which we report as revenue from our trading segment.

Our other income primarily comprises interest income from investment activities, including bank deposits and delayed payment surcharge.

Expenses

Our expenses primarily include cost of power purchased, construction expenses relating to service concession arrangements, purchases of stock-in-trade, employee benefits expense, finance costs, depreciation and amortization expense, and other expenses. In Fiscal 2025, our expenses also included cost of fuel, which decreased to nil in Fiscal 2026 following the divestment of the Dahanu Thermal Power Plant (“ADTPS”) with effect from September 26, 2024.

Cost of power purchased refers to costs incurred for purchasing power generated at power plants that we then distribute to customers. Construction expenses relating to service concession arrangements represent the costs incurred during the construction phase of our transmission and smart metering projects undertaken on a “BOOT” basis under Ind AS 115 (service concession arrangements). Our finance costs primarily include interest on bonds, loans and debentures that we regularly avail for our operations, and hedging costs. Additionally, we report depreciation and amortization expenses on our transmission and distribution assets. Our other expenses primarily include stores and spares costs, transmission charges, repairs and maintenance costs and legal and professional fees.

Tax

Our tax expenses primarily include deferred tax and current taxes.

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.

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations for which applicable tax regulations are subject to interpretation and revises the provisions where appropriate.

During Fiscal 2026, the Group recognised deferred tax expense of ₹337.01 crore in other comprehensive income with respect to the effective portion of gains/(losses) on cash flow hedges in accordance with Ind AS 12 (Fiscal 2025: ₹52.94 crore). Additionally, the Group recognised deferred tax expense of ₹0.15 crore (Fiscal 2025: ₹0.18 crore) in other comprehensive income in respect of remeasurement of defined benefit plans.

Results of Operations

The following table sets out data, for the periods indicated, from our consolidated statement of profit and loss:

	Fiscals					
	2026		2025		2024	
	Amount (₹ crore)	% of total income	Amount (₹ crore)	% of total income	Amount (₹ crore)	% of total income
Revenue						
Revenue from operations	27,588.03	97.40%	23,767.09	97.22%	16,607.36	96.45%
Other income	737.13	2.60%	679.46	2.78%	610.95	3.55%
Total Income	28,325.16	100.00%	24,446.55	100.00%	17,218.31	100.00%
Expenses						
Cost of power purchased	6,347.88	22.41%	5,584.14	22.84%	4,340.30	25.21%
Cost of fuel	-	-	623.54	2.55%	1,119.09	6.50%
Construction expenses relating to service concession arrangements	7,135.35	25.19%	4,739.70	19.39%	842.22	4.89%
Purchases of stock-in-trade	1,004.14	3.55%	1,365.74	5.59%	1,028.95	5.98%
Employee benefit expense	1,092.64	3.86%	1,032.94	4.23%	951.70	5.53%
Finance costs	3,632.90	12.83%	3,259.16	13.33%	2,766.51	16.07%
Depreciation and amortisation expense	1,978.23	6.98%	1,905.95	7.80%	1,776.08	10.32%
Other expenses	2,923.62	10.32%	2,013.76	8.24%	2,153.89	12.51%

	Fiscals					
	2026		2025		2024	
	Amount (₹ crore)	% of total income	Amount (₹ crore)	% of total income	Amount (₹ crore)	% of total income
Total Expenses	24,114.76	85.14%	20,524.93	83.96%	14,978.74	86.99%
Profit Before Rate Regulated Activities, Exceptional Items, Tax and Deferred Assets recoverable/adjustable for the year	4,210.40	14.86%	3,921.62	16.04%	2,239.57	13.01%
Net movement in Regulatory Deferral Account Balances – Income/(Expenses)	(1,095.56)	(3.87%)	(1,340.75)	(5.49%)	(460.01)	(2.67%)
Exceptional Items	-	-	(1,506.02)	6.16%	-	-
Profit before tax and deferred assets recoverable/adjustable for the year	3,114.84	11.00%	1,074.85	4.40%	1,779.56	10.34%
Tax Expense						
Current tax	392.80	1.39%	195.04	0.80%	298.60	1.73%
Deferred tax	378.91	1.34%	(16.05)	(0.07%)	281.53	1.64%
Total Tax Expense	771.71	2.72%	178.99	0.73%	580.13	3.37%
Profit after tax and before deferred assets recoverable/adjustable	2,343.13	8.27%	895.86	3.67%	1,199.43	6.97%
Deferred assets recoverable/adjustable	49.62	0.18%	25.83	0.11%	(3.82)	(0.02%)
Profit after tax for the year	2,392.75	8.45%	921.69	3.77%	1,195.61	6.94%

Segments

We have five reportable segments: (i) transmission; (ii) distribution, which we refer to as our distribution business; (iii) smart metering; (iv) trading; and (v) others. The following table sets forth a breakdown of our revenue from operations by our business segments for the years indicated:

	Fiscal		
	2026	2025	2024
	(₹ in crores)		
Revenue			
Transmission	9,823.88	8,330.59	4,670.39
Distribution Business	12,450.02	12,266.48	10,172.77
Smart metering	3,574.90	1,572.10	290.86
Trading	1,091.01	1,380.44	1,029.59
Others	648.22	217.48	443.75
Total revenue from operations	27,588.03	23,767.09	16,607.36

Fiscal 2026 compared to Fiscal 2025

Income

Our total income increased by 15.86% from ₹24,446.55 crore in Fiscal 2025 to ₹28,325.16 crore in Fiscal 2026 primarily due to an increase in revenue from our smart metering, distribution and transmission segments.

Our revenue from our distribution segment increased by 1.50% from ₹12,266.48 crore in Fiscal 2025 to ₹12,450.02 crore in Fiscal 2026 as (i) the volume of electricity sold increased by 412 MUs to 11,959 MUs during Fiscal 2026; (ii) we recovered fuel adjustment charges; and (iii) we recovered past revenue gaps, as allowed under the Maharashtra Electricity Regulatory Commission's ("MERC") order.

Our revenue from our transmission segment increased by 17.92% from ₹8,330.59 crore in Fiscal 2025 to ₹9,823.88 crore in Fiscal 2026. This increase was primarily due to the commissioning of certain transmission assets during Fiscal 2026, which resulted in a corresponding increase in tariffs. In addition, in line with the increase in our capital expenditure, revenue from construction services under our service concession arrangements (relating to the construction and development of transmission assets under the engineering, procurement and construction contracts awarded to us) is recognized over time using the input method.

Our revenue from our smart metering segment increased by 127.40% from ₹1,572.10 crore in Fiscal 2025 to ₹3,574.90 crore in Fiscal 2026. The increase is attributable to an increase in construction activities with corresponding contract assets being

recognised, as well as an increase in revenue from meters that have achieved operational (“go-live”) status and are generating monthly billing revenue.

Our revenue from our others segment increased by 198.06% from ₹217.48 crore in Fiscal 2025 to ₹648.22 crore in Fiscal 2026, primarily due to an increase in our construction and development of infrastructure assets business. Revenue from contracts for such construction and development activities is recognized upon completion of the relevant activities under the contract.

Our other income increased by 8.49% from ₹679.46 crore in Fiscal 2025 to ₹737.13 crore in Fiscal 2026, primarily due to a gain of ₹72.22 crore on the partial buy back of our outstanding 3.949% US\$8,000 million senior secured notes due 2030.

Expenses

Our total expenses increased by 17.49% from ₹20,524.93 crore in Fiscal 2025 to ₹24,114.76 crore in Fiscal 2026 primarily due to an increase in construction expenses relating to service concession arrangements, cost of power purchased and other expenses. The increase was partially offset by a decrease in purchases of stock-in-trade and cost of fuel.

Cost of power purchased

Our cost of power purchased increased by 13.68% from ₹5,584.14 crore in Fiscal 2025 to ₹6,347.88 crore in Fiscal 2026 as power consumption volumes increased during the year. This increase resulted in an increase of power procurement by 401 MUs to 12,823 MUs during Fiscal 2026.

Cost of fuel

Our cost of fuel decreased from ₹623.54 crore in Fiscal 2025 to nil in Fiscal 2026 primarily due to the divestment of the Dahanu Thermal Power Plant (ADTPS) to one of our related parties with effect from September 26, 2024, in line with our ESG commitments.

Purchases of stock-in-trade

In line with a decrease in our revenue from our trading segment, our purchases of stock-in-trade decreased by 26.48% from ₹1,365.74 crore in Fiscal 2025 to ₹1,004.14 crore in Fiscal 2026.

Employee benefit expenses

Our employee benefit expenses increased by 5.78% from ₹1,032.94 crore in Fiscal 2025 to ₹1,092.64 crore in Fiscal 2026 primarily due to regular salary increments and an increase in headcount.

Finance costs

Our finance costs increased by 11.47% from ₹3,259.16 crore in Fiscal 2025 to ₹3,632.90 crore in Fiscal 2026, primarily due to an increase in finance costs in our transmission segment as we commissioned new transmission projects during the year. Finance costs for the period reflect the immediate recognition in our income statement of interest expense on project-specific debt, which directly funds the corresponding increase in our capital expenditure as we ramp up construction under our service concession arrangements, in turn driving the growth of our contract financial assets.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by 3.79% from ₹1,905.95 crore in Fiscal 2025 to ₹1,978.23 crore in Fiscal 2026, primarily as a result of a regular addition of assets in the ordinary course of business.

Other expenses

Our other expenses increased by 45.18% from ₹2,013.76 crore in Fiscal 2025 to ₹2,923.62 crore in Fiscal 2026, primarily due to: (i) an increase in stores and spares costs by 152.95% from ₹256.24 crore in Fiscal 2025 to ₹648.15 crore in Fiscal 2026, as we increased business operations related to the construction and development of infrastructure assets during Fiscal 2026; (ii) an increase in transmission charges from ₹597.21 crore in Fiscal 2025 to ₹896.46 crore in Fiscal 2026; and (iii) an increase in miscellaneous expenses from ₹36.03 crore in Fiscal 2025 to ₹93.57 crore in Fiscal 2026.

Tax expense

Our tax expenses increased by 331.15% from ₹178.99 crore in Fiscal 2025 to ₹771.71 crore in Fiscal 2026, primarily due to an increase in our income, as well as the absence in Fiscal 2026 of a one-time positive tax adjustment recognized in Fiscal 2025 relating to the recognition of a MAT credit entitlement, which had lowered our effective tax rate in that year.

Profit after tax for the year

As a result of the foregoing, our profit after tax for the year increased by 159.61% from ₹921.69 crore in Fiscal 2025 to ₹2,392.75 crore in Fiscal 2026.

Fiscal 2025 compared to Fiscal 2024

Income

Our total income increased by 41.98% from ₹17,218.31 crore in Fiscal 2024 to ₹24,446.55 crore in Fiscal 2025 primarily due to an increase in revenue from our distribution and transmission segments.

Our revenue from our transmission segment increased by 78.37% from ₹4,670.39 crore in Fiscal 2024 to ₹8,330.59 crore in Fiscal 2025. This increase was primarily attributable to: (i) the commissioning of new transmission assets during Fiscal 2025, which resulted in a corresponding increase in tariffs; (ii) revenue from construction services under our service concession arrangements, which is recognized over time using the input method as we increased our capital expenditure on the construction and development of transmission assets under the engineering, procurement and construction contracts awarded to us; and (iii) the one-time impact of a regulatory order accounted for in Fiscal 2025.

Our revenue from our distribution segment increased by 20.58% from ₹10,172.77 crore in Fiscal 2024 to ₹12,266.48 crore in Fiscal 2025 as (i) the volume of electricity sold increased by 932 MUs to 11,506 MUs during Fiscal 2025; and (ii) we recovered fuel adjustment charges.

Our revenue from our smart metering segment increased by 440.47% from ₹290.86 crore in Fiscal 2024 to ₹1,572.10 crore in Fiscal 2025 due to an increase in construction activities (capex) under our service concession arrangements, revenue from which is recognized over time using the input method, with corresponding contract assets being recognised.

Our other income increased by 11.21% from ₹610.95 crore in Fiscal 2024 to ₹679.46 crore in Fiscal 2025, primarily due to a gain on the sale of, and fair value gains on, current investments.

Expenses

Our total expenses increased by 37.03% from ₹14,978.74 crore in Fiscal 2024 to ₹20,524.93 crore in Fiscal 2025 primarily due to an increase in construction expenses relating to service concession arrangements and cost of power purchased. Our employee benefit expenses, finance costs, depreciation and amortization expenses and purchases of stock-in-trade also increased during Fiscal 2025. The increase was partially offset by a decrease in cost of fuel and other expenses.

Cost of power purchased

Our cost of power purchased increased by 28.66% from ₹4,340.30 crore in Fiscal 2024 to ₹5,584.14 crore in Fiscal 2025 as power consumption volumes increased during the year. This increase resulted in an increase of power procurement by 935 MUs to 12,422 MUs during Fiscal 2025.

Cost of fuel

Our cost of fuel decreased by 44.28% from ₹1,119.09 crore in Fiscal 2024 to ₹623.54 crore in Fiscal 2025 primarily due to the divestment of ADTPS with effect from September 26, 2024, resulting in a decrease in power generation volumes. Our cost of fuel also decreased with a decrease in the cost of coal required for power generation.

Purchases of stock-in-trade

In line with an increase in our revenue from our trading segment, our purchases of stock-in-trade increased by 32.73% from ₹1,028.95 crore in Fiscal 2024 to ₹1,365.74 crore in Fiscal 2025.

Employee benefit expenses

Our employee benefit expenses increased by 8.54% from ₹951.70 crore in Fiscal 2024 to ₹1,032.94 crore in Fiscal 2025 primarily as we implemented a one-time special retirement voluntary scheme for our employees at AEML in Fiscal 2025 which included ₹57.20 crore was charged for expected payout.

Finance costs

Our finance costs increased by 17.81% from ₹2,766.51 crore in Fiscal 2024 to ₹3,259.16 crore in Fiscal 2025 primarily due to an increase in interest paid on loans and debentures as we commissioned new transmission assets during Fiscal 2025. Once a transmission asset is commissioned, the related finance costs are charged to our income statement. Finance costs for the period reflect the immediate recognition in our income statement of interest expense on project-specific debt, which directly funds the

corresponding increase in our capital expenditure as we ramp up construction under our service concession arrangements, in turn driving the growth of our contract financial assets.

Depreciation and amortization expenses

Our depreciation and amortization expenses increased by 7.31% from ₹1,776.08 crore in Fiscal 2024 to ₹1,905.95 crore in Fiscal 2025, primarily as a result of a regular addition of assets in the ordinary course of business.

Other expenses

Our other expenses decreased 6.51% from ₹2,153.89 crore in Fiscal 2024 to ₹2,013.76 crore in Fiscal 2025, primarily because we provisioned for bilateral charges and liquidated damages of ₹7.72 crore in Fiscal 2025 compared to ₹16.51 crore in Fiscal 2024 as the commissioning of certain transmission assets was delayed for reasons beyond our control. Our other expenses also decreased with a decrease in stores and spares costs by 22.89% from ₹332.42 crore in Fiscal 2024 to ₹256.24 crore in Fiscal 2025 and repairs and maintenance costs of plant and equipment by 21.89% from ₹634.27 crore in Fiscal 2024 to ₹495.41 crore in Fiscal 2025.

Tax expense

Our tax expenses decreased by 69.15% from ₹580.13 crore in Fiscal 2024 to ₹178.99 crore in Fiscal 2025, primarily due to a one-time positive tax adjustment recognized in Fiscal 2025 relating to a MAT credit entitlement of ₹314.00 crore.

Profit after tax for the year

As a result of the foregoing, our profit after tax for the year decreased by 22.91% from ₹1,195.61 crore in Fiscal 2024 to ₹921.69 crore in Fiscal 2025.

Non-GAAP Measures

The following tables present reconciliations for:

EBITDA and EBITDA Margin (before exceptional items)

Particulars	Three months ended June 30,		Fiscal		
	2026	2025	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>				
Profit before tax and deferred assets recoverable / adjustable for the year/ period (a)	1,441.04	658.05	3,114.84	1,074.85	1,779.56
Add: Adjustments					
Finance costs	1,151.73	894.03	3,632.90	3,259.16	2,766.51
Depreciation and amortisation expense	585.35	464.82	1,978.23	1,905.95	1,776.08
Exceptional item				1,506.02	
Total Adjustment (b)	1,737.08	1,358.85	5,611.13	6,671.13	4,542.59
Earnings before interest, taxes, depreciation, amortization and exceptional item (EBITDA (before exceptional items)) (c= a+b)	3,178.12	2,016.90	8,725.97	7,745.98	6,322.15
Total Income (d)	9,852.20	7,025.49	28,325.16	24,446.55	17,218.31
EBITDA Margin (before exceptional items) (e= c/d)	32.26%	28.71%	30.81%	31.69%	36.72%

PAT Margin

Particulars	Three months ended June 30,		Fiscal		
	2026	2025	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>				
Profit for the year/ period (A)	1,236.56	538.94	2,392.75	1,810.00*	1,195.61
Total Income (B)	9,852.20	7,025.49	28,325.16	24,446.55	17,218.31
PAT Margin (C = A/B)	12.55%	7.67%	8.45%	3.77%	6.94%

*For Fiscal 2025, adjusted PAT is considered, which is calculated as below:

- Adjusted for an exceptional item due to carve out of Dahanu Plant of ₹1,506.02 crore.
- Adjusted for the regulatory income of ₹148.18 crore in T&D segment and net one-time deferred tax reversal of ₹469.00 crore in AEML distribution business.

Cash Profit

Particulars	Three months ended June 30,		As of and for the financial year ended March 31,		
	2026	2025	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>				
Profit before tax and deferred assets recoverable / adjustable for the year/ period	1,441.04	658.05	3,114.84	1,074.85	1,779.56
Add: Exceptional item	-	-	-	1,506.02	-
Add: Depreciation and amortisation expense	585.35	464.82	1,978.23	1,905.95	1,776.08
Less: Tax paid	250.48	80.24	392.80	195.04	298.60
Cash Profit	1,775.91	1,042.63	4,700.27	4,291.78	3,257.04

Note: Adjusted for an exceptional item due to carve out of Dahanu Plant of ₹1,506.02 crore.

Return on Capital Employed

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>		
Profit before tax, exceptional item and deferred assets recoverable / adjustable for the year (a)	3,114.84	2,580.87	1,779.56
Finance Cost (b)	3632.90	3,259.16	2,766.51
Total EBIT (c = a + b)	6747.74	5,840.03	4,546.07
Total Asset (d)	92,834.92	73,960.10	58,578.81
Current Liability (e)	15,446.28	9,922.68	7,962.85
Capital Employed (f = d – e)	77,388.64	64,037.42	50,615.96
Return on Capital Employed	8.72%	9.12%	8.98%

Return on Equity

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>		
Profit for the year	2,392.75	1,810.00*	1,195.61
Opening Net worth (Total Equity) (A)	23,011.26	13,703.13	12,875.77
Closing Net worth (Total Equity) (B)	26,525.64	23,011.26	13,703.13
Average Net worth (Total Equity) (C=(A+B)/2)	24,768.45	18,357.20	13,289.45
Return on Equity	9.66%	9.86%	9.00%

*For Fiscal 2025, adjusted PAT is considered, which is calculated as below:

- Adjusted for an exceptional item due to carve out of Dahanu Plant of ₹1,506.02 crore.
- Adjusted for the regulatory income of ₹148.18 crore in T&D segment and net one-time deferred tax reversal of ₹469.00 crore in AEML distribution business.

Interest Coverage Ratio

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
	<i>(₹ in crores, unless otherwise specified)</i>		
Profit before tax and Deferred Asset Recoverable / Adjustable (a)	3,114.84	2,580.87	1,779.56
Finance Cost (excluding Interest on Inter Company Deposits) (b)	3,632.90	3,209.22	2,701.99
Grand Total (c) = (a) + (b)	6,747.74	5,790.09	4,480.75
Interest Service Coverage Ratio excluding ICD (f) = (c) / (b)	1.86	1.80	1.66

Liquidity and Capital Resources

Our principal capital requirements are for establishing new transmission assets and working capital for servicing and maintaining our operating transmission assets and distribution assets. We have met these requirements primarily through cash flows from operations, equity infusions from shareholders and borrowings. As of March 31, 2026, we had ₹1,734.57 crore in cash and cash equivalents and ₹2,212.77 crore as bank balances. We believe that our current cash and cash flows provided by operating activities, our borrowings and the estimated net proceeds from this Issue will be sufficient to meet our investment requirements and working capital needs in the next 12 months following the date of this Preliminary Placement Document. See “Objects of the Issue and Use of Issue Proceeds” on page 79.

We may be required to seek additional equity or debt financing for developing and operating our transmission assets. Our sources of funding could be adversely affected by factors beyond our control. Any such factors could have a material adverse effect on our cash flows from operations and our ability to obtain funds from external sources on acceptable terms, in a timely

manner or in sufficient amounts, or at all. In the event that we require additional financing we may not be able to raise such financing on acceptable terms or at all. If we are unable to raise additional capital or generate cash flows necessary, we may not be able to compete successfully, which would harm our business, results of operations and financial condition. If adequate funds are not available, we may need to reconsider our expansion plans, which could have a material adverse impact on our business prospects and results of operations.

Cash Flows

The table below summarizes the statement of cash flows as per our consolidated cash flow statements, for the years indicated:

	Fiscal		
	2026	2025	2024
	(₹ in crores)		
Net cash generated from operating activities (A)	10,996.68	9,044.51	6,037.62
Net cash flow used in investing activities (B)	(14,082.88)	(15,227.59)	(4,943.03)
Net cash flow generated from/(used in) financing activities ©	2,630.32	7,625.93	(543.24)
Net increase/(decrease) in cash and cash equivalent (A+B+C)	(455.88)	1,442.85	551.35

Operating Activities

Net cash generated from operating activities in Fiscal 2026 was ₹10,996.68 crore, while our operating profit before working capital changes was ₹8,017.22 crore. This change was due to an increase in other financial liabilities, trade acceptances, other liabilities and provisions of ₹2,832.43 crore and a decrease in regulatory deferral account asset of ₹1,071.69 crore.

Net cash generated from operating activities in Fiscal 2025 was ₹9,044.51 crore, while our operating profit before working capital changes was ₹7,077.60 crore. This change was due to an increase in other financial liabilities, other liabilities and provisions of ₹501.90 crore and a decrease in regulatory deferral account asset balance of ₹1,285.75 crore.

Net cash generated from operating activities in Fiscal 2024 was ₹6,037.62 crore, while our operating profit before working capital changes was ₹5,743.85 crore. This change was due to an increase in other financial liabilities, other liabilities and provisions of ₹416.17 crore and a decrease in regulatory deferral account asset of ₹392.47 crore.

Investing Activities

Net cash used in investing activities in Fiscal 2026 was ₹14,082.88 crore, which primarily consisted of purchase of property, plant and equipment of ₹14,431.80 crore and deposit in bank (margin money) of ₹125.64 crore, which was partially offset by sale of current investments of ₹127.85 crore.

Net cash used in investing activities in Fiscal 2025 was ₹15,227.59 crore, which primarily consisted of purchase of property, plant and equipment of ₹9,378.14 crore, acquisition of regulatory assets of ₹2,802.00 crore, acquisition of subsidiaries of ₹2,581.63 crore, purchase of current investments of ₹1,727.04 crore and deposit in bank (margin money) of ₹489.08 crore. This was partially offset by proceeds from sale of business of ₹815.00 crore, interest received of ₹549.69 crore and non-current loans received back of ₹404.57 crore.

Net cash used in investing activities in Fiscal 2024 was ₹4,943.03 crore, which primarily consisted of purchase of property, plant and equipment of ₹5,429.54 crore and deposit in bank (margin money) of ₹494.39 crore, which was partially offset by sale of current investments of ₹682.85 crore.

Financing Activities

Net cash generated used in financing activities for Fiscal 2026 was ₹2,630.32 crore, and primarily included repayment of long-term borrowings of ₹10,455.18 crore and finance costs paid of ₹4,074.89 crore, partially offset by proceeds from long-term borrowings of ₹16,568.73 crore.

Net cash generated from financing activities for Fiscal 2025 was ₹7,625.93 crore, and primarily included proceeds from issue of shares of ₹8,373.10 crore and proceeds from long-term borrowings of ₹7,251.80 crore. This was partially offset by repayment of long-term borrowings of ₹4,172.98 crore, finance costs paid of ₹2,976.56 crore and repayment of short-term borrowings (net) of ₹914.67 crore.

Net cash used in financing activities for Fiscal 2024 was ₹543.24 crore, and primarily included repayment of long-term borrowings of ₹3,140.78 crore and finance costs paid of ₹3,221.95 crore, partially offset by proceeds from long-term borrowings of ₹5,458.95 crore.

Indebtedness

As of March 31, 2026 we had total current borrowings of ₹3,531.13 crore and non-current borrowings of ₹45,367.32 crore. Our current borrowings primarily include secured notes, loans from banks and non-convertible debentures having current maturity within one year and short term working capital loans/borrowing availed to bridge cash flow mismatch. Our non-current borrowings primarily include secured foreign currency loans, unsecured loans from related parties and secured term loans from banks.

The following table provides a snapshot of our aggregate indebtedness of as of March 31, 2026:

Particulars	As of March 31, 2026	
	Non-current	Current
	(in ₹ crore)	
Secured		
Bonds		
5.20% US private placement ⁽¹⁾	2,988.56	110.48
4.25% US\$ bonds ⁽²⁾	2,850.42	282.12
3.949% US\$ bonds ⁽³⁾	7,843.04	-
4.00% US\$ bonds ⁽⁴⁾	4,741.74	-
3.867% Sustainability linked notes ⁽⁵⁾	2,405.63	-
Term Loans⁽⁶⁾		
From banks		
Rupee loan	9,303.91	754.02
Foreign currency loan	6,460.27	10.51
From financial institutions	4,339.78	47.00
Non Convertible Debentures⁽⁷⁾	1,691.77	152.21
Unsecured		
Non convertible debentures	1,336.85	86.29
Shareholders affiliated debts	1,405.35	-
Total	45,367.32	1,442.63
Amount disclosed under the head current financial liabilities	-	(1,442.63)
Total	45,367.32	-

Notes:

* Foreign currency borrowing are revalued using the exchange rate as of March 31, 2026.

** Above borrowing are at amortise cost.

- (1) The 5.20% US private placement notes were issued by six of our Subsidiaries on March 11, 2020 and mature on March 11, 2050. The notes are secured by first ranking charge on receivables, on all immovable and movable assets, charge or assignment of rights under the relevant transmission service agreement and other project documents, and a charge or assignment of rights and/or designation of the security trustee as loss payee under each insurance contract in respect of the relevant project. The notes are also secured by way of pledge over 100% over the shares of seven of our Subsidiaries.
- (2) The 4.25% US\$ bonds were issued on November 21, 2019 and mature on May 21, 2036. The bonds are secured by a first ranking pari passu charge by a mortgage of land situated at Sanand, hypothecation of all the assets (movable and immovable) including current assets of the Company, a pledge over 100% equity shares of our Subsidiaries, Adani Transmission (India) Limited ("ATIL") and Maharashtra Eastern Grid Power Transmission Company Limited ("MEGPTCL"), accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL, and assignment of security over loans given to ATIL and MEGPTCL.
- (3) The 3.949% US\$ bonds were issued on February 12, 2020 and mature on February 12, 2030. The bonds are secured by a first pari passu mortgage over certain identified immovable properties, a first pari passu charge on the movable assets of a project (both present and future), a first pari passu charge on all book debts, operating cash flows, receivables, commissions or revenues whatsoever arising out of the project (both present and future), a first pari passu charge on the accounts and amounts lying to the credit of such accounts (both present and future), a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC, a pledge over 100% of the entire paid up equity and preference share capital of AEML, a non-disposal undertaking over immovable properties other than certain identified immovable properties, a non-disposal undertaking over the immovable and moveable assets of the service company; and a non-disposal undertaking over 100% of the equity and preference share capital of the service company. In addition, the collateral also includes such security interest as may be required to be created by other group entities 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. 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.
- (4) The 4.00% US\$ bonds were issued on August 3, 2016 and mature on August 3, 2026. The bonds are secured by a first ranking pari passu charge by a mortgage of land situated at Sanand, hypothecation of all the assets (movable and immovable) including current assets of the Company, a pledge over 100% equity shares of our Subsidiaries ATIL and MEGPTCL, accounts and receivables of ATIL and MEGPTCL and also the operating cash flows, book debts, loans and advances, commissions, dividends, interest income, revenues present and future of ATIL and MEGPTCL, and assignment of security over loans given to ATIL and MEGPTCL.

- (5) The sustainability linked notes – 3.867% were issued on July 22, 2021 and mature on July 22, 2031. The bonds are secured by a first pari passu mortgage over certain identified immovable properties, a first pari passu charge on the movable assets of a project (both present and future), a first pari passu charge on all book debts, operating cash flows, receivables, commissions or revenues whatsoever arising out of the project (both present and future), a first pari passu charge on the accounts and amounts lying to the credit of such accounts (both present and future), a first pari passu assignment in relation to Transmission License and Distribution License, subject to approval from the MERC, a pledge over 100% of the entire paid up equity and preference share capital of AEML, a non-disposal undertaking over immovable properties other than certain identified immovable properties, a non-disposal undertaking over the immovable and moveable assets of the service company; and a non-disposal undertaking over 100% of the equity and preference share capital of the service company. In addition, the collateral also includes such security interest as may be required to be created by other group entities 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. 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.
- (6) Availed from various banks and financial institutions are secured by a pari passu charge on all present and future movable and immovable assets, receivables, project documentation, cash flows, licences, insurance contracts and approval. Respective companies shares are also pledged.
- (7) Non-convertible debentures (₹69.58 crore) are secured by a first charge over receivables, immovable and movable assets created out of project on pari passu basis with other secured lenders, non-convertible debentures (₹792.50 crore) are secured by having first charge over movable/intangible assets created out of project on pari passu basis, and non-convertible debentures (₹994.80 crore) are secured by having first charge over movable fixed assets, all accounts, current assets, all revenues and receivables, investments, and intangible assets of the issuer, both present and future, until the final settlement date.

Contractual Obligations and Commercial Commitments

Contractual obligations

The table below sets forth our contractual obligations with definitive payment terms as of March 31, 2026:

	Less than 1 year	1-5 years	More than 5 years	Total
	(₹ in crores)			
Borrowings [#]	11,883.81	27,278.57	31,527.49	70,689.87
Trade Payables	4,993.65	-	40.06	5,033.71
Derivative Liabilities	-	2.56	-	2.56
Lease Liabilities*	13.70	56.41	110.89	181.01
Trade Acceptances	2,415.92	-	-	2,415.92
Other financial Liabilities	3,083.95	1,244.85	-	4,328.80

[#]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 us. The amounts included above for variable interest rate instruments for non-derivative liabilities is subject to change if changes in variable interest rates differ to those estimates of interest rates determined at the end of the reporting period.

*Carrying value of lease liabilities is ₹277.98 crore.

Historical and planned capital expenditure

As of March 31, 2026, 2025 and 2024, our total capital work in progress was ₹2,053.60 crore, ₹5,695.36 crore and ₹3,002.69 crore, respectively. We are currently developing 13 transmission assets that, in aggregate, will expand our current operational transmission network from 20,023 ckms (as of June 30, 2026) to 27,949 ckms. Further, we successfully won bids for ten smart metering projects in India which are currently under implementation. We have also applied for licenses for parallel distribution and if successful, we expect to incur additional capital expenditure costs. For further details, see “Our Business — Transmission Systems Under Construction” on page 565, see “Our Business — Smart Metering Business” on page 568 and see “Our Business — Our Strategies” on page 558. Construction and development of these transmission assets will require significant capital expenditures. Our Company expects to finance such capital expenditures through project financing at the level of each project company level, which will be non-recourse to our Company.

Contingent Liabilities and Commitments

The following table sets forth the principal components of our contingent liabilities as of March 31, 2026, 2025 and 2024:

	As of March 31,		
	2026	2025	2024
	(₹ in crores)		
(a) Contingent Liabilities			
Direct tax & indirect tax	31.24	27.08	41.95
Demand disputed by the group relating to service tax on street light maintenance, wheeling charges and cross subsidy surcharge ⁽¹⁾	353.55	353.55	353.55
Claims raised by the Government authorities towards unearned income arising on alleged transfer of certain land parcels ⁽⁴⁾	-	-	127.65
Claims raised by Vidarbha Industries Power Limited (“VIPL”) in respect of increase in fuel cost for the financial year ended March 31, 2019 ⁽¹⁾	1,381.28	1,381.28	1,381.28
Way leave fees claims disputed by the group relating to rates charged ⁽¹⁾	28.43	28.43	28.43
Other claims not acknowledged by the group as debts	2.12	2.12	33.43
Property related disputes ⁽¹⁾	2.59	2.59	2.59

	As of March 31,		
	2026	2025	2024
Demand disputed by the company relating to standby charges including interest payable ⁽⁵⁾	-	-	398.68
Liability in respect of termination of power purchase lease agreement ⁽⁶⁾	-	-	@/@
Total	1,799.21	1,795.05	2,367.56
(b) Commitments			
Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advance)	38,254.77	12,312.10	6,854.26

Notes:

- (1) In terms of the Share Purchase Agreement entered into by the Group with RINFRA, in the event the above matters are decided against the AEML and are not recoverable from the consumers, the same would be recovered from RINFRA.
- (2) Amounts in respect of employee related claims/disputes, consumer related litigation, regulatory matters is not ascertainable.
- (3) Future cash flows in respect of above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities.
- (4) Pursuant to the order dated October 14, 2024 passed by Hon'ble Revenue Minister, in revision petition no 2624 of 2024, it has been held that unearned income is not leviable in cases where land is transferred pursuant to a scheme of demerger sanctioned by the Hon'ble High court.
- (5) In previous financial year 2023-24, an Appeal has been filed by Adani Electricity Mumbai Limited at APTEL under Section 111 of the Electricity Act, 2003, challenging the Order dated March 31, 2023 passed by the Maharashtra Electricity Regulatory Commission (MERC) directing levy of Standby charges by Maharashtra State Electricity Distribution Company Limited. In the current financial year 2024-25, in accordance with the directions of the Hon'ble APTEL, MERC has not considered any cost related to Standby charges in the Annual Revenue Requirement (ARR) in its Order dated March 28, 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.
- (6) AEML had terminated long term Power purchase agreement (PPA) due to non-performance of obligations under the PPA by VIPL, such termination has been upheld by MERC / Appellate Tribunal of Electricity ("ATE"). VIPL has filed an appeal before the Hon'ble Supreme Court against the said order issued by ATE. In the current financial year, the appellant has withdrawn said appeal.

@/@ Amount not determinable.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with other entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Related Party Transactions

We enter into various transactions with related parties. For further information see "Related Party Transactions" on page 34.

Quantitative and Qualitative Disclosures about 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, price risk and foreign currency risk.

Interest rate risk

We are exposed to changes in market interest rates due to financing, investing and cash management activities. Our exposure to the risk of changes in market interest rates relates primarily to our long-term debt obligations with floating interest rates and period of borrowings. We manage our interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. We enter into interest rate swap contracts or cross currency swap contracts to manage our exposure to changes in the underlying benchmark interest rates.

During Fiscal 2022, AEML issued the Sustainability Linked Bond (SLB) of US\$300.00 million through 10-year notes under US\$2.00 billion Global Medium-Term Notes program which carry fixed rate of interest till maturity with certain Sustainability Performance Targets ("SPT"), non-attainment of which will result in increase in fixed rate of interest by 0.15% per annum, for SPT 1 in March 2027 and further 0.15% per annum for SPT 2 for March 2029.

Our sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease represents the management's assessment of the reasonably possible change in interest rates. If interest rates had been 50 basis points higher / lower and all other variables were held constant, our profit for Fiscal 2026 would decrease / increase by ₹115.34 crore. This is mainly attributable to interest rates on variable rate borrowings.

The year end balances are not necessarily representative of the average debt outstanding during the year.

Price risk

We invest our funds in various mutual funds and fixed deposits. In order to manage our price risk arising from investments, we diversify our portfolio in accordance with the limits set by the risk management policies. We have 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.

Commodity price risk

We are affected by the price volatility of Copper and Aluminum products. Continuous supply of copper and aluminum are required for the construction of transmission lines by our subsidiaries. Due to the significantly increased volatility of the price of the commodity, we entered into various purchase contracts for Copper and Aluminum (for which there is an active market). The prices in these purchase contracts are linked to the price of London Metal Exchange (LME).

We have developed and enacted a risk management strategy regarding commodity price risk and its mitigation. The forward contracts do not result in physical delivery of copper and aluminum products but are designated as cash flow hedges to offset the effect of price changes in copper and aluminum products. We hedge our expected copper and aluminum products purchases considered to be highly probable.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. Our exposure to the risk of changes in foreign exchange rates relates primarily to our operating activities. We manage our foreign currency risk by hedging transactions that are expected to realise in future.

The outstanding position of exposure against variation in interest rates and foreign exchange rate as of March 31, 2026 are as follows:

Nature	Derivative Financial Instruments	As of March 31, 2026	
		₹ in crores	Foreign currency (in million)
(i) Principal only swaps	Hedging of foreign currency borrowings principal liability	8,532.30	USD 899.70
(ii) Forward covers	a. Hedging of foreign currency interest liability	221.58	USD 23.37
	b. Hedging against foreign currency risk arising from commodity transaction	3,114.76	USD 328.44
(iii) Cross currency swaps	Hedging of foreign currency borrowing principal & interest liability	20,925.82	USD 2,182.93 / EUR 7.30
(iv) Coupon only swaps	Hedging of foreign currency borrowing interest liability	2,375.62	USD 250.50

Derivative Financial Instrument

We use derivatives instruments as part of our management of risks relating to exposure to fluctuation in foreign currency exchange rates and interest rates. We do not acquire derivative financial instruments for trading or speculative purposes neither do we 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 our 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. We try 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.

We enter into derivative financial instruments, such as forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps for hedging the liabilities incurred/recorded and accounts for them as cash flow hedges and states them at fair value. The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss. Amounts recognised in OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. These hedges have been effective for the year ended March 31, 2026.

The fair value of our derivative positions recorded under derivative financial assets and derivative financial liabilities as of March 31, 2026 are as follows:

Derivative Financials Instruments	As of March 31, 2026	
	Assets	Liabilities
	(₹ in crores)	
Cash flow hedge		
Cross Currency Swaps	1,154.72	2.56
Foreign Currency Swaps	1,317.90	-
Coupon Only Swaps	30.47	-
Forward	667.94	-
Principal Only Swaps	1,714.25	-
Total	4,885.28	2.56

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to us. We have adopted the policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial losses from default, and generally do not obtain any collateral or other security on trade receivables.

The carrying amount of financial assets recorded in the financial statements represents our maximum exposure to credit risk. Since we are an inter-state and intra-state transmission licensee, the responsibility for billing and collection on behalf of us lies with the CTU/STU. Based on the fact that the collection by CTU/STU is from Designated ISTS Customers (or DICs) which in majority of the cases are central / state government organizations and further based on an analysis of the past trends of recovery, our management is of the view that the entire receivables are fully recoverable. Accordingly, we do not recognize any impairment loss on its receivables.

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

Liquidity risk

We monitor our risk of shortage of funds using cash flow forecasting models. These models consider the maturity of our financial investments, committed funding and projected cash flows from operations. Our objective is to provide financial resources to meet our business objectives in a timely, cost effective and reliable manner and to manage our capital structure. A balance between continuity of funding and flexibility is maintained through the use of various types of borrowings.

Seasonality

The revenue from operations for our distribution business is based on the volume of electricity used by our consumers which is subject to seasonal fluctuations. Accordingly, our revenues from our distribution business in the April to June quarter, and the post-monsoon months of September and October, are traditionally higher than those during the other months of the year. See “*Risk Factors – Risks Related to our Business – 5. Our electricity distribution revenues are exposed to variations in demand for electricity affecting customer usage. Any reduction in demand could have a material adverse effect on our business, prospects, financial condition and results of operations.*” On page 38

Significant Economic Changes

Other than as described above, to the knowledge of our management, there are no other significant economic changes that materially affect or are likely to affect income from continuing operations.

Unusual or Infrequent Events of Transactions

Except as described in this Preliminary Placement Document, there have been no other events or transactions that, to our knowledge, may be described as “unusual” or “infrequent”.

Known Trends or Uncertainties

Our business has been affected and we expect will continue to be affected by the trends identified above in this section and the uncertainties described in the section titled “*Risk Factors*” beginning on page 35. To our knowledge, except as described or anticipated in this Preliminary Placement Document, there are no known factors which we expect will have a material adverse impact on our revenues or income from continuing operations.

Future Relationship Between Cost and Income

Other than as described elsewhere in this Preliminary Placement Document, to the knowledge of our management, there are no known factors that might affect the future relationship between costs and revenues.

Significant Developments after March 31, 2026 that may affect our future results of operations

Except as stated below and in this Preliminary Placement Document, to our knowledge, no circumstances have arisen since the date of the Audited Consolidated Financial Statements as disclosed in this Preliminary Placement Document which materially and adversely affect or are likely to affect our trading, operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next twelve months:

- We have executed a securities purchase and subscription agreement on June 9, 2026 to acquire a 100% equity stake in IntelliSmart, subject to regulatory and other customary approvals.
- In July 2026, we were awarded an inter-state transmission project in Andhra Pradesh for certain proposed green hydrogen/ green ammonia projects as well as emerging digital infrastructure demand in the Pendurthi– Visakhapatnam region, with an estimated project value of approximately ₹8,500 crore.

Consolidated unaudited quarterly financial results for the three months ended June 30, 2026

Particulars	Three months ended June 30, 2026 (unaudited)	Three months ended June 30, 2025 (unaudited)
	(₹ in crore)	
Income		
Revenue from Operations	9,711.08	6,819.28
Other Income	141.12	206.21
Total Income	9,852.20	7,025.49
Expenses		
Cost of Power Purchased	3,560.70	1,723.67
Construction Expenses relating to Service Concession Arrangements	2,137.67	1,741.87
Purchases of Stock-in-Trade	67.22	192.04
Employee Benefits Expense	227.97	231.23
Finance Costs	1,151.73	894.03
Depreciation and Amortisation Expense	585.35	464.82
Other Expenses	709.07	615.89
Total Expenses	8,439.71	5,863.55
Profit / (Loss) Before Rate Regulated Activities, Tax and Deferred Assets recoverable/adjustable for the period / year	1,412.49	1,161.94
Net movement in Regulatory Deferral Account Balances – Income/(Expenses)	28.55	(503.89)
Profit / (Loss) Before Tax and deferred assets recoverable/adjustable for the period / year	1,441.04	658.05
Tax Expense:		
Current Tax	250.48	80.24
Deferred Tax	(94.57)	36.88
Total Tax Expense	155.91	117.12
Profit / (Loss) After Tax for the period / year but before Deferred Assets recoverable/adjustable	1,285.13	540.93
Deferred assets recoverable/adjustable	(48.57)	(1.99)
Profit / (Loss) After Tax for the period	1,236.56	538.94
Other Comprehensive Income/(Loss)		
(a) Items that will not be reclassified to profit or loss		
Remeasurement gain / (loss) of Defined Benefit Plan	(12.19)	(5.84)
Movement in Regulatory Deferral Balance	12.19	5.84
(b) Tax relating to items that will not be reclassified to Profit or Loss	-	-
(c) Items that will be reclassified to profit or loss		
Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge	(202.66)	91.58
(d) Tax relating to items that will be reclassified to Profit or Loss	26.06	(30.99)
Other Comprehensive Income/ (Loss) for the period (Net of Tax)	(176.60)	60.59
Total Comprehensive Income / (Loss) for the period	1,059.96	599.53
Profit/ (Loss) for the period attributable to:		
Owners of the Company	1,149.06	512.48
Non-controlling interests	87.50	26.46
	1,236.56	538.94
Other Comprehensive Income / (Loss) for the period attributable to:		

Particulars	Three months ended June 30, 2026 (unaudited)	Three months ended June 30, 2025 (unaudited)
	(₹ in crore)	
Owners of the Company	(153.15)	48.73
Non-controlling interests	(23.45)	11.86
	(176.60)	60.59
Total Comprehensive Income/ (Loss) for the period attributable to:		
Owners of the Company	995.91	561.21
Non-controlling interests	64.05	38.32
	1,059.96	599.53
Paid-up Equity Share Capital (Face Value of ₹10 each)	1,201.28	1,201.28
Reserves (excluding Revaluation Reserve)	25,222.95	21,428.84
Securities Premium Account	11,948.81	11,948.81
Net worth (as per section 2(57) of Companies Act 2013)	25,418.41	22,523.62
Paid up Debt Capital / Outstanding Debt (Total borrowings)	50,841.67	40,762.39
Outstanding Redeemable Preference Shares	-	-
Basic / Diluted Earnings per Equity Share (Face Value of ₹10 each) after Net movement in Regulatory Deferral Account Balances (₹) (not annualized)	9.57	4.27
Basic / Diluted Earnings per Equity Share (Face Value of ₹10 each) before Net movement in Regulatory Deferral Account Balances (₹) (not annualized)	9.44	6.88
Capital Redemption Reserve	2,436.53	2,436.53
Debenture Redemption Reserve	22.73	23.61
Other Equity excluding Revaluation Reserves as at March 31		

INDUSTRY OVERVIEW

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Power transmission and distribution, and smart metering” issued in July 2026 (“**CRISIL Report**”) prepared and issued by CRISIL Intelligence, appointed by us and exclusively commissioned and paid for by us in connection with the Offer, and other publicly available information. CRISIL Intelligence has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from publicly available documents from various sources and the CRISIL Report, and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the proposed Issue), that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For the disclaimers associated with the CRISIL Report, see “Industry and Market Data” on page 15. For further details and risks in relation to the CRISIL Report, see “Risk Factors – 51. Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable.” on page 60.*

Indian macroeconomic overview

India to outpace major economies next fiscal

The global economy is navigating two opposing forces: the adverse impact of the ongoing conflict in the West Asia and the positive impulse from an accelerating global technology cycle led by advances in artificial intelligence (AI). While geopolitical tensions continue to weigh on economic activity through higher energy prices and supply chain disruptions, stronger technology-related investment and demand have provided important support to growth.

The global economy has so far remained resilient despite the conflict. Commodity prices remain elevated and inflationary pressures have resurfaced in several economies; however, stronger technology-driven activity, fiscal support in some countries and relatively accommodative financial conditions have helped cushion the impact. The effects vary across economies depending on their exposure to higher energy prices and their participation in the global technology value chain.

For calendar year 2026, the International Monetary Fund (IMF) projects the global economy to grow by 3.0%, slowing from 3.5% in 2025. The moderation reflects the impact of the West Asia conflict, partly offset by stronger demand arising from the technology cycle.

The United States economy is projected to grow 2.3% in 2026. Activity is expected to be supported by fiscal policy, accommodative financial conditions and continued technology-related business investment and productivity gains. The impact of the Middle East conflict is expected to remain limited given the country’s status as a net energy exporter.

The euro area’s growth is projected at 0.9% in 2026 compared with 1.4% in 2025. Growth is expected to be weighed down by higher energy prices, weak consumer confidence and soft underlying momentum, despite some fiscal support measures.

The United Kingdom’s GDP growth is projected to moderate to 1.0% in 2026 from 1.4% in 2025. The slowdown reflects the impact of higher energy prices arising from the Middle East conflict, although growth is expected to recover as the energy shock gradually fades.

Japan’s GDP growth is projected at 0.6% in 2026 compared with 1.1% in 2025. Fiscal support measures are expected to partly cushion the adverse impact of higher energy prices, though overall growth is likely to moderate.

China’s GDP growth is projected to slow to 4.6% in 2026 from 5.0% in 2025. Higher global oil prices, prolonged uncertainty and structural headwinds are expected to weigh on activity. However, public infrastructure investment and strength in high-technology manufacturing continue to provide support.

India’s growth rate too is expected to slow to 6.6% in fiscal 2027 from 7.7% in fiscal 2026 because of higher crude oil and other commodity prices, softer global growth amid the conflict and forecasts of a below-normal monsoon.

Table 1: India expected to emerge relatively stronger amid the global uncertainties

On-year (%)	CY19	CY20	CY21	CY22	CY23	CY24	CY25	CY26P
World	3.0	-2.7	6.6	3.8	3.5	3.3	3.5	3.0
Advanced economies	1.9	-3.9	6.0	3.0	1.7	1.8	1.9	1.7
- Euro area	1.6	-6.0	6.4	3.6	0.4	0.9	1.4	0.9
- US	2.6	-2.1	6.2	2.5	2.9	2.8	2.1	2.3
- UK	1.6	-10.3	8.6	4.8	0.4	1.1	1.4	1.0
- Japan	-0.4	-4.2	2.7	1.0	1.2	-0.2	1.1	0.6

On-year (%)	CY19	CY20	CY21	CY22	CY23	CY24	CY25	CY26P
Emerging and developing economies	3.8	-1.8	7.0	4.3	4.7	4.3	4.5	3.8
- China	6.1	2.3	8.6	3.1	5.4	5.0	5.0	4.6
- India*^	3.9	-5.8	9.7	7.6	7.2	7.1	7.7	6.6

*India numbers are on a fiscal year basis (April-March), with calendar year 2026 corresponding to fiscal 2027; other countries are on a calendar year basis. Estimates for India as per the Ministro of Statistics and Plan Implementation (MOSPI) and Crisil Intelligence; E – estimated; P – projected; Euro area includes Germany, France, Italy and Spain

Source: IMF World Economic Outlook July 2026, Crisil Intelligence

The effects of the conflict are also weighing in on the global inflation. As per IMF World Economic Outlook 2026, the global headline inflation is projected to rise to 4.4% in 2026 from 4.1% in 2025. The main drivers are expected to be higher energy prices, supply chain disruptions, and pressure on inflationary expectations, with the impact expected to be more pronounced in commodity-importing and more vulnerable economies.

The inflation in the US is projected to rise to 3.2% in 2026 from 2.7% in 2025. Although the US is relatively less exposed as a net energy exporter, it is still expected to face upward pressure from higher global energy prices and broader commodity-market spillover linked to the conflict.

Similarly, the inflation in the euro area is expected to rise to 2.6% in 2026 from 2.1% in 2025 mainly driven by higher energy prices and supply chain disruptions associated with the West Asia conflict.

The inflation in UK on the other hand is expected to ease to 3.2% in 2026 from 3.4% in 2025. The decline mainly reflects the fading impact of earlier one-off changes in regulated prices.

Japan too is expected to witness upside in inflation with IMF forecast projected at 2.6% in 2026 from 2.3% in 2025. However, the pass-through to consumers is expected to be partly contained by government measures.

China's inflation is expected at 1.2% in 2026 from 0% in 2025 owing to low base.

The inflation in India is expected to rise sharply to an average of 5.1% in fiscal 2027 from 2.0% in fiscal 2026, mainly due to a low base and broader price pressures across key segments. Upside risks stem from a possible pass-through of higher global crude oil prices, rising input and logistics costs linked to the West Asia conflict and a weaker rupee, and potential food inflation from below-normal rainfall associated with El Niño conditions.

Table 2: Inflation movement across key economies

On-year (%)	CY22	CY23	CY24	CY25	CY26P
Advanced economies					
Euro area	8.4	5.4	2.4	2.1	2.6
US	8.0	4.1	3.0	2.7	3.2
UK	9.1	7.3	2.5	3.4	3.2
- Germany	8.7	6.0	2.5	2.3	2.7
Japan	2.5	3.3	2.7	3.2	2.2
Emerging markets and developing economies					
China	2.0	0.2	0.2	0.0	1.2
India	6.7	5.4	4.6	2.0	5.1

E – estimated; P – projected

Note: The above table is on calendar year basis; for India, data is based on fiscal year, with fiscal 2027 shown in 2026. Inflation for India is Crisil Intelligence outlook.

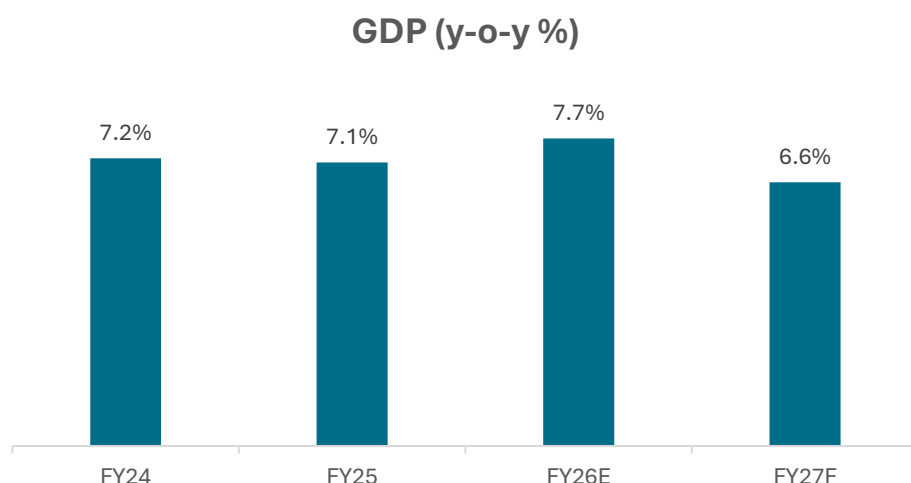
Source: IMF World Outlook, April 2026, Crisil Intelligence for India

Global economy has a bearing on India's GDP outlook

India's real gross domestic product (GDP) is projected to grow at 6.6% on-year in fiscal 2027 from 7.7% in fiscal 2026 (provisional estimates) because of higher crude oil and other commodity prices, softer global growth amid the West Asia conflict and forecasts of a below-normal monsoon.

Input cost pressures from the spike in crude oil and gas prices will weigh on growth. Global supply chain disruptions and the reduced availability of gas and other inputs will add to the pressure. The manufacturing sector, which is heavily dependent on imported inputs, is particularly vulnerable.

Figure 1: India's economy expected to grow at 6.6% in fiscal 2027



Note: F stands for forecast. Fiscal 2026E is an provisional estimate.

Source: NSO, Crisil Intelligence

A new GDP series ups the relevance and measurability quotient

A new national accounts series has been released with 2022-23 as the base year, superseding the 2011-12 series. The revised series incorporates new segments and administrative data sets, alongside methodological improvements such as double deflation in manufacturing wherever possible and the use of granular price data for deflators.

- The new series pegs GDP growth for fiscal 2026 at 7.7%, up from 7.4% in the first advance estimate (FAE) based on the old series, and 7.1% in fiscal 2025. The new series underlines private consumption as the driver of growth in fiscal 2026, while the FAE under the older series called out fixed investments. Growth for the last fiscal has also been raised significantly from 6.5% in the old series.
- For fiscal 2024-2026, real GDP growth stands at 7.3% under the new series, compared with 7.7% under the old series, led by broad-based downward revisions across private final consumption expenditure, gross fixed capital formation and government consumption. On the supply side, agriculture and services sectors have seen downward revisions in growth, but the manufacturing sector has seen significant upward revision of growth to 11.2% from 8.2% as double deflation has improved the real manufacturing estimates.
- The size of the economy, measured by nominal GDP, is smaller at Rs 345 lakh crore, compared with Rs 357 lakh crore under the old series for fiscal 2026. In US dollar terms, India is slightly below a \$4 trillion economy.

Over fiscals 2022 to 2026, the Indian economy has outperformed its global counterparts. Going forward as well, the Indian economy will remain strong and would continue to be one of the fastest growing economies.

In per capita terms, India's net national income at constant prices expanded 7.7% in fiscal 2026.

Table 3: Per capita NNI

Per-capita NNI	FY26 (PE)	(Rs	Growth of NNI per capita at current prices (%)													
	'000)															
	Current prices	Constant prices	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	
	208	193	11.5	9.5	9.4	10.6	9.9	9.3	5.1	-3.9	18.6	12.1	10.6	9.2	7.7	

Note: P – projected. () Per-capita NNI as per second advance estimates of Annual GDP for Fiscal 2025-2026; Source: Ministry of Statistics and Program Implementation (MoSPI), International Monetary Fund (IMF), Crisil Intelligence*

The Indian economy has performed far better than expected in fiscal 2026, driven by a stronger-than-expected surge in domestic demand and a softer-than-expected impact of India's exports given the frontloading of shipments to the US in the first four months ahead of higher tariffs coming into effect.

The economy is expected to maintain its growth momentum, driven by a combination of domestic factors. The government's efforts to boost private consumption, invest in infrastructure and promote economic growth will be crucial in sustaining the growth trajectory. Although government capex is expected to remain a key enabler, the continued emphasis on fiscal consolidation implies investment prospects will hinge on sustained revival in private capex.

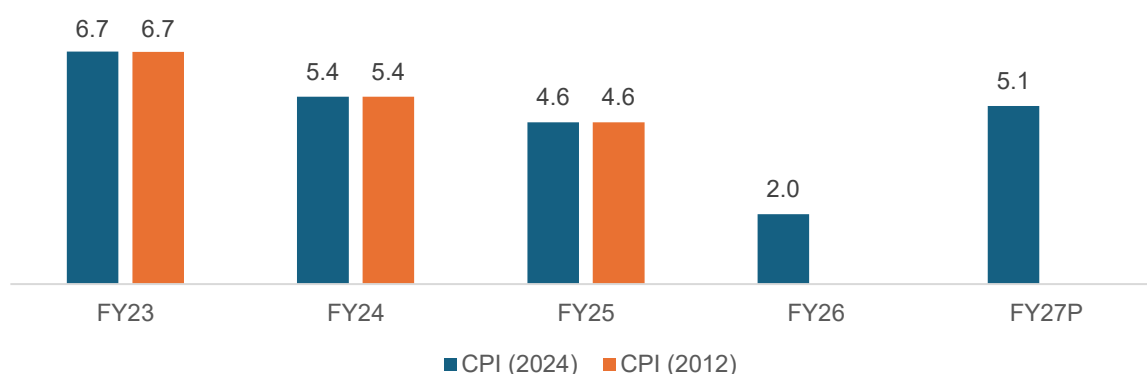
However, current and potential US tariff actions could pose a downside risk to overall growth. Downside to India's macroeconomic outlook may also emerge if the conflict in the Middle East prolongs as it can pose a risk to exports and commodity prices. Higher uncertainty related to war could deter investments.

Inflation projected to be 5.1% in fiscal 2027

Inflation based on the revised Consumer Price Index (CPI) series, with 2024 as the base year, rose to 3.4% in March 2026 from 3.2% in February 2026, driven by upticks in both food and fuel inflation. While food inflation rose on a low base, the increase in fuel was driven by the increase in domestic cooking fuel prices.

Crisil Intelligence expects inflation based on the Consumer Price Index (CPI) to average 5.1% in fiscal 2027 from 2.0% in fiscal 2026, driven by a low-base effect and expectations of broadening price pressures across major segments. Expected below-normal rainfall amid the likely El Niño conditions during the southwest monsoon season can hurt agricultural production and exert pressure on food inflation, which is normalizing from its lows.

Figure 2: Inflation projected to rise 5.1% in fiscal 2027



P – projected

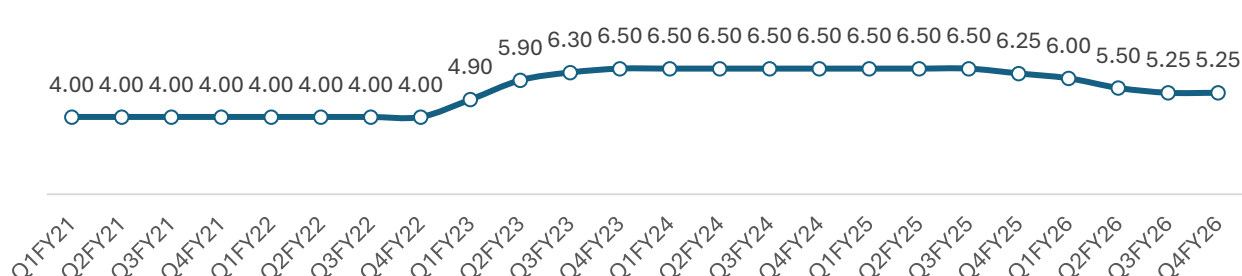
Source: Crisil Intelligence

Policy rate remains unchanged in April 2026

In April 2026, the MPC kept policy unchanged at 5.25% and maintained its neutral stance amid strong domestic growth showing and progress on free trade agreements.

The Fed, too, chose to pause its rate-cutting cycle in January 2026.

Figure 3: Repo rate in India (%)



Source: RBI, Crisil Intelligence

Table 4: Outlook for fiscal 2027

Macro parameters	FY25	FY26	FY27F	Rationale for outlook
Real GDP growth (on-year %)	7.1	7.7	6.6	Growth will be slow down by higher crude oil and other commodity prices, softer global growth amid the conflict and forecasts of a below-normal monsoon. Higher inflation on account of the disruptions to agricultural production and higher commodity prices will constrain household budgets and restrain private consumption.
CPI inflation (on-year %)	4.6	2.0	5.1	Inflation is set to rise driven by a low-base effect and expectations of broadening price pressures across major segments. A sharp rise in the cost of energy and other inputs, as well as trade and transportation, is expected to be passed by producers to consumers, raising core inflation
10-year government security yield (March average %)	6.7	6.7	7.0	A prolonged conflict will increase pressure on government finances through higher petroleum and fertiliser subsidies, even as a slowdown in domestic growth will impact tax collection. Rising yields in advanced economies are likely to keep foreign capital flows into the debt segment volatile, with a bias towards outflows.
Current account balance (% of GDP)	-0.6	-0.8	-2.2	Higher oil prices are expected to exert greater pressure on India's CAD. Goods exports are expected to be hit by global trade disruption and weakening global demand.
Exchange rate (March average, Rs/\$)	84.6	92.8	93.5	India's external vulnerability has increased due to the conflict. A widening CAD will mean higher demand for the dollar, while elevated global uncertainty may lead to foreign capital outflows from emerging markets, including India, putting pressure on the rupee.

Source: Crisil Intelligence, NSO, RBI, Budget documents, Ministry of Finance

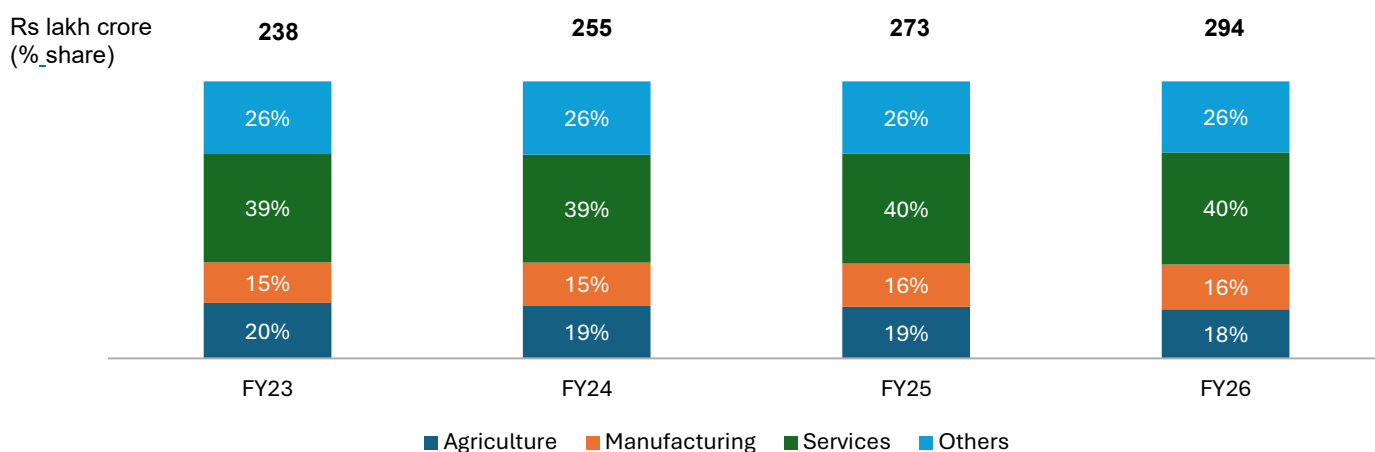
Contribution of key sectors to gross value added

India's gross value added (GVA) has grown consistently over the years, except in fiscal 2021, when it was affected by the pandemic-induced lockdown. The services sector is a significant contributor, with growth in services exports, which account for half of the country's overall exports, has outpaced economic growth.

The manufacturing sector has contributed to the resilient performance of the economy in three consecutive financial years after rebasing. The sector attained double-digit growth rates of 13% and 12%, respectively, in fiscals 2024 and 2026.

The growth in manufacturing GVA is attributable to government initiatives such as the Atmanirbhar Bharat campaign, Make in India and the Production Linked Incentive (PLI) scheme. While the share of industry in GVA averages 15%, a large percentage of the PLI capex that is yet to be commissioned is expected to boost the share of both manufacturing and exports.

Agriculture GVA clocked a CAGR of 3.08% between fiscals 2023 and 2026, driven by the subsidy support to farmers and other government initiatives such as the Pradhan Mantri Krishi Sinchayee Yojana, Dhan Dhaanya Krishi Yojana etc. Normal monsoon, government schemes and favourable agricultural commodity prices over the past two fiscals have aided the growth.

Figure 4: Contribution of key sectors (industry, agriculture and services) to GVA


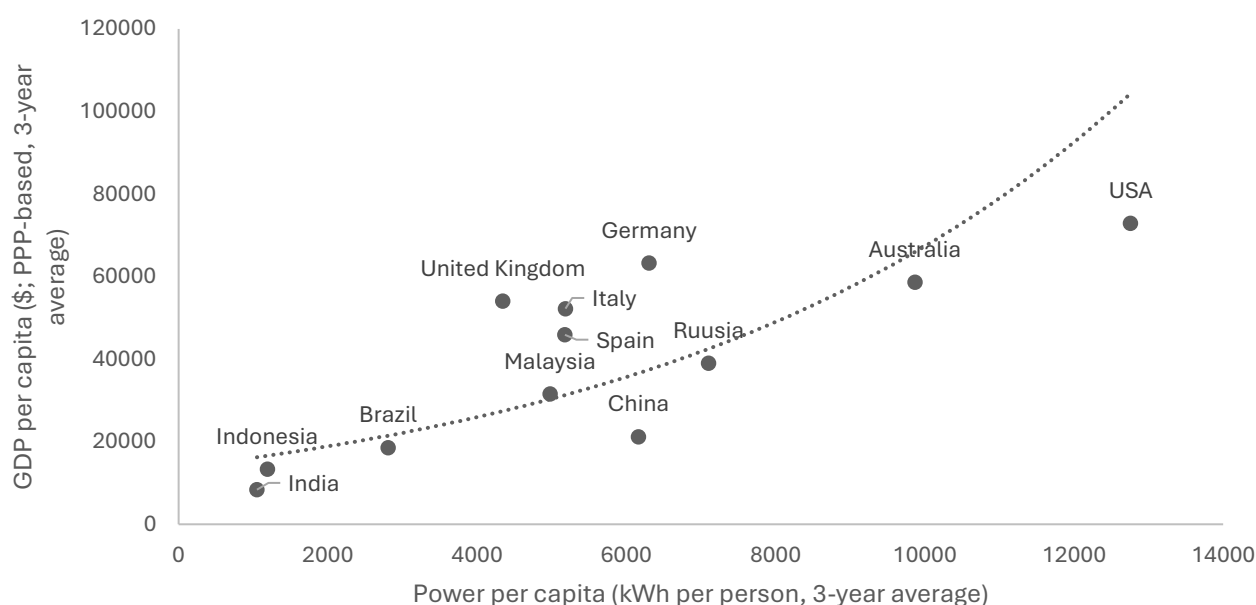
Source: MoSPI, Crisil Intelligence; 2024-2025 numbers are second revised estimates, and 2025-2026 numbers are second advance estimate

Power demand shows strong correlation with GDP growth

An assessment of data over 30 years indicates a strong link between power demand and GDP growth. As the economy expands, so does the demand for electricity due to more industrial activity and other factors. This can be seen across states and even countries. Hence, tracking GDP growth and its impact on per capita power demand is considered an established way to understand the prospects of the power sector. The results of this analysis point to power demand tracking GDP by 100 bps on average over the past three decades. Per capita electricity consumption in India increased to 1,460 kWh in 2024-25, representing a rise of 503 kWh (approximately 52.6%) from 957 kWh in 2013-14, driven by population growth, industrialisation, economic expansion, and the strengthening of the country's transmission and distribution infrastructure.

As of fiscal 2026, India's industrial GVA share of 16% is lower than those of its peers in the Association of Southeast Asian Nations (ASEAN) that are factories to the world. But the contribution of manufacturing to India's GDP is set to improve due to the government's focus on initiatives such as Make in India and PLI, as well as the emergence of new-age sectors amid energy transition creating new manufacturing needs. This would further boost the prospects of power demand. Alongside these developments, an efficient transmission and grid infrastructure would help reduce aggregate technical and commercial (AT&C) losses and improve energy efficiency in the power sector.

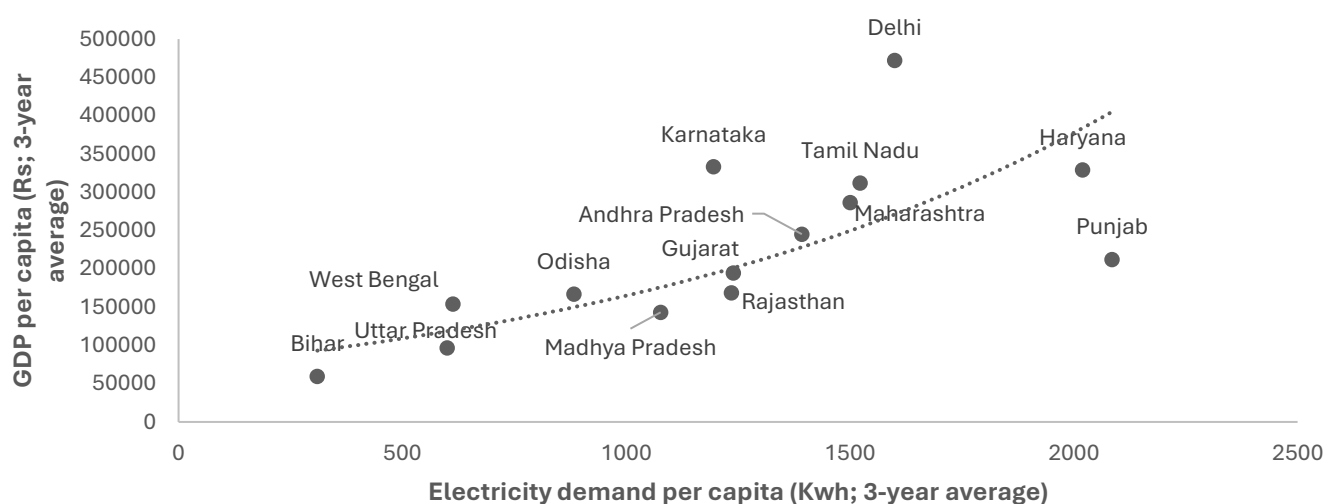
Figure 5: Correlation between power consumption and GDP per capita, by country



Notes: Power per capita and GDP per capita for every country is average of CY 2021, 2022 and 2023

Source: World Bank, IEA, Crisil Intelligence

Figure 6: Power demand in India, by state



Power demand and supply

Power demand has maintained robust growth momentum

Electricity consumption in India has grown at a steady pace, recording an estimated compound annual growth rate (CAGR) of 4.4% over the past decade. In absolute terms, consumption increased from 1,111 billion units (BUs) in fiscal 2016 to 1,709 BUs in fiscal 2026. This growth has been driven by the country's rising population, continued industrial and economic development, and improvements in transmission and distribution (T&D) infrastructure.

- Base power demand increased 5.5% CAGR between fiscals 2022 and 2026
- In fiscal 2026, power demand grew 0.9% year on year, supported by 7.6% GDP growth despite weather-related disruptions. Although the growth rate appears to be moderating, the increase in absolute terms remains significant. Between fiscal 2021 and 2026, India is estimated to have added 433 BU of power demand. Therefore, the moderation in the growth rate is largely attributable to the high base.

In Q1 fiscal 2026, power demand was affected by unexpected rainfall in May and the early onset of the southwest monsoon, which led to cooler temperatures and lower cooling demand. Between June 1 and July 23, 2025, the country received 5% above-normal monsoon rainfall. At the same time, moderation in IIP growth was reflected in a 1.6% year-on-year decline in power demand during the quarter. The growth rate was also impacted by the high base of Q1 fiscal 2025, when demand had grown 11% year on year.

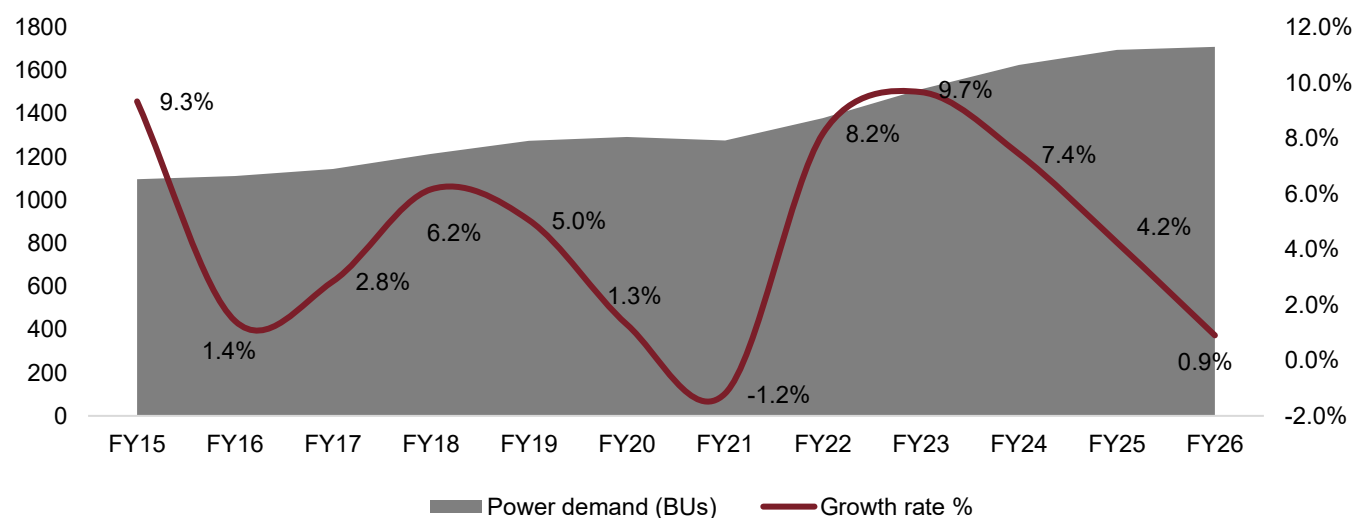
In Q2 fiscal 2026, power demand increased by 3.3% year on year. In Q3 fiscal 2026, it declined marginally by 0.1% year on year, as seasonal mean temperatures remained close to the long-term average. Temperature anomalies of +0.09°C and -0.10°C during the period reduced both cooling and heating requirements.

In Q4 fiscal 2026, power demand increased by 1.9% year on year. Growth moderated during the quarter, from 3.8% in January to 1.0% in February and 0.8% in March, amid a mild winter and a slow on set of summer, which limited incremental heating and cooling demand.

Despite the escalation of geopolitical tensions in West Asia, the impact on India's power sector remained limited, given the sector's low dependence on imported fuels and predominantly domestic coal-based generation mix. While imported gas-based plants remained exposed to potential fuel-price and supply volatility, gas accounted for only around 3.8% of India's installed generation capacity as of March 2026. Adequate coal stocks at thermal power plants also supported uninterrupted electricity availability.

Overall, despite estimated GDP growth of 7.6% in fiscal 2026, power demand growth moderated to around 0.9% due to favourable weather conditions and the high base effect.

Figure 7: Snapshot of power demand (BUs)

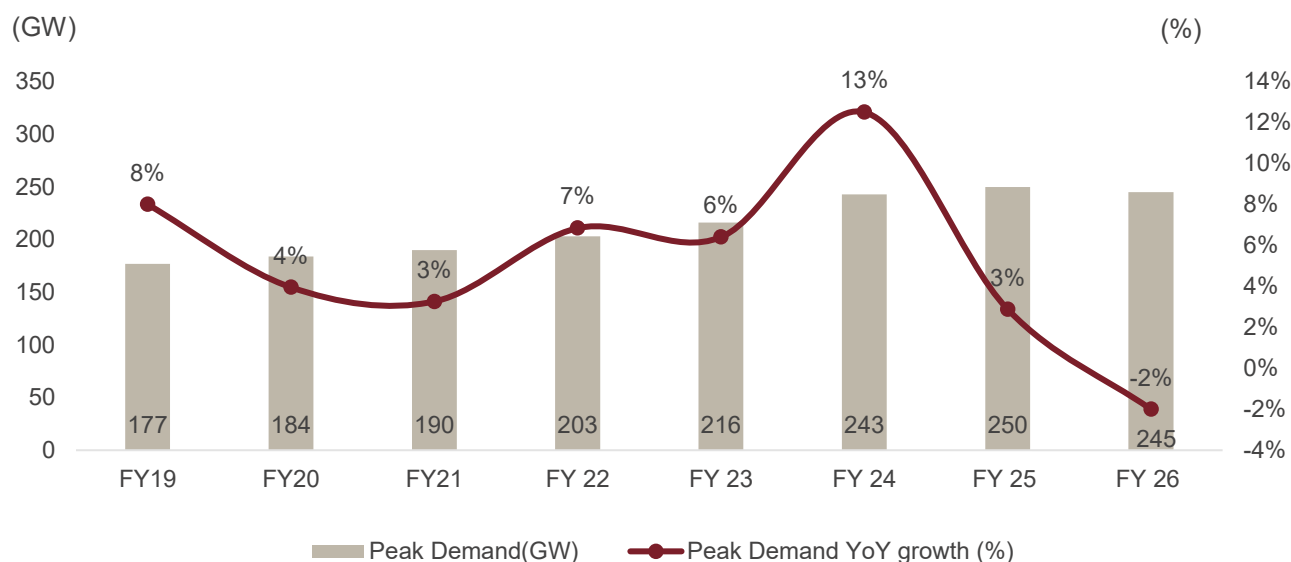


Source: CEA, Crisil Intelligence

In India, peak demand has grown from 190 GW in fiscal 2021 to 245 GW in fiscal 2026 driven by heightened heating requirement during a severe cold wave in North India. However, it stayed lower than the peak of fiscal 2025.

Peak demand has outpaced base demand multiple times over the past decade. Over the long term, they have grown at an almost equal pace, where base demand has grown at nearly 5.5% CAGR over fiscal 2022 to fiscal 2026 and peak demand has grown at 4.8%.

Figure 8: Peak demand tapers in fiscal 2026 with cooler weather



Source: CEA, Crisil Intelligence

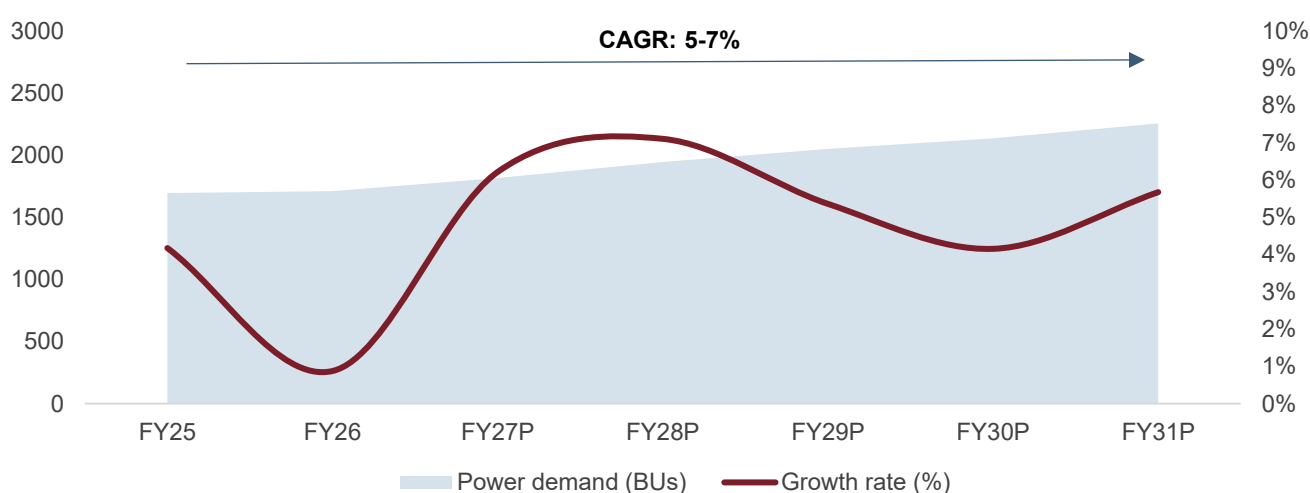
Power demand to maintain healthy growth over fiscals 2027-2031

Between fiscals 2027 and 2031, power demand is expected to sustain a high growth trajectory of 5-7% CAGR on the back of healthy economic growth, urbanization trends and weather vagaries. This electricity consumption is projected to grow to 1,800-1850 BUs in fiscal 2027. The government's continued infrastructure and industrial manufacturing push is expected to drive power demand as well, with climate change-induced temperature fluctuation also becoming a key reason for peak demand surges.

Energy consumption is expected to be driven by the Government of India's increasing focus on rural electrification, railway electrification, the adoption of electric vehicles, and initiatives such as '24x7 Power for All'.

Major reforms initiated to improve the health of the power sector, particularly that of state distribution utilities, are expected to improve the quality of power supply, thereby boosting power penetration levels as well

Figure 9: Snapshot of power demand (BUs)

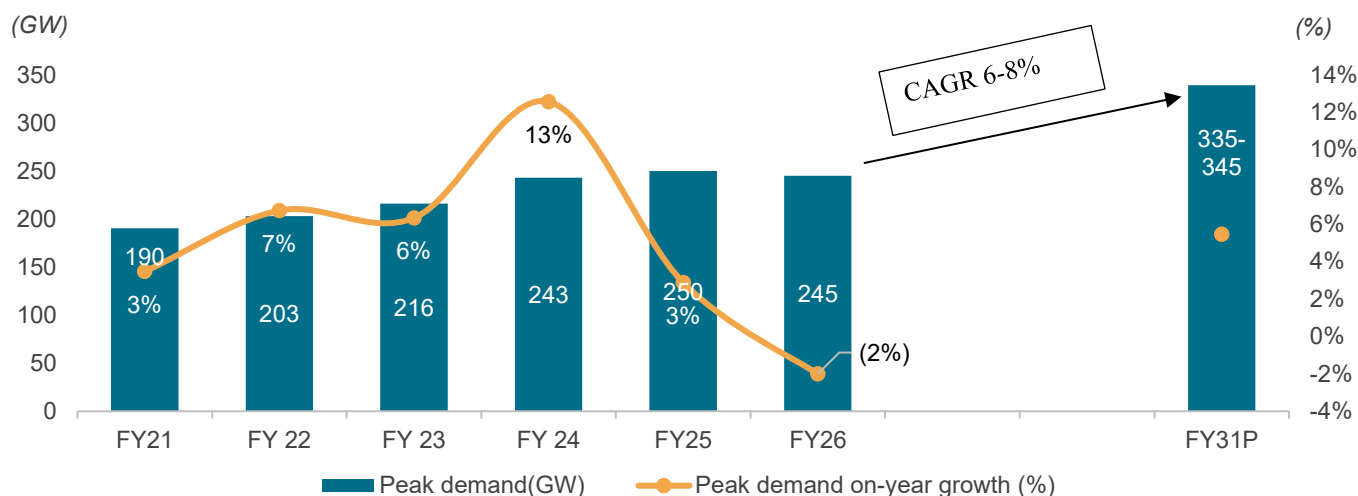


P – projected

Source: Crisil Intelligence

Peak demand reached 245 GW in January 2026 and is expected to grow at 5-7% CAGR during fiscal 2027-2031. It is likely to reach levels of 335-345 GW by fiscal 2031, due to persistently high temperatures, rising urbanisation, economic growth and industrial push.

Figure 10: Peak demand set to outpace base demand growth



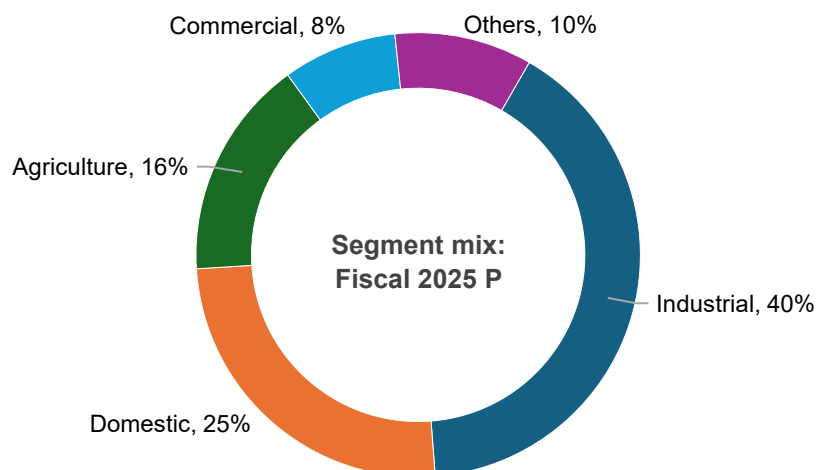
P – projected

Source: CEA, Crisil Intelligence

Commercial and industrial lead power demand

The commercial and industrial (C&I) segments together comprise the largest share of the country's annual power consumption, at nearly 48%, followed by the domestic and agriculture sectors, at 25% and 16%, respectively.

Figure 11: Category-wise share of power demand



Notes:

- 1) The share break-up is based on the latest available data. i.e. fiscal 2025
- 2) Others include consumption from traction, electric vehicles and other sources
- 3) Industrial category does not include captive consumption; commercial category includes power sourced by businesses and other non-industrial establishments; domestic segment includes power used by households for various purposes; Agriculture segment includes power consumption in all stages of agricultural production and processing
- 4) P – projected

Source: MOSPI, Crisil Intelligence

• Commercial and industrial consumers

The government's Make-In-India initiative and global manufacturers undertaking supply-chain derisking post Covid-19 will augment India's manufacturing sector, thereby boosting power demand, as the commercial and industrial (C&I) segment accounts for ~48% of the country's power demand. Industrial power demand is estimated to have grown by 2-3% on year in fiscal 2026 on the back of sustained growth in real GDP of 7.6% on year. This outlook is supported by healthy

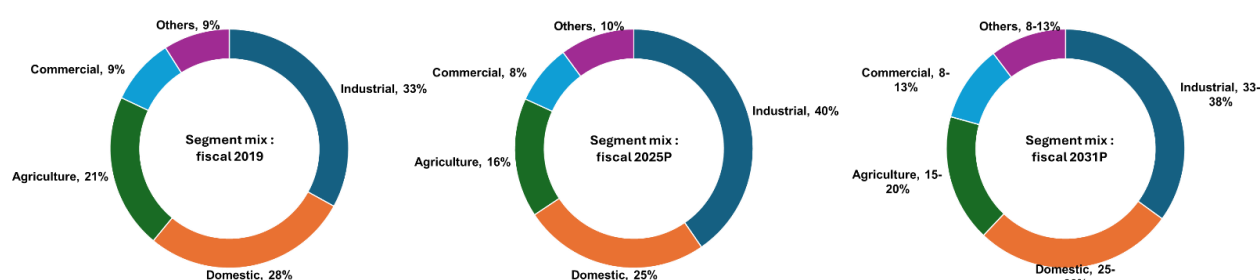
consumption, a supportive monetary policy, the US–India trade deal, a mild increase in private investment, and low crude oil prices.

• Domestic consumers

Prolonged and severe heatwaves in the country along with rising urbanization are expected to aid power demand from the domestic segment. Climate change led by warmer temperatures has led to surge in cooling demand. **Agricultural consumers**

Prolonged and severe heatwaves are expected to increase the use of irrigation facilities. This is expected aid power consumption by the agriculture sector in the long run. Incentives by state governments such as providing free electricity to agriculture pumps upto 7.5 horsepower capacity as announced by the Maharashtra state government in fiscal 2025 is expected to boost power demand by the sector

Figure 12: Category-wise consumption outlook



P – projected

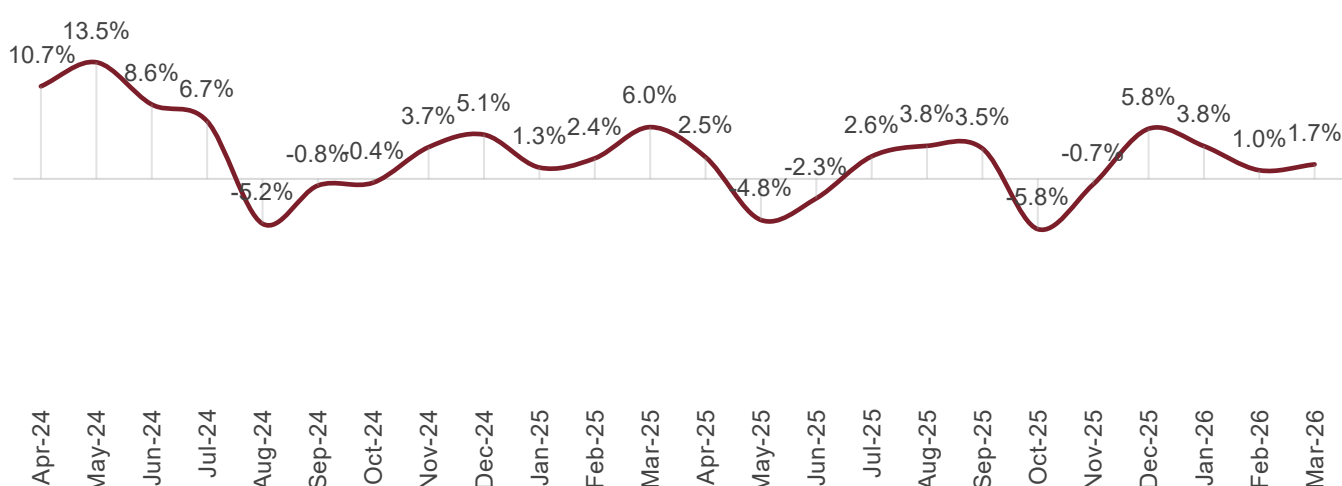
Note: Above numbers do not include captive power consumption

Others include consumption from traction, electric vehicles and other sources. Commercial includes power used by businesses and other non-industrial establishments. Domestic includes power used by households for various purposes. Agriculture includes power consumption in all stages of agricultural production and processing

Source: Crisil Intelligence

At the state level, Maharashtra accounted for the largest share of power demand at 12%, primarily driven by increased commercial and industrial (C&I) consumption, which comprised more than half of the state's total demand in fiscal 2026. Uttar Pradesh followed this with a 10% share, while Gujarat held 9%. Electricity consumption in the state Gujarat, Bihar outpaced pan India demand, rising 3.6% and 6.3% on year respectively, driven by industrial and domestic segments during the same period.

Figure 13: Month-wise power demand (%)



Source: CEA, Crisil Intelligence

During fiscal 2026, the power demand grew by 0.9% on year compared to the same period in the previous year. In April 2025, power demand rose due to higher-than-usual temperatures and increased economic activity. However, unexpected rainfall in May, coupled with an early onset of the southwest monsoon, led to a decline in power demand during May and June 2025. Power demand rebounded in July, August, and September as industrial activity resumed across the country following heavy rainfall but remained lower compared to the same months in previous years. This was due to reduced cooling and irrigation requirements resulting from an above-normal southwest monsoon. Power demand was subdued in October and November, as

seasonal mean temperatures were close to the long-term average, resulting in lower cooling requirements. In December, however, power demand rebounded due to colder winter conditions across the country, which drove up heating requirement. In January 2026, power demand growth remained positive supported by continued industrial and commercial activity during the winter season. In February 2026, above-normal temperatures across several parts of the country lead to an increase in cooling requirements, while continued expansion in manufacturing activity also supported electricity consumption. Consequently, power demand witnessed a gradual improvement in March 2026 driven by rising temperatures and early summer-related consumption trend across the country.

Demand tailwinds and headwinds

Demand for power is closely associated with a country's GDP – the better the economy, higher the demand. India is one of the fastest-growing economy in the world, with the GDP clocking an average of 6% over the past decade. The economy is expected to continue to expand beyond fiscal 2026, with industrial activity continuing to pick up over the medium term. The trickle-down effect of the government's Atmanirbhar Bharat push, spending on infrastructure through the National Infrastructure Pipeline, commissioning of the dedicated freight corridors, expansion of the services industry, rapid urbanization and increased farm incomes from agriculture-related reforms are key macroeconomic factors supporting the rise in power demand. Significant policy initiatives such as the PLI scheme and low corporate tax rates, among others, have aided large-scale manufacturing in India, as well which should further boost power demand.

Apart from macroeconomic factors, demand for electricity will be fueled by railway electrification, upcoming and ongoing metro projects, growing demand from charging infrastructure owing to faster adoption of electric vehicles (EVs), and higher demand from key infrastructure and manufacturing sectors.

Increased sales of appliances, driven by rising per capita income, is another growth driver. For instance, the ~Rs 314 billion refrigeration and air conditioner (RAC) industry as of fiscal 2025, is expected to increase to Rs 550-600 billion by fiscal 2030. The pace of growth in overall penetration will lead to RAC sales rising at 10-12% CAGR between fiscals 2026 and 2031, to 13.5-14.5 million units.

Beyond room air-conditioning, the growing demand for cooling is also expected to create opportunities in centralized cooling and integrated energy solutions. The market for centralized cooling and integrated energy solutions in India also remains in a developing phase. As per the India Cooling Action Plan, 2019, India's cooling demand is projected to increase by around eight times by 2037-38 compared with the 2017-18 baseline, with significant implications for electricity demand, grid infrastructure, and emissions intensity. Policy initiatives such as the India Cooling Action Plan (ICAP), 2019 and the District Cooling Guidelines, 2023 promote the adoption of energy-efficient and centralised cooling solutions. The sector presents substantial opportunities across a range of end-use segments, including commercial real estate, data centres, airports, industrial parks, and integrated townships. The policy environment for cooling solutions has also strengthened significantly. MERC has recognized DCS as an industrial activity, enabling consumers to avail HT-I/LT-V industrial tariffs instead of higher commercial tariffs, thereby improving project viability and competitiveness. Further, the National Building Code of India (NBC) 2026 includes a dedicated chapter on DCS, recommending DCS feasibility assessments during the master-planning stage of large developments and encouraging its adoption for multi-building clusters with cumulative cooling demand exceeding 5,000 TR.

However, rising energy efficiency, reduction in technical losses over the long term, and captive as well as off-grid generation from renewables would cap a higher growth trajectory.

Segment-wise, the following are expected to boost power demand:

Emerging sectors including AI, cloud computing and data centres – new growth enablers

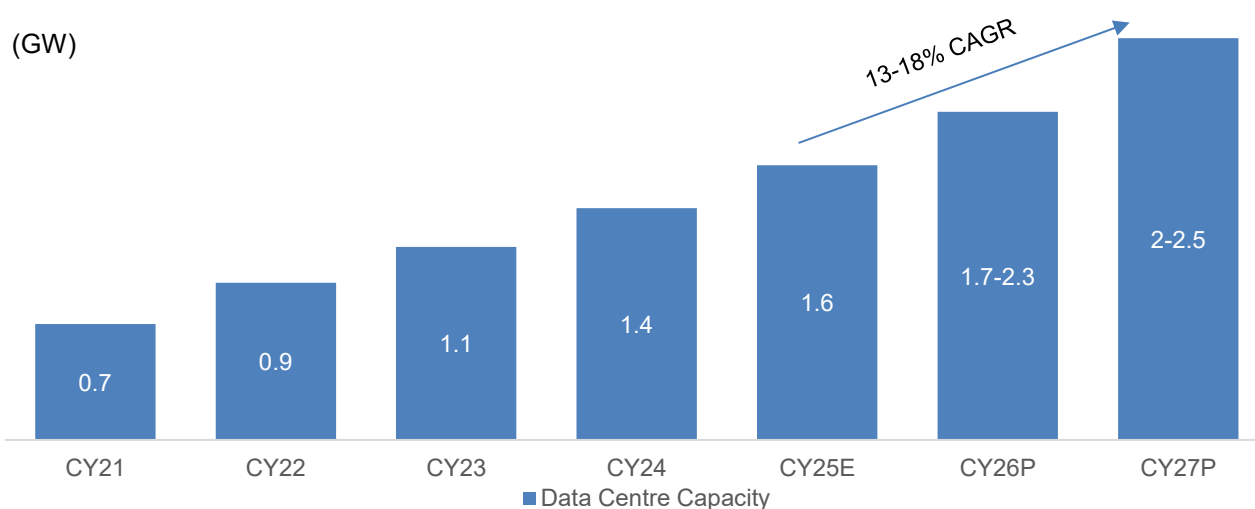
Capex in emerging sectors will help boost power demand, where sectors such as data centres, component manufacturing sectors under PLI etc. are also energy intensive in nature. This may also lead to a trend of increasing procurement of renewable energy (RE), driven by sustainability targets, reputational pressures, and long-term cost advantages.

Among emerging segments, data centers stand out as a high-growth opportunity driven by accelerating digital infrastructure demand and the need for reliable, scalable and sustainability-linked power solutions. India's data centre industry is experiencing rapid growth, fuelled by rising demand for cloud computing, data storage, digital services, and Global Capability Centres (GCCs). The expanding AI market has directly translated into higher power demand. To meet this growing need, data centre operators are likely to opt for a mix of grid and captive green power. Electricity costs account for a meaningful share of a data centre's operating expenses, and consumption would thus be high.

Over the past few years, AI has moved from experimental phases to mainstream adoption. The development of new AI models have created a significantly higher demand for data centre capacity and electricity. This trend is not only technological but also has substantial infrastructural imprint. These infrastructure hubs, which house thousands of high-performance graphic processing units (GPUs) and central processing units (CPUs), are evolving from backend utilities to frontline investment priorities, which will also lead to higher electricity consumption needs.

India is rapidly emerging as a critical node on the global data centre map. With increasing internet penetration, a robust digital payment infrastructure, and the localisation of cloud and AI services, the demand for domestic data processing is surging. This demand is being further strengthened by the rapid adoption of AI-led applications, which require significantly higher computing power than traditional enterprise workloads. As AI models depend on high-performance GPUs and specialised chips, data centres need to support higher rack densities, greater cooling requirements, and more reliable power supply. This is increasing the overall electricity requirement of data centres and is making power availability a key factor in future capacity planning. From an installed capacity of just 1.1 GW in calendar year 2023, capacity is expected to rise to 2–2.5 GW by calendar year 2027. Mumbai, Hyderabad, Chennai, and the National Capital Region (NCR) are developing into hyperscale clusters, driven by submarine cable landings, favourable state policies, and access to skilled labour. Strategic land banks, strong fibre connectivity, and incentives under various state policies are further catalysing this growth.

Figure 14: India's data centre installed capacity



P: Projected

Source: Crisil Intelligence

Figure 15: State wise DC policy and incentives

	Subsidy on Fixed Capital Investment	Land Incentives		Power Incentives			
		Subsidy on land cost	Stamp duty concession on land	Electricity tariff	Exemption from electricity duty	Subsidy on electricity tax	Dual Power Grid
 Maharashtra IT/TeS Policy 2023	✗	✗	100%	At industrial rates	100% (permanently)	✗	✗
 Telangana DC Policy 2016	✗	✗	100% (reimbursement)	At industrial rates	✗	✗	Available
 Tamil Nadu DC Policy 2021	✗	50%	50% - 100%*	At industrial rates	✗	100% (for 5 years)	Available (for load > 50 MW)
 Karnataka DC Policy 2022-27	7% (up to INR 10 Cr)	10% or INR 3 Cr (whichever is lower)	100% (up to 10 Acres)	At industrial rates (if >30% renewable energy usage)	100% (for 5 years)	✗	Available
 Uttar Pradesh DC Policy 2021	7% (up to INR 20 Cr)	25% - 50% (based on region)*	50% - 100% (first / second transaction)*	✗	100% (for 10 years)	✗	Available

* Rates vary based on region

Source: Industry, Crisil Intelligence

Ramp-up in metro projects to increase electricity requirement

Electricity consumption of the urban metro system mainly is from train traction and station operations. Currently, though, metro projects constitute a marginal share of the total incremental power demand. However, the share is expected to increase owing to a large quantum of planned metro projects.

Metro rail has seen substantial growth in India in recent years, and the rate of growth is expected to be 2x or 3x going forward, as multiple cities outline plans to construct metro rails to meet daily mobility requirements.

As of February 2026, ~1,010 km of metro routes were operational across India. Also, ~612 km of metro lines were under construction, while ~311 km of routes had been approved and nearly ~1,002 km remained proposed across various parts of the country.

Electricity consumption from this segment is, therefore, expected to add average incremental power demand of 4-6 BUs every year between fiscals 2027 and 2031.

Gradual transition to EVs to increase electricity demand from charging infrastructure

The Government of India is focusing on building charging infrastructure and creating a conducive policy environment for faster adoption of electric vehicles (EVs) to reduce dependence on fossil fuels for transportation. India aims to increase the share of EVs in the overall vehicle population to 30% by 2030. Under the National Electric Mobility Mission Plan and subsequent initiatives, the government has promoted EV adoption through demand-side incentives, charging infrastructure development, and support for research and development in battery technology, power electronics, battery management systems and system integration. The Faster Adoption and Manufacturing of Electric Vehicles (FAME-II) scheme, implemented from April 2019 to March 2024, provided demand incentives for EVs and funding for public charging infrastructure. This has been followed by the PM E-DRIVE Scheme, launched in September 2024, with an outlay of Rs 10,900 crore to support EV adoption and charging infrastructure development. Supply-side policies such as the Production Linked Incentive (PLI) schemes for automobiles

(September 2021) and Advanced Chemistry Cell (ACC) batteries (June 2021), along with the Atmanirbhar Bharat initiative, have promoted localisation and domestic manufacturing, reducing EV costs and strengthening the domestic EV ecosystem.

The faster adoption of EVs is being supported by rapid expansion of charging infrastructure across major cities and highways, along with corresponding growth in distribution infrastructure and supportive tariff mechanisms. As of 21 July 2026, India had 52,718 public EV charging stations, including 16,561 fast chargers for cars, according to the BHEL portal. To accelerate deployment, the Government allocated Rs 912.5 crore under FAME-II and a further Rs 2,000 crore under PM E-DRIVE for nationwide public charging infrastructure, particularly in urban centres and along highways. In addition, the Ministry of Power issued the Guidelines for Installation and Operation of Electric Vehicle Charging Infrastructure, 2024, providing a framework for a connected and interoperable charging network.

The continued expansion of EV charging infrastructure, coupled with increasing penetration of electric two-wheelers, passenger vehicles, commercial vehicles and public transport fleets, is expected to substantially increase electricity consumption by the transport sector. With the Government also supporting deployment of over 14,000 electric buses under PM E-DRIVE and more than 38,000 electric buses under the PM e-Bus Sewa Payment Security Mechanism Scheme notified in October 2024, EV charging demand is likely to become a significant contributor to incremental power demand over the medium to long term. Consequently, the adoption of EVs and the associated growth in charging infrastructure are expected to emerge as an important structural driver of electricity demand in India.

A further rise in power demand will be offset by:

Declining T&D loss to lower demand for power

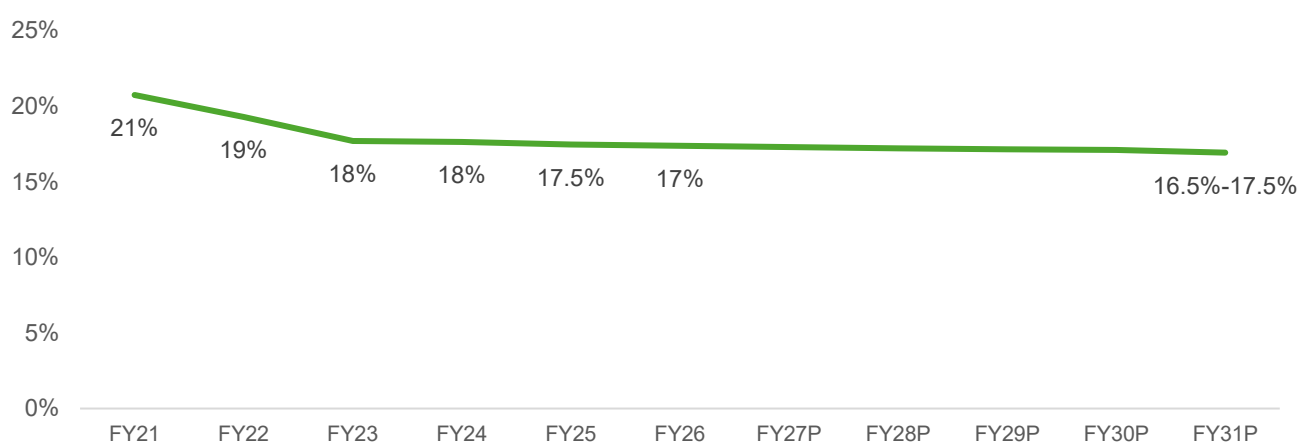
Discoms' ability to invest in upgrades and strengthen the distribution infrastructure with advanced technologies is expected to be limited over the medium term, owing to financial stress. However, the government has undertaken several initiatives to lower the loss of discoms, with the Revamped Distribution Sector Scheme a key reform to improve the quality and reliability of power supply to consumers through a financially sustainable and operationally efficient distribution sector.

The scheme aims to reduce AT&C losses to a pan-India level of 12-15%. Under the scheme, state governments are required to give an undertaking to pay discoms the dues of government departments/ attached offices, and also to install smart prepaid or prepaid meters in government departments/attached offices, etc. The state governments are also required to give an undertaking to clear dues related to subsidies and to put in place a system such that the bills for subsidies are raised by the discoms and paid upfront every quarter.

The Government of India has also provided additional borrowing permissions to the extent of 0.05% of the gross state domestic product linked to the reduction of aggregate technical and commercial losses (AT&C) losses and average cost of supply-average revenue realized (ACS-ARR) gap.

Overall, T&D losses have been declining, and we believe the reduction in losses will continue, aided by the slew of measures taken by the government. Consequently, this would reduce power demand by 5-7 BUs on average every year between fiscals 2027 and 2031.

Figure 16: Snapshot on T&D loss (%)



P – projected

Source: CEA

Reduction in demand due to increase in off-grid/rooftop projects

With the boost to rooftop solar installations and declining cost of renewable energy generation, off-grid solar generation is expected to increase, thereby reducing power demand from grids. By fiscal 2031, installed capacity is expected to be 50-60 GW, resulting in 3-4% of the power demand being met directly at the consumer site by fiscal 2031

Renewable energy to comprise 50-55% of installed capacity by fiscal 2031

India's installed generation capacity increased to 533 GW as of end-fiscal 2026 from 382 GW at end-fiscal 2021. The increase was on the back of healthy renewable capacity additions (solar, wind, hybrid and other renewable sources) vs subdued additions of coal and other fuels. The Government of India has set a target of 500 GW of renewable energy capacity by 2030. As of March 2026, the installed power generation capacity from renewable energy sources (excluding large hydro) stood at 223 GW, accounting for approximately 42% of India's total installed electricity generation capacity, up from ~25% in fiscal 2021, whereas coal-based capacity tapered to ~43% vs 55%.

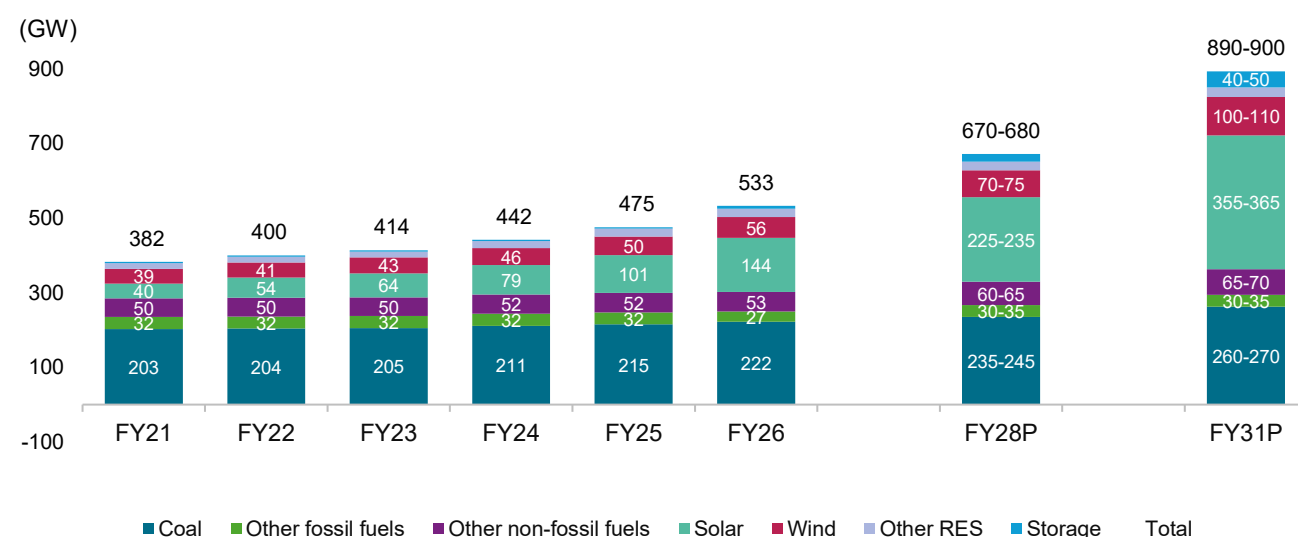
By fiscal 2031, renewable capacity (ex-hydro) is expected to reach 480-490 GW, on the back of strong additions over fiscals 2027-2031. Consequently, RE capacity (ex-hydro) is expected to account for a 52-57% share of the installed capacity of 885-895 GW. Moderate coal-based capacity additions of 35-40 GW are expected to lower coal's share in total installed capacity to 25-35% in fiscal 2031. Other fossil fuels' (including lignite, gas, and diesel) share are expected to decline due to negligible capacity additions. Inclusion of hydro and nuclear power in clean energy is also expected to provide a fillip to non-fossil capacity (RE, nuclear, hydro and storage), taking it to 600-610 GW by fiscal 2031.

Meanwhile, the growing need for energy storage systems is expected to drive capacity additions of pumped storage project (PSP) and battery energy storage systems (BESS) over the next five years. Storage installed capacity, which includes PSP and BESS, is expected to reach 50-55 GW by fiscal 2031.

As per the NEP, the government envisages India's total capacity to reach 900 GW by fiscal 2032. This would include 260 GW of coal and lignite capacity accounting for ~29% of the total installed capacity. Non fossil capacity (RE, nuclear, hydro and storage) capacity is estimated to increase to 663 GW by fiscal 2032 as outlined in the NEP constituting 74% of the country's installed capacity.

Additionally, as per the current policy scenario under the Viksit Bharat vision, solar and wind energy technologies are expected to account for 56% of the power generation mix by 2050.

Figure 17: Fuel-wise break-up of installed capacity in India



P – projected

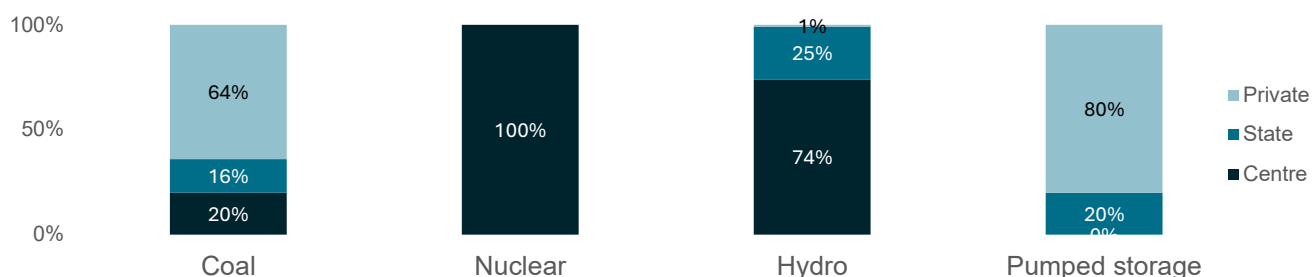
Note: Other RE includes small hydro and bio power. Other fossil fuels include lignite, gas and diesel. Other non-fossil fuels include hydro and nuclear. Storage includes BESS and PSP. The forecast excludes off-grid solar.

Source: CEA, Crisil Intelligence

Crisil Intelligence expects 4-6 GW of nuclear and 5-10 GW of hydro capacity to come onstream between fiscals 2027 and 2031. Central players such as NHPC and Nuclear Power Corporation of India (NPCIL) are expected to dominate the hydro and nuclear capacity, with 70-75% and 100% share, respectively, in fiscal 2031. Meanwhile, state players such as Tamil Nadu Power Generation Corporation Ltd (TNPGL) and Telangana State Power Generation Corporation Limited (TSGENCO) are forecasted to drive coal capacity additions. Private players such as Greenko, Adani Green, Auro Infra and JSW Neo are expected to lead PSP additions during the period.

Over fiscals 2027-2031, Crisil Intelligence expects 35-40 GW of coal-based power to be commissioned. In fiscal 2026, coal capacity additions stood at 6.7 GW.

Figure 18: Capacity additions between Fiscal 2027-2031



Source: Crisil Intelligence

Power deficit narrows

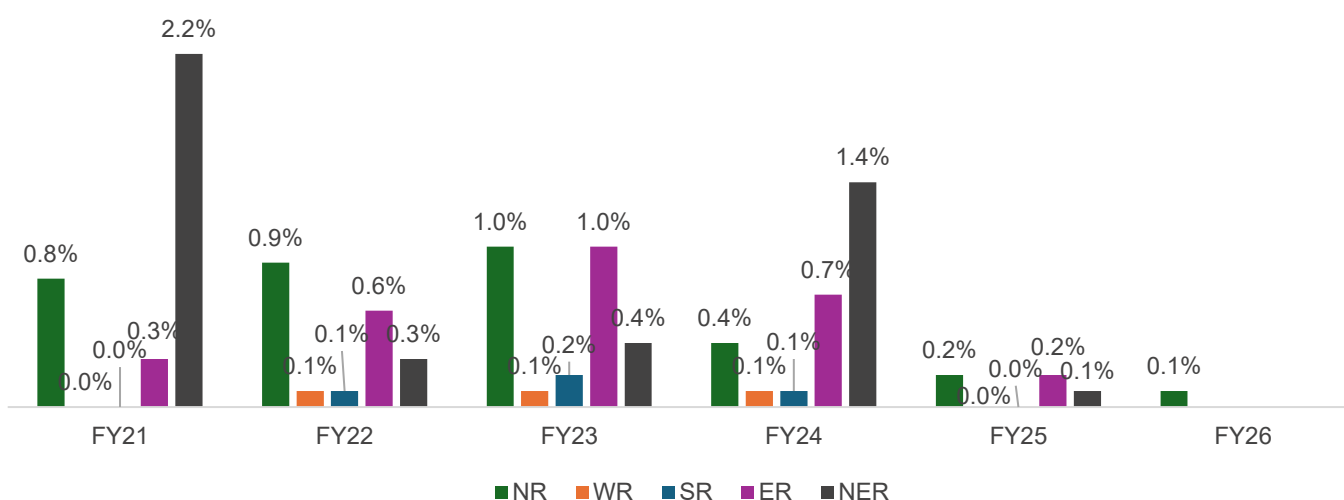
India's power demand grew 0.9% year-on-year in fiscal 2026, with an addition of 433 BU between 2021 and 2026, reflecting high absolute growth despite a moderating growth rate due to the high base. Buoyant economic activity is expected to sustain elevated demand, especially during peak periods.

Peak demand reached 245 GW in January 2026, driven by prolonged cold waves in northern and eastern regions, which increased heating-related consumption. To meet this, coal-based generation contributed about 68% of total electricity, with a PLF of 65.6%. Capacity additions included 1.9 GW in the north, while the western region saw a net reduction of 2.5 GW due to plant closures.

India's energy deficit declined to 0.0% in fiscal 2026 from 0.1% in fiscal 2025, primarily due to new projects like the 660 MW North Karanpura STPP, Barh unit, and Yadadri TPS, along with transmission network strengthening. Despite this, significant latent demand remains, especially in rural areas, and universal 24x7 power supply has yet to be achieved.

Per capita electricity consumption was about 1,460 kWh in fiscal 2025, indicating infrastructural gaps, limited last-mile connectivity, and unexploited off-grid potential as reasons for lower demand. The capacity expansion and improved inter-regional transmission have been instrumental in reducing supply constraints and deficits, with the overall energy deficit falling from 0.7% in 2018 to zero in 2026.

Figure 19: Power deficit decreases across region in fiscal 2026

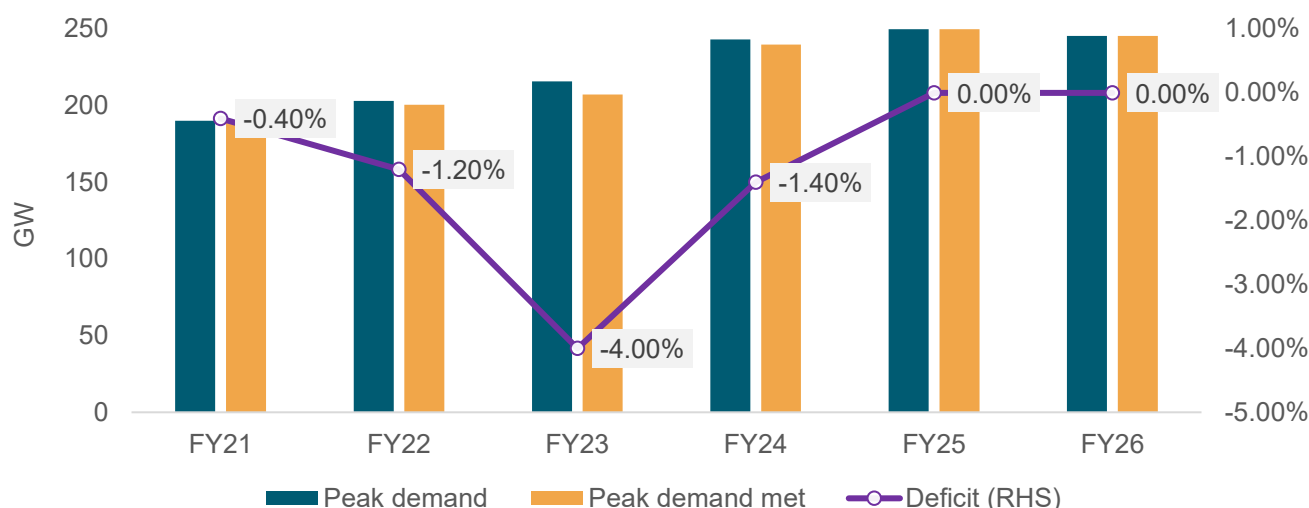


Note: NR - northern region, WR - western region, SR - southern region, ER - eastern region, NER - north-eastern region

Source: CEA, Crisil Intelligence

Peak demand in January 2026, matching September 2023, underscores seasonal variations and regional demand spikes driven by weather conditions. Continued capacity growth and transmission enhancements are expected to support demand while addressing regional disparities.

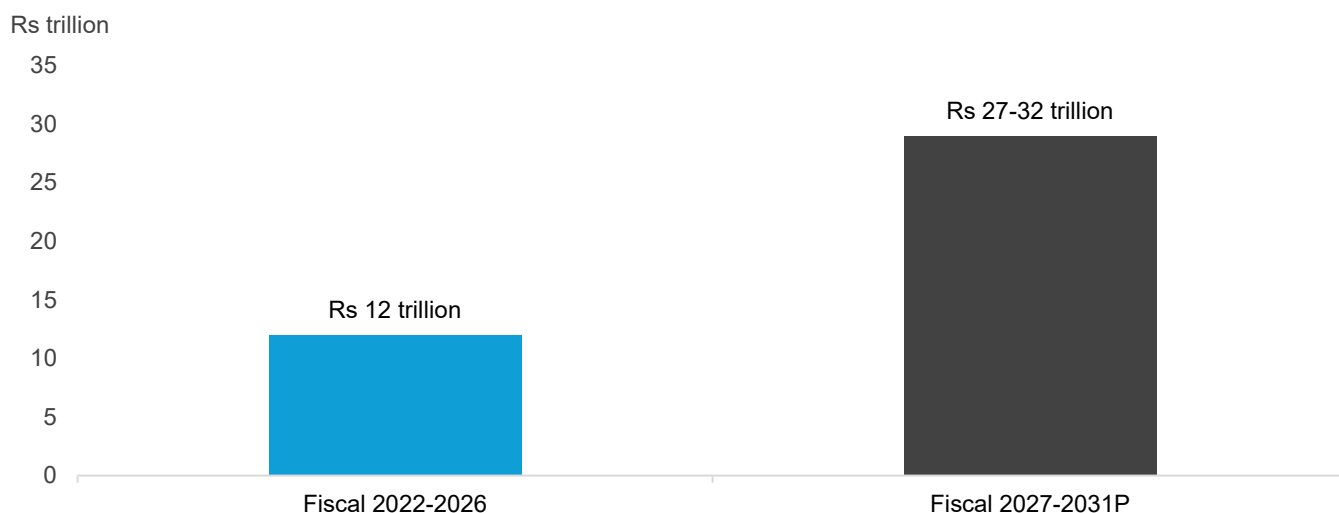
Figure 20: Peak demand and deficit scenario



Source: CEA, Crisil Intelligence

Brief overview on investment trends and generation outlook

Figure 21: Generation investments on the rise



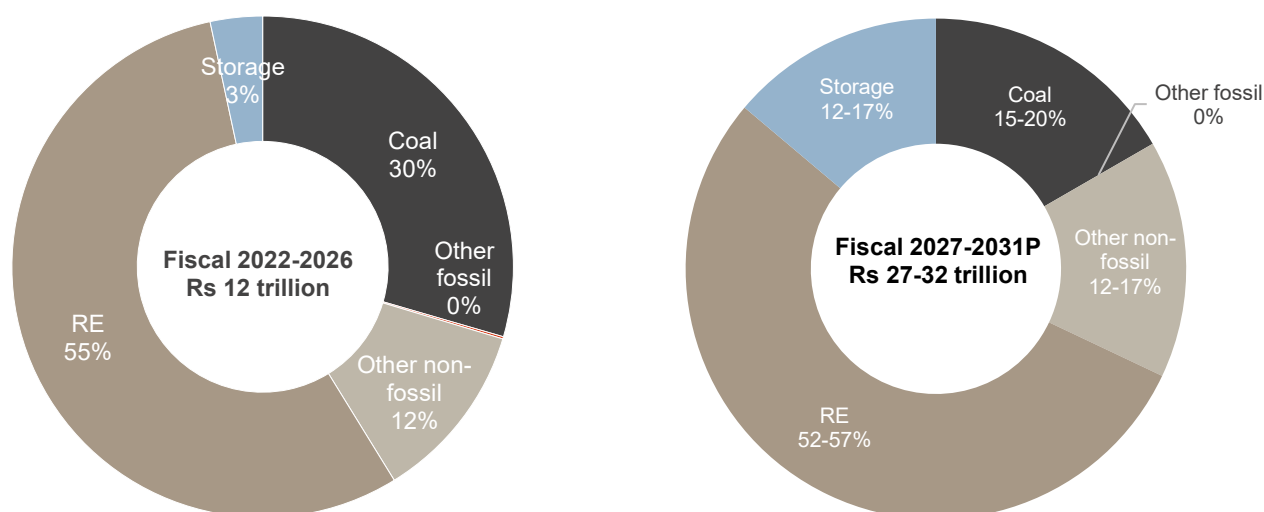
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Source: CEA, PGCIL, state discom tariff order, Crisil Intelligence *projected*

Over fiscals 2027-2031, investments in generation will be led by renewable energy (RE, excluding hydro and storage) capacity additions, followed by investments in conventional generation, indicating a shift in investment flows towards clean energy supply. Over fiscals 2027-2031, Crisil Intelligence expect 260-270 GW RE capacity and 35-40 GW coal-based capacity to be added. Nuclear capacity of 4-6 GW is also expected to be added with major capacity from central utilities, Nuclear Power Corporation of India Ltd (NPCIL) and Bharatiya Nabhikiya Vidyut Nigam Ltd (BHAVINI), nearing completion.

Energy storage (including PSP and BESS) capacity of 30-40 GW is expected to be added to compliment high RE penetration for supplying round-the-clock (RTC) power.

By fiscal 2031, the addition of coal-based power plant capacity is expected to be predominantly led by private sector, which will account for 65-70% of the new capacity. Central sector entities are projected to contribute 15-20%, while state sector will make up the remaining 12-17%.

Figure 22: Break-up of generation investment indicates RE's continued dominance



Note: Other fossil fuels include lignite, gas and diesel. Other non-fossil fuels include hydro and nuclear.

RE includes solar, wind and other renewable energy sources (RES). Storage includes battery energy storage system (BESS) and Pumped storage project (PSP)

P: projected

Source: CEA, Crisil Intelligence

With the introduction of tariff-based competitive bidding (TBCB) in Fiscal 2006 and an anticipated healthy return profile, large private conglomerates invested heavily in generation projects. Coal capacity additions in the private sector were led by Tata Power Ltd, Adani Power Ltd, JSW Energy, GMR Ltd etc. Adani Power has also planned its expansion through a mix of organic and inorganic routes. While the company has focused on acquiring stressed assets such as Udupi, Raipur, Raigarh and Mahan, in August 2025, the company announced expansion through brownfield capacity addition in Bihar and Madhya Pradesh.

Overall, coal capacity additions are expected to reach 35-40 GW between fiscals 2027 and 2031 to ensure servicing of peak power demand amid replacement of old coal plants. Nuclear capacity additions of 4-6 GW are also likely, with major capacity from NPCIL and BHAVINI nearing completion.

Policy framework and watershed regulations

The Electricity Act, 2003, was key to the power sector reforms process as it consolidated previous policies, thereby streamlining the sector and improving efficiency. In 2008, the government introduced Open Access Regulations for establishment of power exchanges. In 2016, the government amended the National Tariff Policy with increased focus on renewable energy and the objectives of the Ujwal DISCOM Assurance Yojana (UDAY). In 2023, the Ministry of Power issued the Electricity (Amendment) Rules that change the qualifying criteria for a captive generating plant and in 2024, the Electricity (Third Amendment) Rules which aimed at reducing dependence on non-renewable energy sources. In 2024, the Central Electricity Regulatory Commission (CERC) further notified the draft tariff regulations for the period from April 1, 2024, to March 31, 2029. The details of each legislation/policy are as follows:

- **Electricity Act, 2003:** The act de-licensed power generation, allowing anyone to set up a power plant without a license. It introduced open access in transmission and distribution, enabling consumers to choose their power supplier. The act unbundled state electricity boards into separate generation, transmission, and distribution companies to promote competition and private participation.
- **Open Access Regulations, 2008:** It facilitated short-term bilateral trade in power, enabling companies to buy and sell power directly. The Act introduced power exchanges, which allow companies to trade power anonymously and categorized transactions as bilateral (between two parties) and collective (through power exchanges).
- **National Tariff Policy, 2016:** The act aimed to ensure 24/7 power supply to all consumers. It promoted renewable energy through measures like micro-grids for remote villages, affordable power for people living near coal mines, and renewable purchase obligations for states. It also encouraged energy efficiency and reduced power costs.
- **Electricity (Amendment) Rules, 2023:** The act simplified the process of installing rooftop solar systems, making it easier for consumers to generate their own power. It introduced separate connections for electric vehicle charging

stations, promoting the use of electric vehicles. It also expedited the process of receiving new electricity connections, reducing the time and effort required.

- **Electricity (Third Amendment) Rules, 2024:** The act promoted sustainability and reduced dependence on non-renewable energy sources. It established central pools for different categories of renewable energy, enabling the government to manage and promote renewable energy more effectively.
- **CERC Tariff Regulations, 2024:** The act changed the way tariffs are calculated for power generation and transmission projects. It introduced new incentives for thermal generation stations that operate efficiently, promoting the use of cleaner and more efficient technologies.
- **Draft National Electricity Policy (NEP) 2026:**
 - The Electricity Act, 2003, led to the formulation of the first National Electricity Policy (NEP) in 2005, which aimed to address the power deficit and achieve universal access to electricity. At that time, peak power deficit was over 12%, rural electrification was low, and the grid was fragmented. While the policy mentioned financial turnaround, the emphasis was heavily tilted towards protecting consumer interest through regulation and targeted subsidies. Cross subsidies were considered as a necessary mechanism to fund universal access.
 - The policy acknowledges that while physical infrastructure has scaled, the commercial viability of the sector remains precarious due to non-cost-reflective tariffs and high aggregate technical and commercial (AT&C) losses. The policy's horizon extends to 2047, targeting a per capita electricity consumption of over 4,000 kWh, up from ~1,460 kWh in fiscal 2025. To achieve this, the policy focuses on ensuring financial solvency of Discoms, managing the complexity of a grid with high RE penetration, and meeting climate targets.
 - One of the major bottlenecks in India's power sector has been the delayed tariff petitions by Discoms and tariff orders by State Electricity Regulatory Commissions (SERCs). This has resulted in a substantial gap between the Average Revenue Realized (ARR) and the Average Cost of Supply (ACS), resulting in financial distress for discoms. To mitigate this, the policy mandates that tariffs must be linked to a suitable index for automatic annual revision, effectively eliminating the role of SERC's approval in case of delays. However, it is critical for investor confidence as it transforms discoms' revenue in a predictable, formula driven approach.
 - As part of cost reflective tariff structure, the policy also proposes that tariffs progressively recover fixed costs through demand charges, insulating discoms from risk of reduced power consumption. The draft also calls for the exemption of cross-subsidies and surcharges for the manufacturing sector, railways, and metro systems, which is a direct industrial policy intervention to increase manufacturing competitiveness with global players.
 - The policy places an emphasis on technology as a driver of energy security. The draft pushes for nuclear energy, positioning it as the baseload backbone of a Net-Zero India, with a target of 100 GW of nuclear capacity by 2047. Additionally, the policy targets market-based deployment of Battery Energy Storage Systems (BESS) and Pumped Storage Projects (PSP), to facilitate the integration of intermittent renewable energy sources and ensure a stable and resilient power grid.

The domestic transmission sector

Transmission system a link between generation and distribution

A transmission system links the power generation source with the distribution system, which is connected to load/ultimate consumers. These systems are planned and implemented for evacuation of power from generating stations, strengthening the existing transmission network to meet the projected load/demand growth and ensuring optimum utilization of distributed generation resources in different regions. In India, a license is required to operate power transmission infrastructure, and it is granted by the Central Electricity Regulatory Commissions (CERC) for 25 years.

The domestic transmission system has a two-tier structure comprising intra-state transmission (InST) lines and inter-state transmission system (ISTS) lines, in addition to a few dedicated transmission lines.

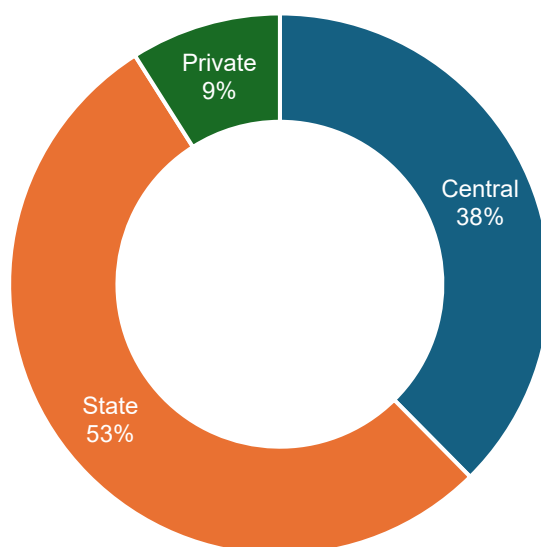
ISTS lines are developed by inter-state transmission licensees. At present, Power Grid Corporation of India Ltd (PGCIL) owns and operates majority of the ISTS network. ISTS is used for evacuation of power from inter-state generating stations (ISGS), which have beneficiaries in more than one state. It also handles onward transmission of power from ISGS up to the delivery point of the state grid and transfer of operational surpluses from surplus state(s) to deficit state(s) or from surplus region(s) to deficit region(s) as per relevant regulations.

On the other hand, the InST system is developed by state transmission utilities (STUs)/intra-state transmission licensees for evacuation of power from the state's generating stations (both under public and private sectors) for beneficiaries in that state. It also handles onward electricity transmission within the state from ISTS boundary up to the various substations of the state grid network and transmission within the state grid for power delivery to load centers within the state.

Centre and state jointly facilitate the regulatory structure

The electricity sector's development in India is the joint responsibility of central and state governments. Being the central transmission utility, PGCIL plays a vital role in facilitating the transmission of power from central generating utilities (CGUs). As of March 2026, states account for the largest share of the total transmission capacity, at 53%, followed by the central government (37%) and the private sector (9%).

Figure 23: State sector accounts for largest share of transmission capacity



Note: Numbers are as of March 2026

Source: CEA, Crisil Intelligence

India is divided into five transmission regions: northern, eastern, western, southern and north-eastern. The northern, eastern, western and north-eastern regions are interconnected and operate as a single grid, known as the national grid. Each of these regions has a regional load dispatch centre (RLDC), which is the apex body for ensuring the power system's integrated operation within the respective region as mandated by the Electricity Act, 2003. Additionally, the National Load Dispatch Centre (NLDC) oversees the power system's integrated operation across the country. The NLDC and RLDCs have jointly formed a subsidiary called Power System Operation Corporation Ltd (POSOCO), wholly owned by PGCIL.

The National Load Dispatch Centre
Oversees power system operations across the country

Regional load dispatch centres
Oversees operations of the power system in a region

State load dispatch centres
Oversees operations of power system in a state

All five transmission regions interconnected to form a unified National Grid.

Source: Crisil Intelligence

1. **Central Transmission Utility of India Ltd (CTUIL):** A wholly owned subsidiary of PGCIL, CTUIL owns and operates extensive infrastructure, including ~184,960 circuit kilometre (ckm) of extra high voltage (EHV) transmission lines and 291 EHV alternating current (AC) and high-voltage direct current (HVDC) substations, with its transformation capacity surpassing 624,016 mega volt ampere (MVA) as of fiscal 2026. It ensures the development of an efficient, well-coordinated and cost-effective system of inter-state transmission lines and handles power transmission between states. PGCIL is the largest transmission company in India, responsible for inter-state transmission operations. It manages a wide network of transmission lines and substations, accounting for 37% of total transmission lines in the country as of fiscal 2026. Through advanced operational and maintenance techniques, PGCIL recorded an exceptional availability rate of over 99.84% during fiscal 2026.
2. **State transmission utilities (STUs):** Every state in India has its own state electricity board (SEB) or a power utility responsible for intra-state transmission and distribution. These SEBs are crucial for managing the transmission infrastructure within their respective states. As of March 2026, state-owned utilities account for 54% of the country's overall transmission capacity.

- **Tamil Nadu Transmission Corporation Ltd (TANTRANSCO):** It is the state's transmission utility, and its transmission network spans 39,231 ckm of high-tension lines as of fiscal 2025. TANTRANSCO operated a network of 1,102 substations, equipped with supervisory control and data acquisition (SCADA) systems as of fiscal 2025. These substations have been integrated into the Chennai Distribution and Control Centre. TANTRANSCO also operates one state load dispatch centre (SLDC) in Chennai and three sub-load dispatch centres in Chennai, Madurai and Erode to ensure efficient management of the state's power system.

- **Maharashtra State Electricity Transmission Company Ltd (MSETCL):** It holds the distinction of being the largest power transmission utility in the state sector. MSETCL's extensive infrastructure included 742 EHV substations and an extensive network of 52,292 ckm of transmission lines as of fiscal 2025. With a transformation capacity of 141,938 MVA and 15,451 MVA reactive power compensation (MVAR) as of fiscal 2025, MSETCL has the capability to handle a substantial amount of power. The company has earmarked an anticipated infrastructure expenditure of Rs 1,545.23 billion from fiscals 2025 to 2034. Its robust transmission system is designed to handle approximately 30,955 MW of power. In fiscal 2025, MSETCL successfully transmitted 189,108 million units of electricity.
- **Gujarat Energy Transmission Corporation Ltd (GETCO):** It is the state transmission utility of Gujarat and operates a network of transmission lines and substations. As of fiscal 2025, it had 78,674 ckm of transmission lines with transmission line availability of 99.56% and 2,405 substations, with a substation availability rate of 99.91%.
- **Uttar Pradesh Power Transmission Corporation Ltd (UPPTCL):** It is the state transmission utility of Uttar Pradesh, responsible for the transmission and distribution of electricity and managed a significant transmission network of 58,672 ckm as of fiscal 2025.
- **Rajasthan Rajya Vidyut Prasaran Nigam Ltd (RVPN):** It is the state transmission utility of Rajasthan. It owns and operates a network of transmission lines and substations in the state and managed a network of 46,119 ckm as of fiscal 2026.
- **Private transmission companies:** They develop transmission lines on a build-own-operate (BOO) model and charge for wheeling electricity within the tariffs specified by the Central Electricity Regulatory Commission (CERC) / the State Electricity Regulatory Commission (SERC). Several private companies have entered the transmission sector through public-private partnerships and competitive bidding.

Growth of the transmission system in India

The Indian power industry is divided into five regions for the planning and operation of electricity generation, transmission and distribution — the Northern, Southern, Eastern, Western and Northeastern regions. Electricity is transmitted within the regions through regional grids and between regions via the national grid. The northern, eastern, western and northeastern regions are interconnected and operate as a single grid, known as the national grid. The southern grid was synchronised with the all-India grid, i.e., the NEW grid, in December 2013 through the Raichur-Solapur 765 kV S/C line, leading to the formation of a synchronous national grid (one grid - one nation - one frequency).

Formation and integration of state grids

During independence, domestic power systems were essentially isolated and developed in and around urban and industrial areas. The country's installed generating capacity was only ~1,300 MW and the power system consisted of small generating stations feeding power radially to load centres. The highest transmission voltage was 132 kV. The voltage level of the state-sector network increased from 132 kV in the 1950s to 220 kV in the 1960s and 1970s. Subsequently, a 400kV network was also developed in many states (Uttar Pradesh, Maharashtra, Madhya Pradesh, Gujarat, Odisha, Andhra Pradesh and Karnataka) for bulk power transfer over long distances. With the development of state grids in most states of the country, the stage was set for the development of regional grids.

Evolution of regional grids

During the Third Five-Year Plan, regional planning was introduced in the power sector. Accordingly, the country was demarcated into five regions, viz. northern, western, southern, eastern and northeastern, for planning and development of the power system. In 1964, regional electricity boards were established in each of the regions to facilitate integrated operation of state systems in the region and encouraging exchange of power among states. To encourage states to build transmission infrastructure for exchange of power, inter-state lines were treated as 'centrally sponsored' and states were provided interest-free loans outside the state plan. Fifty-five inter-state lines were constructed under the programme, of which 13 lines connected states located in different regions and this created the initial set of inter-regional links. These lines facilitated exchange of power in radial mode in various regions. Till 1975, the development of transmission was essentially by the SEBs/electricity departments in the states and union territories. In 1975, to supplement the efforts of the states in increasing generation capacity, central sector generation utilities viz. National Hydroelectric Power Corporation (NHPC) and National Thermal Power Corporation (NTPC) were created. These corporations established large generating stations for the benefit of states in the region. They also undertook the development of associated transmission lines for evacuation of power and delivery of power to the beneficiary states transcending state boundaries. This gave a fillip to the formation of regional grid systems and by the end of the 1980s, strong regional networks were developed.

Development of inter-regional grids

In 1989, the transmission wings of central generating companies were separated to set up PGCIL to give a thrust to implementation of transmission systems associated with central generating stations and the inter-regional transmission programme based on perspective planning done by the Central Electricity Authority (CEA). Till then, the generation and transmission systems in the country were planned and developed based on regional self-sufficiency. The initial set of inter-regional links developed under the centrally sponsored programme for building inter-state infrastructure of state utilities was utilised to facilitate the exchange of operational surpluses in various regions in a limited manner as regional grids operated independently and had different operating frequencies and power exchange on these inter-regional links could take place only in radial mode.

Development of the national grid

The national grid consists of the transmission system for evacuation of power from generating stations, the inter-regional links, ISTS and InST of the STUs. Thus, development of the national grid has been an evolutionary process. The national grid is a large meshed synchronous transmission grid where all the regional and state grids are connected and operate at a single frequency. In 1992, the Eastern region (ER) and the North-Eastern region (NER) were synchronously interconnected through the Birpara-Salakati 220kV double circuit transmission line and subsequently by the 400 kV D/C Bongaigaon-Malda line. The Western region (WR) was interconnected to the ER-NER system synchronously through the 400kV Rourkela-Raipur D/C line in 2003. Thus, the Central India system consisting of ER-NER-WR came into operation. With the commissioning of the Muzaffarpur-Gorakhpur 400kV DC line in 2006, the northern region (NR) was also interconnected to this system, creating an upper India system linking the NR-WR-ER-NER system. In 2007, the NR was also synchronously interconnected with the WR through the Agra-Gwalior 765kV S/C line-1 (charged at 400kV level), forming the NEW grid. The southern grid was synchronized with the all-India grid i.e., the NEW grid in December 2013 through the Raichur-Solapur 765 kV S/C line, thus leading to formation of one synchronous national grid (one grid - one nation - one frequency).

Tariff models in India: RTM and TBCB

Since 1998, the Indian transmission sector has been open, as a matter of law, to investment by private domestic and international entities as transmission licensees.

The tariff-based competitive bidding (TBCB) guidelines for transmission services were issued by the Government of India in 2008 under Sections 61, 62 and 63 of the Electricity Act, 2003.

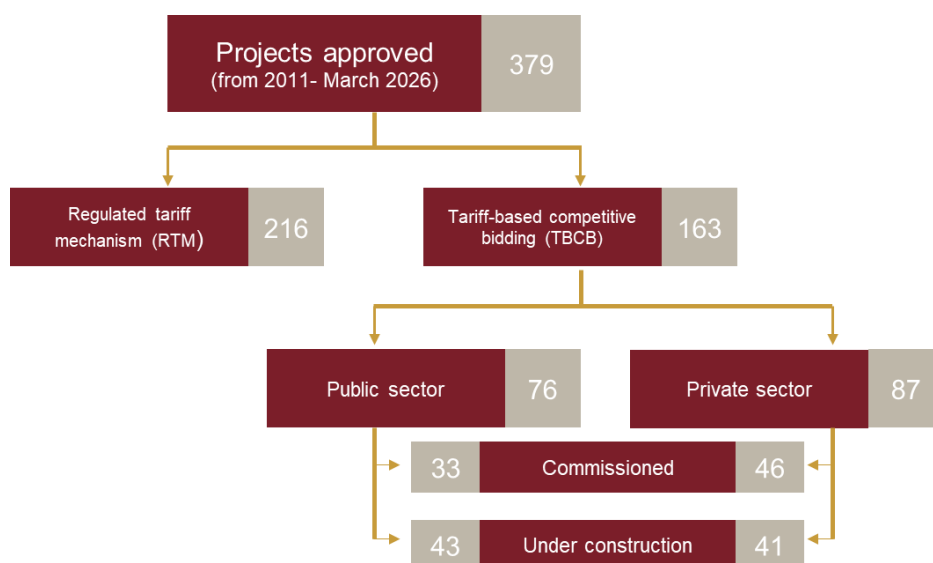
This new approach has led to highly favourable outcomes for all participants in the power value chain, especially end-consumers. Before implementation of TBCB, PGCIL was the nodal agency for all inter-regional transmission lines. It used the regulated tariff mechanism (RTM), which ensured project cost recovery regardless of time or cost overruns.

With the advent of TBCB, PGCIL had to compete with private sector contenders through bidding based on tariffs for projects. Consequently, the TBCB mechanism has fostered the emergence of new private sector power transmission developers and significantly lowered tariffs, ultimately benefiting end-consumers. As a result, large private sector groups such as Sterlite Power Transmission Ltd and AESL have rapidly become prominent independent power transmission companies (IPTCs), while PGCIL still maintains a substantial presence.

The Tariff Policy of 2016 highlights that all upcoming inter-state transmission projects should be developed through a competitive bidding process. Nevertheless, the consultation paper on determining the threshold for transmission projects under the competitive bidding framework suggests that the central government has the authority to grant exemptions to certain projects of strategic significance or those necessary to address urgent situations on a case-by-case basis.

Since 2011, ~379 transmission projects have been awarded under RTM and TBCB, with the majority being awarded under RTM.

Figure 25: Projects awarded under RTM and TBCB between 2011 and March 2026



Note: The above infographic does not include projects under litigation, cancelled or still awaiting financial closure. This does not include state projects.

Source: CEA, TERI, Crisil Intelligence

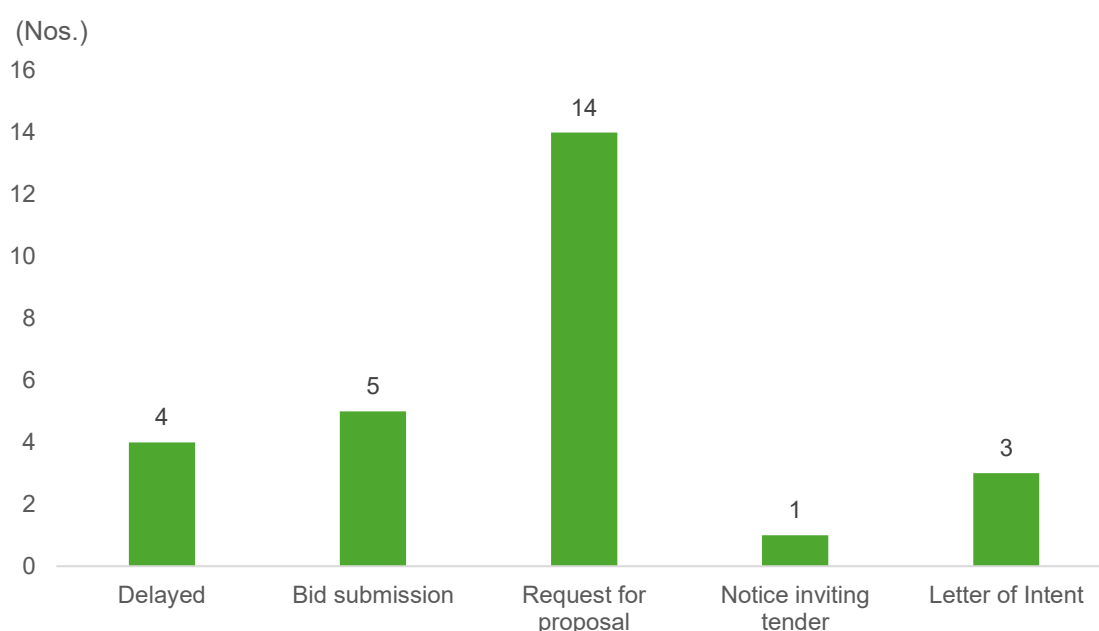
Based on the historical performance of numerous projects executed through the TBCB process, Uttarakhand Electricity Regulatory Commission (UERC) noted that competitive bidding resulted in 20-56% tariff reduction compared with RTM. Another advantage of the TBCB development mode is its ability to promote private sector involvement, leading to a reduced burden on government finances. Moreover, this approach facilitates risk sharing with private entities and encourages the adoption of innovative technologies through private participation, among other benefits.

The private sector has commissioned 43 out of 76 projects since April 2015 and is currently executing 41 out of 84 projects under construction as of March 31, 2026.

Upcoming transmission bids majorly from southern states

As of March 2026, there were 27 projects under various stages of the bidding process. PFC Consulting Ltd (PFFCL) and REC Power Development and Consultancy Ltd (RECPDCL) are the agencies responsible for conducting the bidding process.

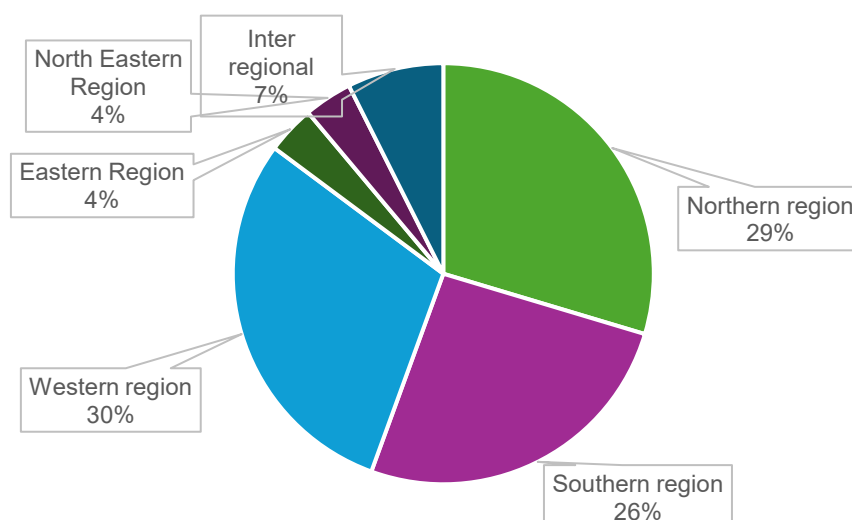
Figure 26: Status of projects as of March 2026



Source: CTUIL, Crisil Intelligence

A majority of the projects are centered in the southern region, with 22% of the total 27 projects being focused in Karnataka and Andhra Pradesh.

Figure 27: Upcoming bids in different regions as of March 2026

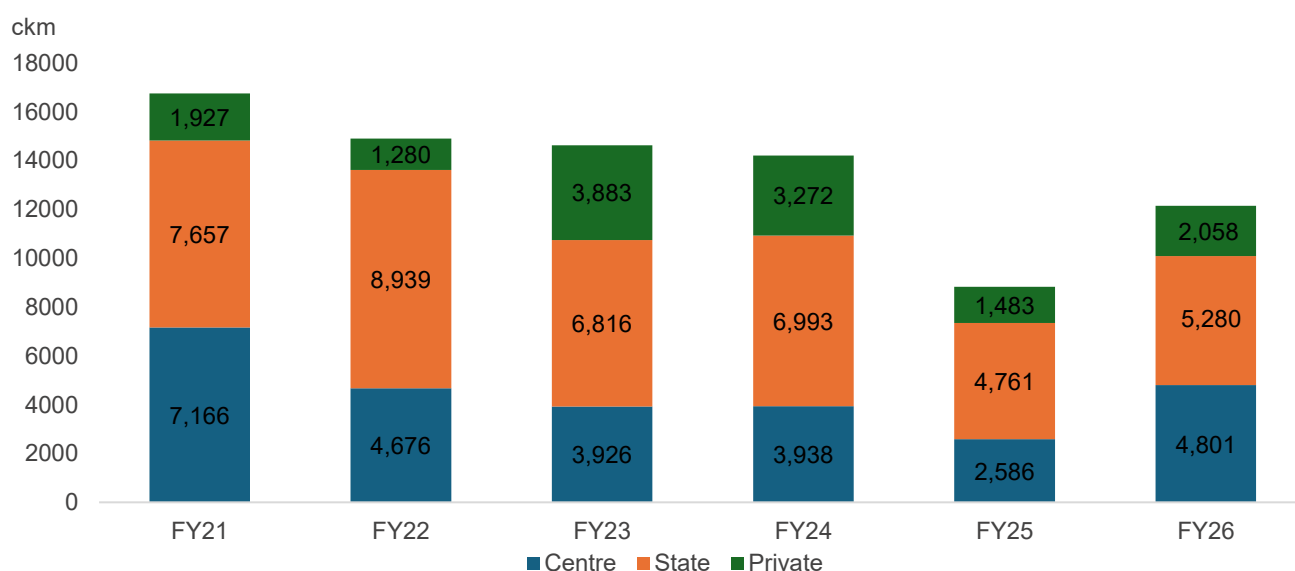


Source: CTUIL, Crisil Intelligence

States contribute maximum share in transmission capacity addition

Transmission systems in India play a crucial role due to the skewed distribution of energy resources and the main load centers of the country. As power demand and energy from renewable sources is set to increase, transmission systems are bound to play a crucial part in linking generation and distribution of power to end-consumers.

Figure 28: Transmission line addition between fiscals 2018 and 2026

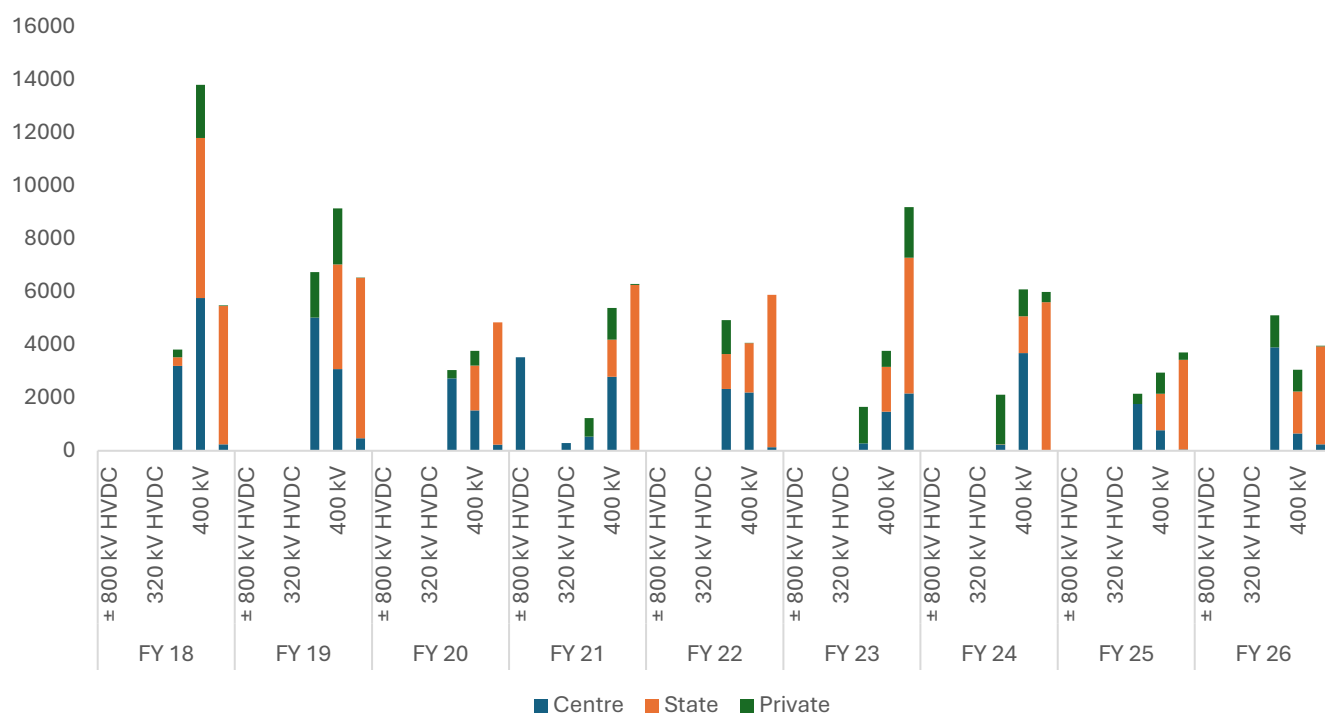


Source: CEA, Crisil Intelligence

Evolution of the transmission network at different voltage levels

The share of central players in capacity addition fell from 39.8% in fiscal 2018 to 39.6% in fiscal 2026 owing to an increase in the share of private and state players. States added nearly 43% of AC capacity during the same period. On the other hand, central agencies have been mainly active on DC side additions. Between fiscals 2018 and 2026, the 400 kV line witnessed maximum additions at 52,069 ckm, closely followed by 220 kV at 51,948 ckm.

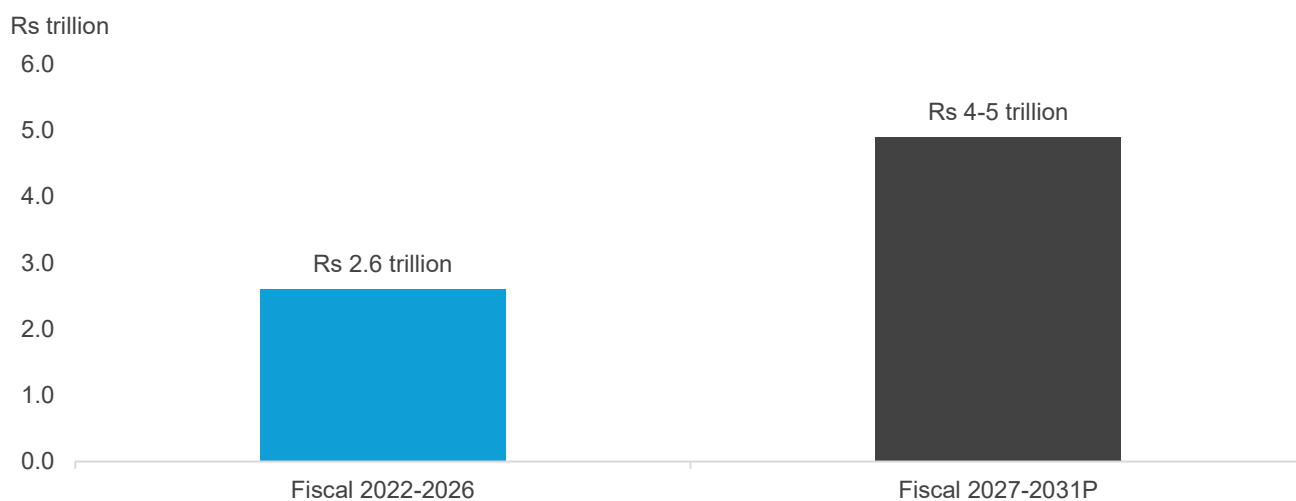
Figure 29: Capacity addition by voltage between fiscals 2018 and 2026



Source: CEA, Crisil Intelligence

Transmission investment trends

Figure 30: Review of transmission investments and their outlook



P – projected

Source: CEA, Crisil Intelligence

Note: Investments in the private sector are estimated by looking at trends in the share of TBCB compared with RTM bids in the past and the potential outlined by the government.

To service a large generation installed base, the estimated investment in the transmission sector is expected to cumulatively reach Rs 4-5 trillion over fiscals 2027-2031. Investments in the sector are expected to be driven by the need for a robust and reliable transmission system to support continued generation additions and the strong push to the renewable energy sector as well as rural electrification. Also, strong execution capability coupled with healthy financials of PGCIL will drive investments.

The National Electricity Plan (Volume II: Transmission) outlines an ambitious roadmap to meet the projected peak power demand of 458 GW by 2032, necessitating an estimated investment of Rs 9.16 lakh crore in transmission infrastructure.

Transmission system requirement for evacuation of 500 GW RE

As on March 2026, the installed power generating capacity in the country from RE sources was 275 GW (including 51 GW

large hydro), which is ~52% of the total installed electricity generating capacity in the country. For supporting RE capacity growth, areas with high solar and wind energy potential should be connected to ISTS for evacuation of power generated to load centres. The gestation period of wind- and solar-based generation projects is much less than that of the associated transmission system as the system has to be planned well in advance.

Table 5: Transmission system for integration of 66.5 GW RE capacity

Sl. No.	Status of transmission schemes	Locations	RE capacity to be evacuated (GW)
1	Commissioned	a) Bhadla (1.05) & II (2.5) - 3.55 GW	16.4
		b) Fatehgarh-I (1.2) & II (2.3) - 3.5 GW	
		c) Bikaner (PG) - 1.85 GW	
		d) Jam Khambaliya- 1.5 GW	
		e) Bhuj-II - 2 GW	
		f) Tirunelveli- 0.5 GW	
		g) Osmanabad - 1 GW	
		h) Neemuch - 1 GW	
		i) Rajgarh - 1.5 GW	
2	Under construction	a) Bhadla-II - 1.05 GW	15.6 slated for commissioning in the timeframe of December, 2025 to January 2027)
		b) Fatehgarh-II - 2.2 GW	
		c) Bikaner-II - 2.95 GW	
		d) Fatehgarh-III (erstwhile Ramgarh)-1.9 GW	
		e) Khavda PS1 - 3 GW	
		f) Koppal - 2.5 GW	
		g) Gadag - 1 GW	
		h) Karur - 1 GW	
3	Under tendering	a) Khavda PS2 & PS3 - 5 GW	8
		b) Gadag - 1.5 GW	
		c) Chhatarpur- 1.5 GW	
4	Schemes being taken up for bidding/ implementation	a) Anantapur - 3.5 GW	10.5
		b) Kurnool - 4.5 GW	
		c) Bidar- 2.5 GW	
5	Other planned transmission schemes	a) Lakadia - 2 GW	9.5
		b) Solapur - 2.5 GW	
		c) Wardha - 2.5 GW	
		d) Khavda - 2.5 GW	
6	Schemes whose Phase I is under implementation and Phase II are to be notified based on the progress of Phase I	a) Rajgarh - 1 GW	2.5
		b) Karur - 1.5 GW	
7	Schemes planned under intra-state	a) Rajasthan – 3 GW	4
		b) Maharashtra – 1 GW	
	Total		66.5

Source: CEA, Crisil Intelligence

In addition to 66.5 GW of RE capacity, transmission system has also been planned for the uptake of 236.58 GW (55.08 GW+181.5 GW) of RE capacity.

Table 6: Transmission system for evacuation of 55.08 GW RE

Transmission scheme	RE capacity (GW)	Status of the transmission scheme
Transmission schemes for 20 GW of RE capacity in Rajasthan under Phase III	20	Scheme consists of multiple transmission lines including Fatehgarh-III- Bhadla-III 400 kV D/c line along with 50 MVAR Switchable line reactor for each circuit at both ends of Fatehgarh-III- Bhadla-III 400 W D/c line, which is expected to be completed by 2026.

Transmission scheme	RE capacity (GW)	Status of the transmission scheme
Transmission scheme for 13 GW Leh RE park	13	The transmission scheme comprises +350 kV, 5,000 MW VSC-based HVDC link from Pang to Kaithal. The scheme was allocated to PGCIL in January 2022 for implementation through the RTM route.
Transmission scheme for 880 MW Kaza Solar Park, Himachal Pradesh	0.88	Transmission system planned. To be taken up for the implementation in matching timeframe of RE generation
Transmission scheme for additional 17.2 GW of RE capacity from Khavda and 4 GW of RE capacity from Dholera, Gujarat	21.2	Scheme includes Establishment of 4x1500MVA, 765/400 kV Dholera Pooling Station, which is expected to be completed by March 2026.
Total	55.08	

Source: CEA, Crisil Intelligence

Table 7: Tentative phasing of 181.5 GW RE capacity

	Phase I (by March 2025)		Phase II (by December 2027)		Phase III (by December 2030)		Total	
	Wind (GW)	Solar (GW)	Wind (GW)	Solar (GW)	Wind (GW)	Solar (GW)	Wind (GW)	Solar (GW)
Rajasthan	6	13	5	20	4	27	15	60
Madhya Pradesh	2	0	0	3.1	0	2.9	2	6
Maharashtra	2	3	0	0	0	2.5	2	5.5
Gujarat (offshore wind)			2		3		5	0
Andhra Pradesh	4	8	7	11.5	7	13.5	18	33
Telangana	3	2	0	7.5	0	0.5	3	10
Karnataka	7	6	1	3	0	0	8	9
Tamil Nadu (offshore wind)			2		3		5	0
Total	24	32	17	45.1	17	46.4	58	123.5
Total (S+W)	56		62.1		63.4		181.5	

Source: CEA, Crisil Intelligence

Transmission system plan until fiscal 2032

According to Section 3 of the Electricity Act 2003, the CEA must prepare a National Electricity Plan (Transmission) in accordance with the National Electricity Policy and notify it once in five years. The plan would cover transmission and related aspects.

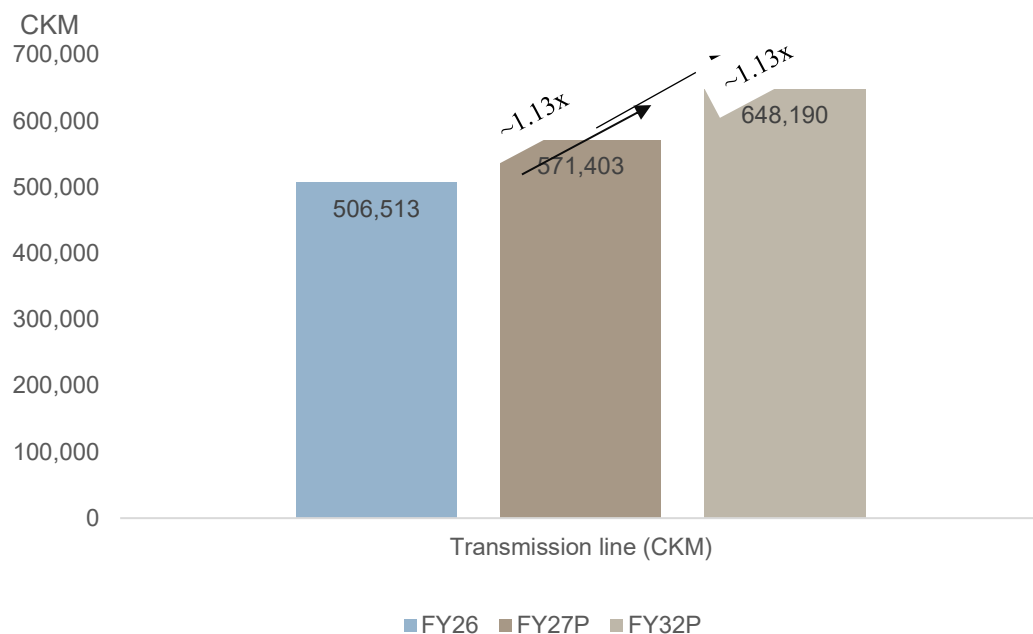
It was estimated that the country would require ~110,281 ckm of transmission lines and ~383,690 MVA of transformation capacity in the substations at 220kV and above voltage levels for the 13th plan period (fiscals 2017-2022). Against this target, 88,865 ckm of transmission lines and 349,685 MVA of transformation capacity were added during the period.

In October 2024, the CEA released the National Electricity Plan (Volume II: Transmission) covering the review of development of the transmission system during fiscals 2017-2022 and detailing the plan for fiscals 2022-2027. It also provided some perspective for fiscals 2027-2032.

The plans for these periods have been prepared based on peak electricity demand projections and expected generation capacity addition. Based on the draft National Electricity Plan for transmission as released in October 2024, transmission line capacity is expected to increase ~1.15x to 571,403 ckm by fiscal 2027 from 494,347 ckm in fiscal 2025.

To meet growing electricity demand driven by demographic and economic growth, as well as the targeted expansion of renewable energy capacity, significant transmission infrastructure additions are planned. The transmission network is expected to expand from approximately 5.04 lakh circuit km as of February 2026 to 6.48 lakh circuit km by 2032.

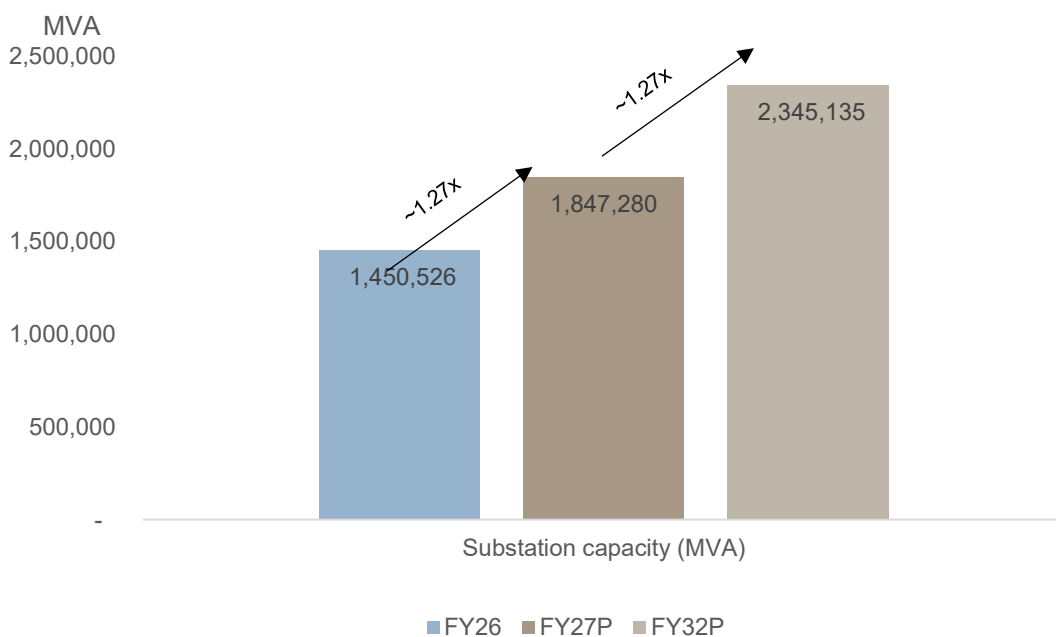
Figure 31: Total transmission line capacity outlined as per National Electricity Plan



P – projected

Source: CEA, Crisil Intelligence

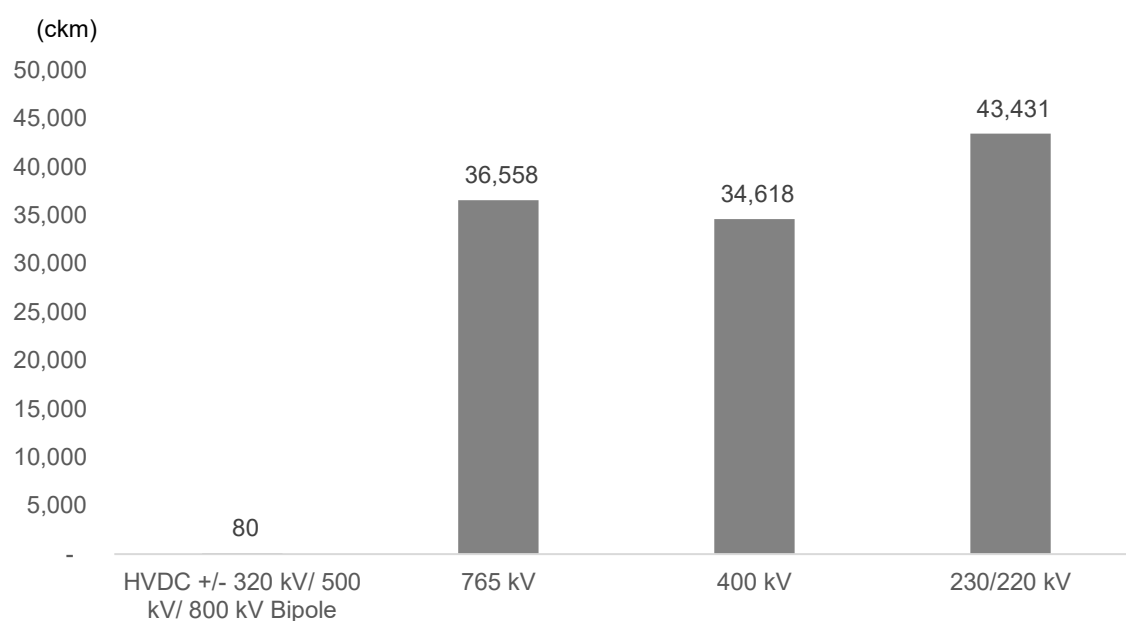
Figure 32: Total transmission substation capacity outlined as per National Electricity Plan



P – projected

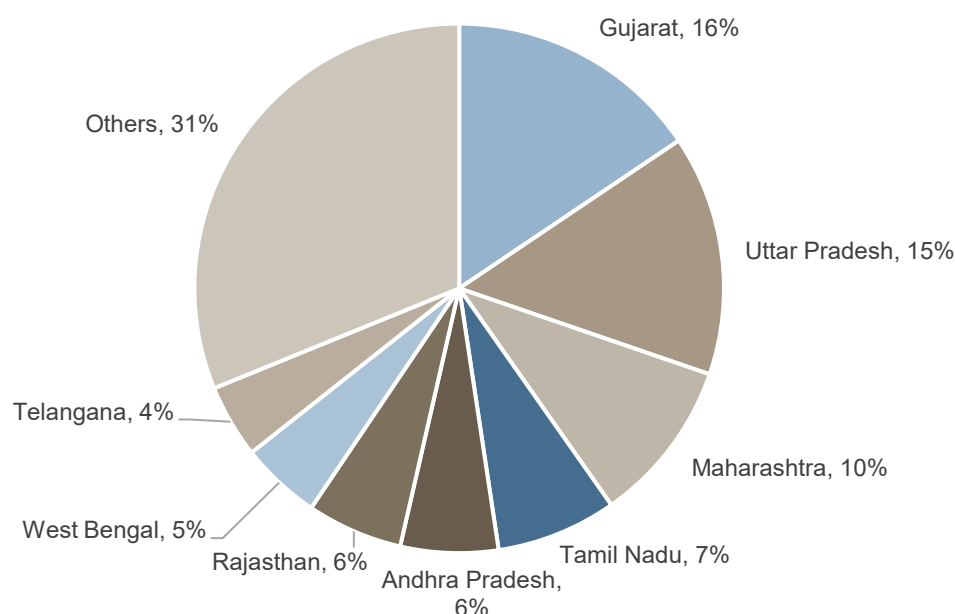
Source: CEA, Crisil Intelligence

Figure 33: Outlook for voltage-wise line additions for fiscal 2022-2027



Source: CEA, Crisil Intelligence

Figure 34: Share of states in transmission line addition over fiscals 2022-2027



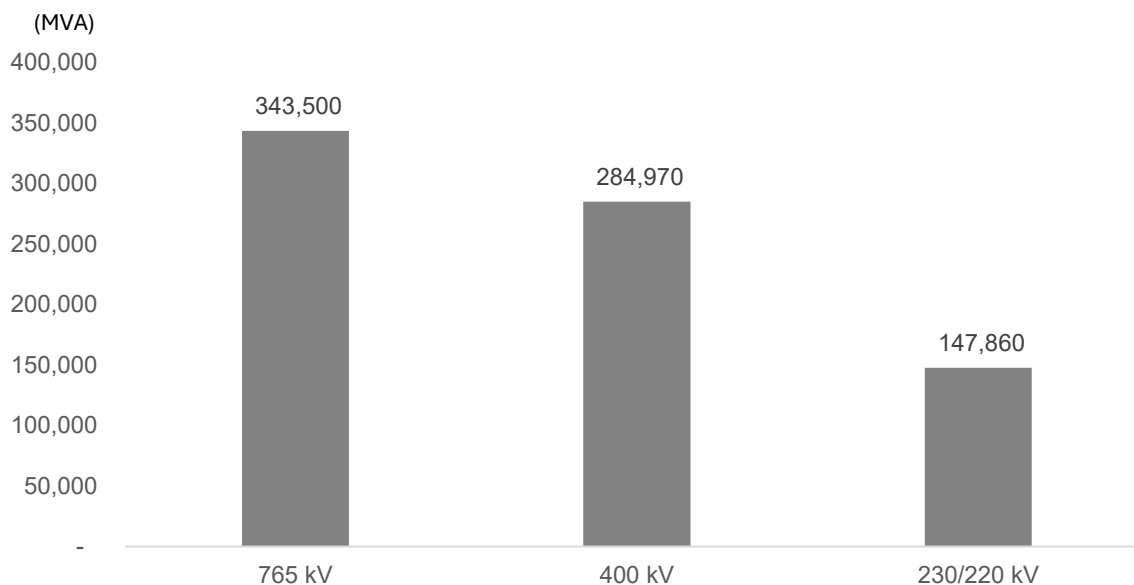
Note: The data pertains to intra-state transmission line additions (ckm)
Source: CEA, Crisil Intelligence

To achieve the targeted 500 GW RE capacity by 2030, the central government has proposed an additional 77,056 ckm of transmission lines by 2027 on top of the existing 494,347 ckm (March 2025). Central government agencies will issue the tenders for these lines and bidding will be open for government-owned (central and state) and private players. The top eight states (by InSTS transmission line additions) are expected to account for ~61% of the transmission line additions by 2027 under InSTS. Gujarat is expected to lead the way with ~16% share in expected additions followed by Uttar Pradesh (15%) and Tamil Nadu (7%).

As of December 2025, the total installed substation capacity in the country stood at 1,406,991 MVA against 1,070,950 MVA in fiscal 2022. According to the draft National Electricity Plan for transmission dated October 2024, total substation capacity of 776,330 MVA is expected to be added from fiscal 2022 to fiscal 2027. Of this, 472,225 MVA will be added under ISTS and

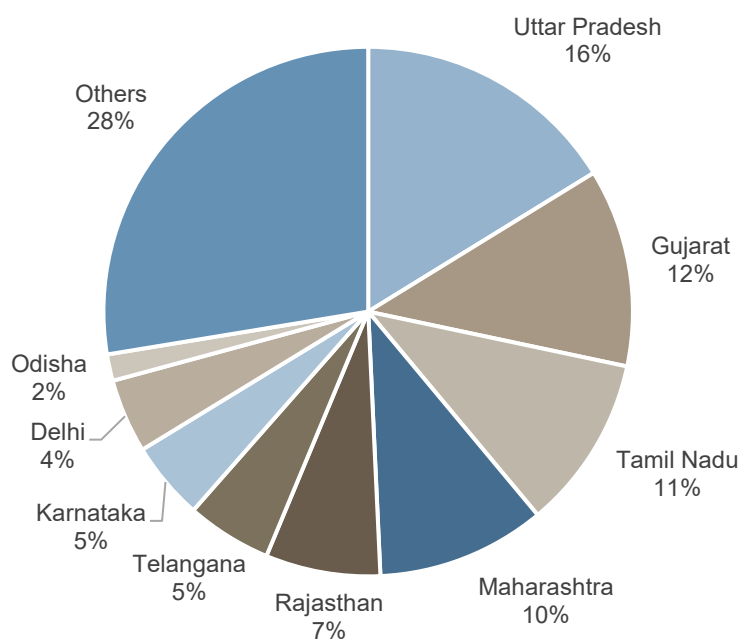
305,105 MVA under InSTS. Under InSTS, Gujarat will be accounting for the highest share in additions at 16% and most of the additions are expected to take place in 765 kV.

Figure 35: Outlook for voltage-wise substation additions for fiscal 2022-2027



Source: CEA, Crisil Intelligence

Figure 36: Share of top states in substation addition over fiscals 2022-2027



Note: The data pertains to intra-state substation additions (MVA)
Source: CEA, Crisil Intelligence

Green energy corridor (GEC)

In 2012, there arose a necessity to establish dedicated infrastructure for the transmission and distribution of power generated from RE sources in states with significant untapped potential. Following an assessment by PGCIL, eight states known for their RE potential (Andhra Pradesh, Gujarat, Himachal Pradesh, Karnataka, Madhya Pradesh, Maharashtra, Rajasthan and Tamil Nadu) submitted their proposals for creating intra-state transmission infrastructure. The GEC Phase I project received approval from the MNRE in fiscal 2016. This scheme encompassed both inter-state and intra-state components.

The intra-state aspect was designed for implementation by the eight RE-rich states. It aimed to complete transmission lines of ~9,767 ckm and substations with a total capacity of 22,689 MVA. These facilities would support the evacuation of over 24,000 MW of large-scale renewable power and enhance the grid infrastructure within the implementing states. The respective STUs are overseeing implementation of this project and transmission lines of ~9,135 ckm and substation capacity of 21,313 MVA were established as part of the intra-state component.

Table 8: Status of GEC Phase I (intra-state component)

State	Transmission lines (ckm)		Substations (MVA)	
	Target	Achievement	Target	Achievement
Andhra Pradesh	1,073	854	2,157	1,265
Gujarat	1,908	1,636	7,980	7,980
Himachal Pradesh	502	498	937	793
Karnataka	618	618	2,702	2,702
Madhya Pradesh	2,773	2,773	4,748	4,748
Maharashtra	771	704	0	0
Rajasthan	1,054	984*	1,915	1,915
Tamil Nadu	1,068	1,068	2,250	1,910^
Total	9,767	9,135	22,689	21,313

Note: *Few lines were constructed on shorter route, hence decrease in final length of transmission lines.

^340 MVA cancelled, Remaining completed

Source: MNRE, Crisil Intelligence

As of 21st May 2026, 9,130 ckm of intra-state transmission lines have been constructed, 22,160 MVA intra-state substations have been charged.

Originally, the intra-state projects were scheduled for completion by December 2022; however, the deadline was extended due to various factors, including issues related to right-of-way (RoW), legal cases, delays in obtaining forest clearances, tender issuance delays due to a protracted land acquisition process for substations and delays in awarding work due to a limited number of bidders for several projects leading to multiple rounds of re-tendering.

The inter-state component of the scheme, entrusted to PGCIL, was successfully concluded in March 2020. This segment involved the establishment of transmission lines spanning 3,200 ckm and substations with a combined capacity of 17,000 MVA.

Table 9: Status of GEC Phase 1 (inter-state component)

State/Region	Lines constructed (in ckm)
Rajasthan	1,194
Gujarat	621
Gujarat - Rajasthan	604
Rajasthan-Punjab	734
Tamil Nadu	48
Total	3,201

Source: MNRE, Crisil Intelligence

Under GEC Phase 1, funding for intra-state transmission schemes included 20% equity from the state government, a 40% grant from the National Clean Energy Fund (NCEF) and a 40% soft loan. Meanwhile, inter-state transmission schemes were to be financed with 30% equity provided by PGCIL and a 70% soft loan. Under a cooperative framework between the Indian and German governments, KfW Germany extended a soft loan of €1 billion to support both intra- and inter-state transmission projects related to green energy corridors. Specifically, for inter-state transmission projects, PGCIL entered into a loan agreement with KfW German development bank to secure financial assistance totalling €500 million. Further, PGCIL obtained an additional loan from ADB. In the case of intra-state transmission projects within the GEC, Tamil Nadu, Rajasthan, Himachal Pradesh, Andhra Pradesh, Gujarat and Madhya Pradesh signed loan agreements with KfW Germany to access financial support of €76 million, €49 million, €57 million, €68 million, €114 million, and €124 million, respectively.

In March 2022, the Indian government also granted approval for GEC Phase II, which encompasses the addition of transmission lines of 10,753 ckm and substation capacity of 27,546 MVA across seven states over a five-year period (fiscals 2022 to 2026). The scheme aims to establish the necessary infrastructure for evacuating 20 GW of RE from Gujarat, Himachal Pradesh, Karnataka, Kerala, Rajasthan, Tamil Nadu and Uttar Pradesh. The implementation of this scheme will be overseen by the respective STUs. A state-wise overview of transmission projects under the scheme, as evaluated by the CEA is provided below.

Table 10: GEC Phase II planned infrastructure

State	Line length (ckm)	Substation (MVA)	RE addition envisaged (MW)
Gujarat	2,570	7,460	5,100
Himachal Pradesh	281	252	262
Karnataka	938	1,225	2,639
Kerala	224	620	452
Rajasthan	659	2,191	2,478
Tamil Nadu	624	2,200	4,000
Uttar Pradesh	2,567	10,440	4,000
Total	7,863	24,388	18,931

Source: MNRE, Crisil Intelligence

MNRE devised this programme to support states establish intra-state transmission infrastructure for the integration of RE projects. The central financial assistance (CFA) proposed under this scheme will help mitigate intra-state transmission charges, thereby helping maintain affordable electricity prices.

The scheme has been approved at an estimated project cost of Rs 120.89 billion, excluding interest during construction. The CFA, which accounts for 33% of the project cost, totals Rs 39.7 billion. A breakdown of the project cost and approved CFA for each state is provided below. The remaining 67% of the project cost will be funded through loans from KfW/REC/PFC.

Table 11: Project cost approved under GEC Phase II

State	Project cost without IDC (Rs billion)	CFA (Rs billion)
Gujarat	36.67	12.0
Himachal Pradesh	4.89	1.62
Karnataka	10.36	3.42
Kerala	4.20	1.39
Rajasthan	9.07	2.91
Tamil Nadu	7.20	2.38
Uttar Pradesh	48.48	16.0
Total	120.89	39.70

Source: MNRE, Crisil Intelligence

In the recent union budget 2026-27, the government reaffirmed its commitment to facilitating renewable energy integration by allocating Rs 6 billion in the budgetary estimates for the GEC in the next fiscal. The funding has been earmarked for the development of cumulative 6,000 km of intra-state transmission infrastructure. The proposed expansion is expected to strengthen grid capacity and improve evacuation of renewable power.

Transmission infrastructure demand with electrification of transportation

Crisil Intelligence projects the adoption of EVs will boost power demand by 8-10 BUs annually on average over fiscals 2027-2031. Despite the fractional amount of power expected to be consumed by EVs, the integration of EV load into the distribution system can potentially result in a significant stress on the grid if EV charging is not coordinated through smart charging or the capacity of the distribution network is increased to accommodate the EV load. To facilitate fast EV charging, it is imperative to establish a dedicated distribution network, including the installation of a separate transformer for each charging station. This will drive investments in the T&D network. Based on the spike in peak load due to EV charging, various

components of the T&D grid will need to be upgraded.

Electrification of the transportation sector and growth in the manufacturing sector are creating several new opportunities. Under the PLI scheme, the government has introduced incentives for sectors intensive in nature such as Advanced Chemistry Cells (ACC) and solar modules, promoting development in the transmission segment.

Table 12: Emerging businesses in the transmission segment

Green hydrogen	The government has announced the National Green Hydrogen Policy with a production target of 5 million tonne per annum by 2030. For producing 1 million tonne of green hydrogen, 20-25 GW of renewable energy capacity is estimated to be required. This requires the development of transmission infrastructure to supply renewable power from RE-rich states to production points
Advanced manufacturing under PLI	To promote manufacturing in India, the government has announced the PLI scheme. Under the scheme government has several sectors which are power intensive like advanced battery manufacturing, solar modules and require additional transmission infrastructure to meet its power demand.
EV infrastructure	EV demand has seen growth under the FAME policy announced by the central government in 2015. Charging stations need to be installed to keep EVs running. Fast charging requires high power in short periods, necessitating additional investments in transmission infrastructure
Offshore wind	To promote RE, the government is focusing on offshore wind development, which requires setting up transmission lines under or over the sea — rendering it costlier than regular land-based transmission. India has set a goal of installing 140 GW of offshore wind capacity by 2030, which will require significant investment in transmission infrastructure through sea
Semiconductor	Several domestic and international players have announced plans to manufacture semiconductors in India. Semiconductor manufacturing is power-intensive. Manufacturing one 12-inch equivalent wafer requires 1,300-1,400 kWh of energy, thus necessitating investments in power generation and transmission

Source: Crisil Intelligence

Technological advancements in the T&D sector to aid energy efficiency

As part of the Paris Agreement 2015, the Indian government aims to achieve net-zero emissions by 2070. To achieve this target, the electricity sector must address the vagaries of RE and enhance energy efficiency. Power T&D has been at the forefront of deploying solutions such as intelligent grid monitoring and control, robotics and aerial technology. AESL's investments in technologies such as big data analytics and geographical information systems have ensured efficient resource use, grid stability and RE integration, thereby supporting the country's efforts to meet its emission targets. Cutting-edge technologies deployed by the industry are provided in the table below.

Table 13: Innovative solutions deployed in the Indian T&D sector

Technology	Problem area	Impact
Blockchain	Ineffective integration of infrastructure resources into communication and electrical power systems	Real-time monitoring Maintenance assistance Fault location detection
Aerial technology	Power theft Power loss during transmission Damage to utility property	High-resolution images for monitoring purposes Can be used in difficult terrains
SCADA system	Ineffective integration of infrastructure resources into communication and electrical power systems	Real-time monitoring Maintenance assistance Fault location detection
Flexible AC transmission system	Grid instability due to the intermittent nature of RE generation	Voltage stability Frequency stability Load flow management

Source: Crisil Intelligence

Emerging business opportunities for utilities

New business opportunities have emerged as co-location power plants, which involve simultaneous electricity generation from multiple sources, such as solar, wind and battery storage at a single site, enable companies to maximise energy efficiency and grid integration. However, to fully capitalise on the benefits of co-location plants, there is a critical need for robust transmission infrastructure to efficiently transport the combined power output to end-users. Further, to ensure reliable and stable supply of electricity, transmission lines and substations should be upgraded to accommodate the higher capacity and intermittent supply

of RE.

As RE gains share in the power generation mix, battery storage plants will play a crucial role in supporting grid stability, RE integration and peak demand management. As per the NEP Generation Vol-I report dated March 2023, India's battery storage installed capacity is expected to reach ~47 GW by 2030. That said, a robust and efficient transmission system is essential to facilitate the smooth transfer of stored energy to end-users. Upgrading and expanding transmission lines and substations can enhance grid flexibility, minimise transmission losses and enable the efficient dispatch of energy from battery storage plants.

Regulations and policies influencing transmission investments

Electricity (Late Payment Surcharge) Rules, 2021

The MoP notified these rules in June 2022 to aid the development of the electricity sector and protect the interests of consumers. Recognising the financial burden of a high late payment surcharge (LPS) fixed by regulatory commissions (at 18%) on discoms and ultimately consumers, these rules fixed the base rate of LPS at the marginal cost of funds based on State Bank of India's lending rate for one year plus 5%. The rules also had provisions for a staggered increase in the LPS rate at 0.5% per month for delayed payments, subject to a limit of 3% over the base rate or the rate specified in the Power Purchase Agreement (PPA). Further, the rules clarified that all payments received from a discom would be first adjusted against LPS and then against monthly energy bills. If the bill is not paid within 25 days, access to the grid will be curtailed.

10 GW of HDVC terminals to evacuate 13 GW of RE under GEC II

The ISTS GEC-II project envisages setting up of transmission lines of 713 ckm and two high-voltage direct current (HDVC) terminals of 5 GW capacity — one each at Pang (Ladakh) and Kaithal (Haryana). The project will facilitate evacuation of power from an RE project of 13 GW capacity, along with a 12 GWh BESS in Ladakh. The project, to be implemented by PGCIL in a single phase, is scheduled to be completed by fiscal 2030, at an estimated cost of Rs 207.7 billion (excluding interest during construction). The approved CFA will be capped at Rs 83.09 billion or 40% of the Detail Project report (DPR) cost or 40% of project completion cost, whichever is lower. The balance is to be arranged by PGCIL through debt and equity. The project cost includes the cost of securing land for setting up substations and transition stations, as well as land compensation and crop/tree compensation for transmission lines. The return on equity for the transmission project under ISTS GEC-II will be capped at 14% (post tax). The other components of tariff will be governed by extant CERC tariff regulations for RTM projects and their amendments thereof.

Table 14: Anticipated year-wise outgo of CFA

fiscal	Anticipated project expenditure (Rs billion)	Financial progress (%)	CFA (Rs billion)
2026	20.77	10	8.31
2027	37.39	18	14.96
2028	37.39	18	14.96
2029	41.55	20	16.62
2030	29.08	14	11.63
2031*	41.55	20	16.62
Total	207.74	100	83.09

**The last instalment of CFA will be released after project commissioning*

Source: MNRE, Crisil Intelligence

Interconnection with neighbouring countries

Being centrally located in the South Asian region and sharing its borders with South Asian Association for Regional Cooperation (SAARC) and Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) countries, namely Nepal, Bhutan, Bangladesh, Sri Lanka, Afghanistan, Pakistan and Myanmar, India has been playing a major role in planning interconnections with many of these countries for effective utilisation of the region's energy resources. India's efforts to enhance cooperation among neighbouring countries through resource sharing will ensure energy security of the entire region. The cumulative power transfer capacity through cross-border interconnections with neighbouring countries is about 10,323 MW as of September 2025 and would be enhanced to about 18,423 MW by fiscal 2028.

Separation of CTU from PGCIL

Section 38 of the Electricity Act, 2003, enables the central government to notify a government company as a CTU to discharge all functions of planning and coordination related to ISTS and other functions assigned in the Act. PGCIL, a central public sector enterprise under the MoP, was notified as a CTU on November 27, 2003, and many private transmission developers have also emerged since then. As a CTU, PGCIL was involved in transmission planning, but as a developer, it was also involved in implementing and participating in the bidding process for development of the transmission system. Therefore, the conflict of

interest over the twin roles of PGCIL as a planner and developer was flagged and the CTU functions of PGCIL were hived off and assigned to CTU India Ltd, a new entity, to ensure transparency and a level playing field for all transmission developers. In the first stage, CTU India Ltd, a 100% subsidiary of PGCIL, was notified as a CTU vide a gazette notification dated March 9, 2021, and started functioning with effect from April 1, 2021. Further, creation of the CTU as an independent government company is in an advanced stage. Separation of the CTU from PGCIL will boost transparency and encourage investments in the transmission sector.

Revamping the planning process to facilitate RE transmission

The Electricity (Transmission System Planning, Development and Recovery of Inter-State Transmission Charges) Rules, 2021 were promulgated to give power sector utilities easier access to the transmission network across the country. The rules underpin a system of transmission access termed as general network access in ISTS, providing flexibility to states and generating stations to acquire, hold and transfer transmission capacity as per their requirements. Thus, the rules have brought in rationality, responsibility, and fairness in the process of transmission planning as well as costs. In a major change from the present system of taking transmission access, power plants will not have to specify their target beneficiaries. The rules will also empower state power distribution and transmission companies to determine their transmission requirements and build them. Also, states will be able to purchase electricity through short- and medium-term contracts and optimise their power purchase costs. Regional power committees (transmission planning) have been dissolved to obviate the need for dual consultation at the regional level in the transmission planning process and expedite the planning and approval process. Terms of reference of the NCT have been modified, and the CTU and the NCT have been delegated powers to approve ISTS up to Rs 5 billion to enable faster implementation of the required ISTS and achieve the RE target of 500 GW by 2030.

Revised standard bidding documents for award of transmission services on a competitive bidding basis

To encourage private sector participation in the transmission sector, the MoP notified TBCB guidelines for transmission services and guidelines for encouraging competition in development of transmission projects in April 2006. Subsequently, the ministry notified the standard bidding documents (SBDs) comprising request for qualification, request for proposal and transmission service agreement (TSA) in 2008. As the SBDs and the guidelines were issued a long ago, requests were received to align them with other infrastructure SBDs to attract more private investments in the transmission sector. Based on the requests received from stakeholders, SBDs and TBCB guidelines for transmission services and guidelines for encouraging competition in development of transmission projects were revised and re-issued on August 6, 2021. The major changes in the revised SBD guidelines include a reduction in the equity lock-in period (from earlier 51% for a period of two years from date of commissioning (COD) and 26% for a period of three years thereafter to 51% for a period of one year from COD), signing of the TSA by the CTU, provisions for quoting of a single tariff in the bid, switching from a build-own-operate-maintain model to a build-own-operate-transfer model, provision of independent engineers during the construction phase for monitoring, quality assurance and quantification of cost/time-related issues, etc. Revised SBDs and guidelines would promote ease of doing business for private developers in the transmission sector, address concerns of developers on risk sharing, encourage competition in transmission and facilitate timely completion of transmission lines. All these provisions would bring in more private investments in the transmission sector.

Transmission regulations

Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2020

The CERC notified the Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2020 ("CERC sharing regulations"), on May 4, 2020. These regulations came into force on November 1, 2020, superseding the Central Electricity Regulatory Commission (Sharing of Inter-state Transmission Charges and Losses) Regulations, 2010. These regulations state that yearly transmission charges (YTCs), as determined or adopted by the CERC for transmission elements related to ISTS, shall be shared among the users of such transmission systems. The users, termed as designated ISTS customers (DICs), include generating stations, state transmission utilities, distribution licensees including state electricity boards or their successor companies, electricity departments of states and any other entity directly connected to the ISTS and the intra-state entity or trading licensee that has obtained medium-term open access or long-term access to ISTS (DICs) on a monthly basis, such that the YTC and any adjustment thereof are fully recovered.

Mechanism for sharing ISTS transmission charges: As per the CERC, monthly ISTS transmission charges shall be a combination of the national component, the regional component, the transformer component and the AC system component, as set out in its sharing regulations. The charges, collected on an actual basis, will be based on the peak block for the billing period and the technical and commercial information provided by DICs, ISTS transmission licensees, the CTU, the NLDC, RLDCs and SLDCs to the implementing agency.

Mechanism for sharing ISTS losses: The implementing agency calculates the all-India average transmission losses for ISTS on a weekly basis, from Monday to Sunday. The drawing schedule of DICs is prepared as per provisions of the grid code considering transmission losses during the week preceding the previous week.

Treatment of transmission charges and losses: CERC sharing regulations also set specific provisions for treatment of transmission charges and losses and billing in specific cases, including where there is a mismatch in commissioning of the generating station or associated transmission system of the relevant ISTS licensees.

Billing, collection and disbursement: As per the regulations, the CTU is responsible for raising transmission bills, collecting transmission charges and disbursing those to ISTS transmission licensees. The bills for the use of the ISTS shall be raised by the CTU on the relevant DICs under three categories: first bill, second bill and third bill. The first bill is raised each month and contains transmission charges for the billing period, while the second is a quarterly bill raised in April, July, October and January every year to adjust variations on account of any revision in transmission charges allowed by the CERC, including incentives as applicable. The third bill is raised each month for transmission deviation charges. Notwithstanding any provisions to the contrary in the applicable tariff regulations or TSA under TBCB, a rebate of 1.5% is allowed for the payment of bills within a period of five days of presentation of bills, while a rebate of 1% is allowed where payments are made on any day after five days and within a period of 30 days of presentation of bills. The CTU collects transmission charges on account of the first bill for the transmission system and disburses the amount collected to transmission licensees in proportion to their YTC. In case of a shortfall in collection of transmission charges, the amount to be disbursed to transmission licensees is reduced pro-rata from their share of YTC. The CTU collects transmission charges under the second bill and disburses those to the respective transmission licensees and collects transmission deviation charges under the third bill and reimburses those to DICs, in proportion to their first bill in the following billing month. The charges collected are first adjusted towards late payment surcharge on the outstanding transmission charges and thereafter towards outstanding transmission charges, starting from the longest overdue bill. Bill payment is due 45 days from the date it is issued. In case the payment of any bill for charges payable under these regulations is delayed by a DIC, beyond the due date, a late payment surcharge of 1.5% per month shall be payable by the respective DIC.

The Electricity Act and its impact and open access in transmission

Under the Electricity Act, 2003, open access means the non-discriminatory provision of transmission lines or the distribution system for use by any licensee or consumer, or a person engaged in generation in accordance with the regulations specified by the regulatory commission.

The act also has specific functions pre-defined for both the CTU/STUs and transmission licensees. One of the functions of the CTU is to provide non-discriminatory open access to its transmission system for use by:

- any licensee or generating company on payment of transmission charges and
- any consumer as and when such open access is provided by the State Commission on payment of transmission charges

Tariff regulations for transmission lines

Section 62 of the Electricity Act, 2003, enables regulatory commissions to determine tariffs for transmission systems. The act also empowers the commissions to make specific regulations consistent with the act.

The CERC has notified tariff regulations that delineate the terms and conditions for determining transmission tariffs.

The regulations determine the tariff based on the capital cost of the transmission project and the debt-equity structure. The project cost is then recovered based on five parameters:

- Return on equity
- Interest on debt
- Interest on working capital
- Operation and maintenance expense
- Depreciation

Based on these parameters, annual fixed charges calculated for the transmission asset are paid to the licensee.

The recovery of annual fixed charges is linked to transmission-system availability. For AC transmission systems, the normative availability for full recovery is 98.0%, while availability above 98.5% qualifies for an incentive, subject to a ceiling of 99.75%. For HVDC bi-pole links and back-to-back stations, the corresponding thresholds are 95.0% and 97.5%, respectively. Availability below the applicable normative threshold results in a proportionate reduction in the recovery of transmission charges. The availability-linked incentive operates through annual fixed-cost recovery and does not constitute an incremental return on equity.

The regulations also prescribe performance-related disincentives. For calculating transmission-system availability, actual outage hours are considered for up to two trippings in a year. For every subsequent tripping, an additional 12 hours of outage is considered along with the actual outage duration. Where the outage of a transmission element affects power evacuation from a generating station, the outage hours are counted at twice the actual duration.

Separately, for a new transmission project, the applicable return on equity shall be reduced by one percentage point for a period determined by CERC if the project is declared commercially operational without commissioning the prescribed data-telemetry, communication or protection systems.

Regulatory authorities

Regulatory bodies such as the CERC and SERCs play a crucial role in regulating and overseeing the transmission sector in India. They establish tariff regulations, ensure compliance with technical standards and resolve disputes.

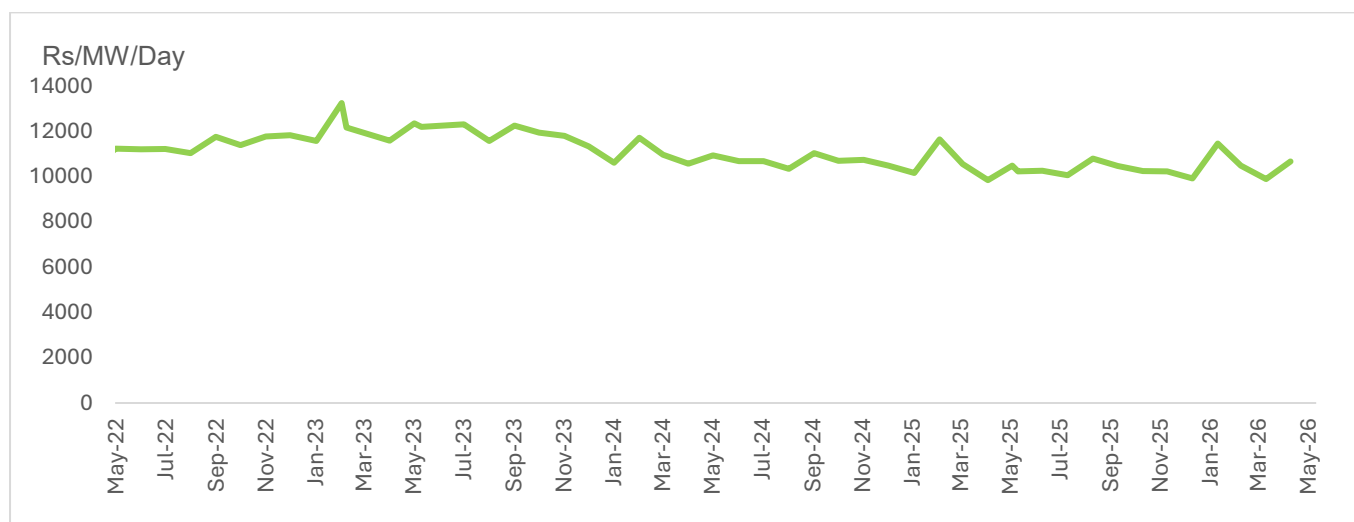
Figure 37: Current ecosystem structure

Ministry of Power Perspective planning, policy formulation, processing of projects for investment decisions, monitoring the implementation of power projects, training and manpower development, and administration and enactment of legislation regarding power generation, transmission, and distribution		
Central Electricity Authority of India Advises the government on matters related to the National Electricity Policy and formulates short-term and perspective plans for the development of electricity systems		
Central Electricity Regulatory Commission Regulate tariffs, formulate policies regarding subsidies and promote efficient and environmentally benign policies at the central level	State electricity regulatory commissions Regulates tariffs, formulates policies regarding subsidies and promotes efficient and environmentally benign policies at the state level	
Central Transmission Utility Ensures development of an efficient, coordinated and economical system of inter-state transmission lines and undertakes inter-state transmission	Private/PPP ventures Bring investments, expertise and technological advancements to enhance the infrastructure, improve operations and drive efficiency in power transmission	State transmission utilities Ensure development of an efficient, coordinated and economical system of inter-state transmission lines and undertake intra-state transmission

Source: CEA, Crisil Intelligence

Overview of transmission charges and trends

Figure 38: ISTS charges (Rs/MW/day)



Source: Grid India, Crisil Intelligence

The annual transmission charges (ATC) computed are the STU/transmission licensee's aggregate revenue requirement. This ATC is divided between the beneficiaries of the transmission system monthly based on the allotted transmission capacity or contracted capacity or certain parameters of peak demand or energy wheeled, depending on state to state.

Table 15: State-wise transmission charges for fiscals 2023 to 2026

LTA charges (Rs/MW/Day)	fiscal 2022	fiscal 2023	fiscal 2024	fiscal 2025	fiscal 2026
Gujarat	4,252	4,048	4,113	4,130	3,918
Karnataka	5,051	5,988	5,434	5,459	7,636
Andhra Pradesh	5,151	5,793	6,279	6,028	6,475
Bihar	6,406	5,506	5,156	5,047	4,038
Telangana	3,723	4,315	4,838	3,847	2,288
Rajasthan	5,003	5,124	5,878	5,230	5,693
Maharashtra	8,767	8,667	10,433	10,367	11,078
Tamil Nadu	3,037	5,159	5,366	5,580	5,803
Madhya Pradesh	4,845	4,791	4,687	5,612	5,672

Source: Crisil Intelligence

Table 16: ATC recovery mechanism across states

State	STU	ATC calculation	Mechanism for recovery of ATC from beneficiary	Special concession for RE
Rajasthan	RVPN	Cost-plus approach	Transmission system peak demand, including open access demand	NA
Andhra Pradesh	APTRANSCO		Transmission system peak demand, including open access demand	
UP	UPPCL		Based on the energy wheeled	
Maharashtra	MSETCL		Based on the transmission capacity rights of a transmission system user, which is the average of the coincident and non-coincident peak demands	
Bihar	BSPTCL			
Telangana	TSTRANSCO		Based on contracted/allotted transmission capacity, which is the sum of the generating capacity allocated to the long- or medium-term transmission customer from the generating stations and contracted power	Wind, solar and mini-hydel generators are exempt from paying transmission charges. However, the transmission charges are not increased subsequently for further recovery from other users, and there is no provision of making good the revenue lost due to the exemption
Tamil Nadu	TANTRANSCO			Concession on transmission charges to solar (50%), wind (50%), biomass (60%) and bagasse (70%)
Gujarat	GETCO			NA
MP	MPPTCL			
Karnataka	KPTCL			

Source: Crisil Intelligence

Key risks for the transmission segment

Exposure of intra-state projects to state distribution utilities

Counterparty credit risks arise from the exposure to state utilities. The credit profile of most utilities in India remains moderate to weak owing to delays in issuing tariff orders, weak operating efficiencies and inadequate tariffs in relation to the cost of supply.

Payment based on availability of the transmission system

Inter-state power transmission projects receive transmission charges based on transmission system availability, irrespective of the quantum of power transmitted through the system. Availability is calculated according to terms incorporated in the TSAs, which are based on CERC tariff regulations.

The TSAs provide specific guidance on the calculation of availability. They consider elements in the transmission system (including transmission lines and substations) and the reason for any outages, with force majeure outages excluded from such calculation. If a line's availability falls below 95%, the projects are subject to a penalty computed in accordance with the formula specified in the TSAs, which are apportioned in the ratio of transmission charges paid or payable by the respective customers at the end of the contract year.

Reasons for poor availability could be:

- Failure to obtain, maintain or renew permits and licenses or meet any conditions specified therein
- Operator error, improper installation or mishandling of equipment
- Breakdown or failure of power transmission systems
- Flaws in equipment design or construction of power lines or substations
- Work stoppages or labour disturbances or disputes
- Performance of equipment below expected levels of output or efficiency
- Environmental issues affecting the operations of transmission systems
- Planned or unplanned power outages
- Theft of equipment and line material
- Claims on completed projects and litigations, proceedings, judgments or awards arising therefrom
- Force majeure and catastrophic events, including fires, explosions, landslides, storms, floods, social unrest, earthquakes
- Terrorist acts and pandemics to the extent such events are not excluded from the calculation of availability under the TSA
- Right of way issues

Transmission project face delays typically due to the time taken to acquire private land and right-of-way for transmission lines. Most cases are disputes related to land valuation or the loss of cropland under tower foundations.

AESL a key player in private sector transmission network

Notable private players include AESL, Sterlite Grid 5 Limited and Tata Power Limited. AESL leads the private-sector segment, with 19,175 ckm of operational transmission lines, representing approximately 42.1% of the total private-sector operational transmission capacity of 45,539 ckm as of fiscal 2026. *

Table 17: Key players in the segment

Key players	Ownership	Transmission lines (in ckm) as of FY26
PGCIL	Centre	184,960
Gujarat Energy Transmission Corporation*	State	78,674
Uttar Pradesh Power Transmission Corporation*	State	58,672
Maharashtra State Electricity Transmission Company*	State	52,292
Rajasthan Rajya Vidyut Prasaran Nigam	State	46,119
Tamil Nadu Transmission Corporation*	State	39,297
Adani Energy Solution Limited	Private	19,175
Sterlite Grid 5 Limited*	Private	13,671
Tata Power Limited	Private	5,562
Total		498,422

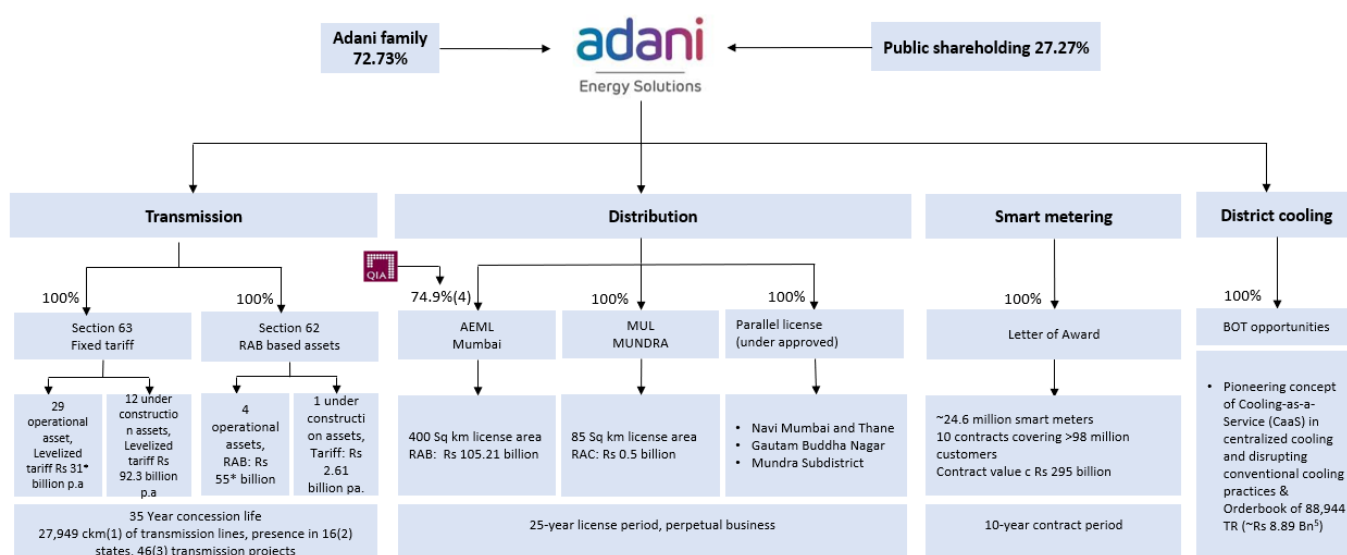
Note: Transmission-line figures are as of fiscal 2026, except for entities marked with an asterisk (), for which the latest available fiscal 2025 data has been used. The information for Sterlite is for Sterlite Grid 5 Limited's fiscal 2025 figure represents its overall transmission portfolio, including operational and under-construction, developed and previously divested/flipped assets; therefore, it does not represent its current operational network alone.*

Source: Crisil Intelligence

AESL's business profile

AESL is part of the Adani group, which is among India's top business houses. The group's interests span transport and logistics (seaports, airports, logistics, shipping, road transport and rail), energy and utilities (power generation, transmission and distribution, renewable energy, gas and data centres), primary industries (natural resources, mining services, copper, petrochemicals, direct to consumer, edible oil, food products and digital), real estate and defence and aerospace.

Figure 39: Business profile of AESL



Note: (1) Transmission network is as of March, 2026 and includes operational and under-construction assets of AESL (27,101 ckm) and AEML (848 ckm); (2) Includes smart metering business; (3) Includes operational and under-construction projects as of March, 2026 for the transmission (46 assets) and distribution (2 assets) segment; (4) Primary equity - QIA's investment in AEML: \$452 million (Rs 32 billion) total investment (\$170 million equity and \$282 million shareholder sub-debt) for 25.1% stake in AEML; (5) Average cost of ₹1,00,000/TR considered for investment potential calculations

**Based on AESL's January 2026 Equity Investor Presentation*

Adani's involvement in the transmission sector dates to 2006, even before the formal establishment of AESL. Initially, the focus was on constructing dedicated transmission lines to evacuate power from Adani's Mundra and Tiroda power plants. These lines, spanning over 3,800 ckm and 1,200 ckm, respectively, connected locations for effective power evacuation. The Mundra-Mohinderghar Transmission Project was the first +/- 500 kV bipolar HVDC transmission asset set up by a private company, i.e. Adani, in India.

Recognising the immense business potential in the transmission sector, Adani Enterprises Ltd set up AESL as a separate entity in 2015. AESL pursued strategic growth by seizing inorganic opportunities and acquiring transmission assets from GMR Energy Limited, Reliance Infrastructure Limited and KEC International Limited in different regions of India.

The surge in electricity demand, expected renewable energy growth, the need for additional transmission and distribution infrastructure, and competitive bidding offer substantial opportunities for AESL.

Adani Energy Solutions Limited's (AESL) position in the power transmission space remains strong

AESL has budgeted, developed and executed transmission and distribution projects across diverse geographies. Including its smart-metering operations, the company has a presence across 16 Indian states.

AESL's presence across transmission, distribution and smart metering enables it to participate across the electricity value chain. Smart-metering data supports grid management, energy accounting, loss detection and billing efficiency, while the transmission business facilitates reliable power transfer. Together, these businesses strengthen AESL's position as an integrated energy-solutions provider.

AESL, which held a 37% market share in terms of installed transmission line capacity (ckm) in the private transmission segment as of fiscal 2019, continued to lead the segment in fiscal 2026. The company added 7,827 ckm of transmission line capacity between fiscals 2019 and 2026. AESL's expansion continued in fiscal 2026, with the company adding 788 route ckm and reaching 19,175 route ckm. This represented approximately 42.1% of India's private-sector operational transmission network of 45,539 ckm as of March 2026.

AESL is one of the leading players in India's transmission and distribution sector and the country's largest private sector transmission company, with a 42.1% share of the private operational transmission network as of March 31, 2026.

AESL continues to position itself as a market leader in transmission line route ckm, with a robust pipeline of 7,926 ckm as of March 2026, bringing the total portfolio to 27,949 ckm in the T&D segment. Expansion over the period has been driven by a mix of organic and inorganic initiatives. Its portfolio comprises 46 transmission (operational and underconstruction) and 2 distribution projects (as of March 2026) with a presence in 16 states spread across the eastern, western, northern, and southern transmission regions of the country.

AESL's transmission systems are connected to the national grid and can serve regions of India such as Northern-eastern and Eastern India.

AESL owns and operates a diverse range of high-voltage AC transmission lines and substations, including those with voltage levels of 132kV, 220kV, 400kV and 765kV. Additionally, it manages high-voltage DC transmission lines and substations with a voltage level of +/- 500kV and possesses a power transformation capacity of 118,465 MVA (operational and under construction) as of March 2026. Line availability for 19,175 ckm of operational transmission lines was 99.70% for fiscal 2026, higher than the normative 95% prescribed by Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2004.

The company has been able to contain its operations and maintenance (O&M) expenditure despite an expanding portfolio. This is owing to the implementation of predictive maintenance procedures and the use of technologies such as hotline washing, energy network operation centre operations and SCADA implementation. Hotline washing is a process where insulators on electrical lines are cleaned with water while the electricity is energised. This helps the company maintain the transmission system and reduce technical losses. For remote operations of sub-stations, the company has set up energy network operation centres to carry out analytical operations. AESL's new network operations centre is equipped with the latest SCADA system that has a more proactive approach to power distribution since potential problems can be detected and addressed before they become significant.

AESL is one of the leading players in India's transmission and distribution sector and the country's largest private sector transmission company, accounting for 42.1% of the private operational transmission capacity as of March 31, 2026.

AESL reported one of the highest EBITDA margins (before exceptional items) for its transmission segment in the Indian transmission industry, at 92.0%, in fiscal 2026.

In 2018, AESL expanded its operations into the distribution space through the acquisition of Reliance Infrastructure's power generation, transmission and distribution business in Mumbai. This led to the formation of AEML, which serves over 3 million customers in Mumbai suburbs and the Mira-Bhayandar Municipal Corporation in Thane district, with a wide distribution network spanning 400 sq km.

Adani Electricity Mumbai Limited (AEML), a subsidiary of Adani Energy Solutions Limited, is the largest private distribution licensee in Mumbai, serving a customer base of 3.27 million consumers as of March 31, 2026.

AEML is a leading private power distributor in Mumbai with 3.27 million customers as on March 31, 2026.

AEML has consistently achieved an average system availability index above 99%. It reported system availability of 99.47% fiscal 2026, 99.31% in fiscal 2025, 99.79% in fiscal 2024 and 99.77% in fiscal 2023. It has also been able to consistently reduce distribution losses. The losses stood at 4.21% in fiscal 2026, 4.77% in fiscal 2025, 5.29% in fiscal 2024 and 5.93% in fiscal 2023.

AEML caters to a diverse mix of consumer categories. It catered to 49%, 38% and 13% of residential, commercial and industrial consumers, respectively, during fiscal 2026. With a high share of C&I consumers, at 51%, for AEML, there is a positive impact on collection efficiency. To provide a perspective, collection efficiency for the AEML business has been maintained at 100% over fiscals 2021 till March 2026.

According to REC's Distribution Utilities Ranking (DUR) reports, AEML was ranked first among distribution utilities in India in fiscal 2025 and fiscal 2024.

AEML maintained an A+ integrated rating from Power Finance Corporation during fiscal 2025 and fiscal 2026. It was also ranked first among distribution utilities by the Ministry of Power under its Integrated Utility Ranking for fiscal 2026. In addition, AEML received credit rating upgrades from domestic rating agencies, with both CRISIL Ratings and India Ratings upgrading its rating to AAA/Stable during fiscal 2026.

As part of its strategy, AESL forayed into the smart metering business in fiscal 2023. The GoI's RDSS and initiative for the nationwide rollout of smart meters by installing 250 million presents a significant growth opportunity within smart metering business. However, since March 2025, the pace of smart meters installation across India has increased with a total of 60 million installed as of March 2026 as compared to 10.8 million in May 2024.

Crisil Intelligence expects investments worth Rs 760-780 billion in the segment between fiscals 2024 and 2028 with a penetration level of 25-30%. AESL's experience in implementing and operating smart metering projects, T&D businesses synergies and customer insights position it favorably in the sector.

AESL had secured ten smart metering contracts totalling 24.6 million smart meters as of March 31, 2026, representing approximately 16.3% of the smart metering market awarded in India.

As of March 31, 2026, AESL had installed 11.4 million smart meters, making it one of the highest smart meter installations in India as of that date.

AESL is one of the leading advanced metering infrastructure (AMI) service providers in India as of March 31, 2026, and is among the few companies to have cumulatively installed 11.40 million smart meters across discoms as of that date.

AESL achieved a smart meter installation rate of 22,000-23,000 meters per day, making it one of the highest installation rates in India's smart metering industry during fiscal 2026.

As of March 31, 2026, AESL has installed 11.40 million smart meters cumulatively across India, with an estimated untapped market opportunity of approximately 99 million smart meters remaining.

Competition in the transmission sector depends on the size, nature, and complexity of the project, as well as the geographic region in which it is executed. While service quality, technical expertise, health and safety track record, availability of qualified personnel, reputation, and experience are important considerations, price remains the primary factor in most tender awards. In addition, the scale, scheduling requirements, and complexity of certain large projects often limit participation to larger and more sophisticated companies, creating barriers to entry for smaller industry participants.

AESL's primary transmission business competitors include PGCIL, Sterlite Power Grid Ventures Ltd and Tata Power Ltd. AESL has become one of the largest private sector operators in India in a relatively short amount of time.

As per statistics released by AMFI, the average market capitalisation of the Adani portfolio during the three months ended June 30, 2026 was approximately Rs 14 trillion (comprising Adani Ports and Special Economic Zone Limited, Adani Power Limited, Adani Enterprises Limited, Adani Green Energy Limited, Adani Energy Solutions Limited, and Adani Total Gas Limited), making it one of the largest listed business groups in India by market capitalisation during the same period.

The distribution sector in India

Business models, players and stakeholders

Distribution utilities play a critical role in India's power sector by ensuring the reliable and efficient supply of electricity to end consumers.

In India, the distribution sector has undergone vertical unbundling, separating the functions of generation and T&D. However, the degree of practical unbundling varies across states. Gujarat, for instance, has successfully implemented unbundling to improve the performance of discoms, while a few other states are behind.

Most discoms in India are state-owned and private distribution licensees serve only ~7% of the country's power requirement. Private players such as Torrent Power Ltd, Adani Power Ltd, Tata Power Ltd, Reliance Infrastructure Ltd and CESC Ltd participate in specific circles such as Mumbai, Ahmedabad, Surat, Delhi, Agra and Kolkata. In 2018, Reliance Infrastructure sold its Mumbai distribution business to Adani Energy Solutions Ltd. Through the privatization of some state-owned discoms, Tata Power has acquired distribution licences in several regions of Odisha, while CESC won circles in Kota, Bharatpur and Bikaner in Rajasthan. And in 2021, Tata Power took over Western Electricity Supply Company of Odisha and Southern Electricity Supply Company of Odisha, which now operate under Tata Power Western Odisha Distribution Ltd and Tata Power Southern Odisha Distribution Ltd, respectively. This brought a significant number of customers in Odisha under Tata Power's service.

Another regulation under the Electricity Act, 2003, includes provisions for the establishment of parallel licensees, which are multiple electricity supply and distribution service providers operating competitively within the same region. The authority to approve parallel licences lies with the SERCs.

Parallel licensing was introduced to drive retail competition in power distribution and led to active participation of private players. The approach offers consumers choices and fosters competitive tariff rates. The successful implementation of the parallel licence system in Mumbai demonstrates the positive outcomes of healthy competition for both consumers and operators. However, factors such as the requirement for licensees to establish their own distribution systems hinder the growth of this system.

Setting up a parallel distribution system in densely populated areas already served by an incumbent utility can be time consuming. Concerns such as right of way and return on investment further complicate the process. Additionally, granting parallel licences can lead to the following issues:

1. **Asset redundancy:** This is undesirable in terms of system costs and sustainable competition. Suboptimal utilisation of assets should be minimized
2. **Cherry-picking:** Left unchecked, parallel licensing can lead to selective targeting of specific consumer categories, undermining the intended purpose of its establishment
3. **Separate accounting for network costs:** To calculate wheeling charges and ensure the segregation of network business in financial records, it is necessary to maintain separate accounting and reporting of costs related to network assets
4. **Complexity of migration:** Consumer migration from one licensee to another introduces operational complexities, making it crucial to strengthen processes for effective migration

Private players have demonstrated efficiency in investments, reducing AT&C losses and meeting local electricity demand. For instance, in Delhi, after power distribution was taken over by three private licensees, AT&C losses decreased from 55% in fiscal 2002 to ~6.48% in fiscal 2025.

Private participants in the distribution business can be licensees or a franchisee. Private parties have ownership of or equity in the distribution grid assets under the licensee model, but none under the franchisee model. Both models have seen successes and failures. Mumbai, Delhi, Surat, Ahmedabad and Kolkata operate efficiently under the licensee model, while the franchisee model has been successful in Odisha and Bhiwandi, Maharashtra, leading to improvements in metering, billing and collection.

Table 18: Private participation models in electricity distribution

Franchisee model	Licensee model
Private party has no ownership of the distribution grid assets	Private party holds equity and is part or complete owner of the distribution grid assets
Private party mainly manages billing and revenue collection	Private party manages the distribution of power, billing and revenue collection
Example: Torrent Power Ltd (Bhiwandi, Maharashtra)	Example: Tata Power Delhi Distribution Ltd (New Delhi), Adani Electricity Ltd (Mumbai)

Source: Crisil Intelligence

The distribution sector faces financial losses, mounting debt and outstanding dues to power generators. The Covid-19 pandemic worsened the situation due to a decline in power demand and lower billing and collection efficiency during the lockdowns.

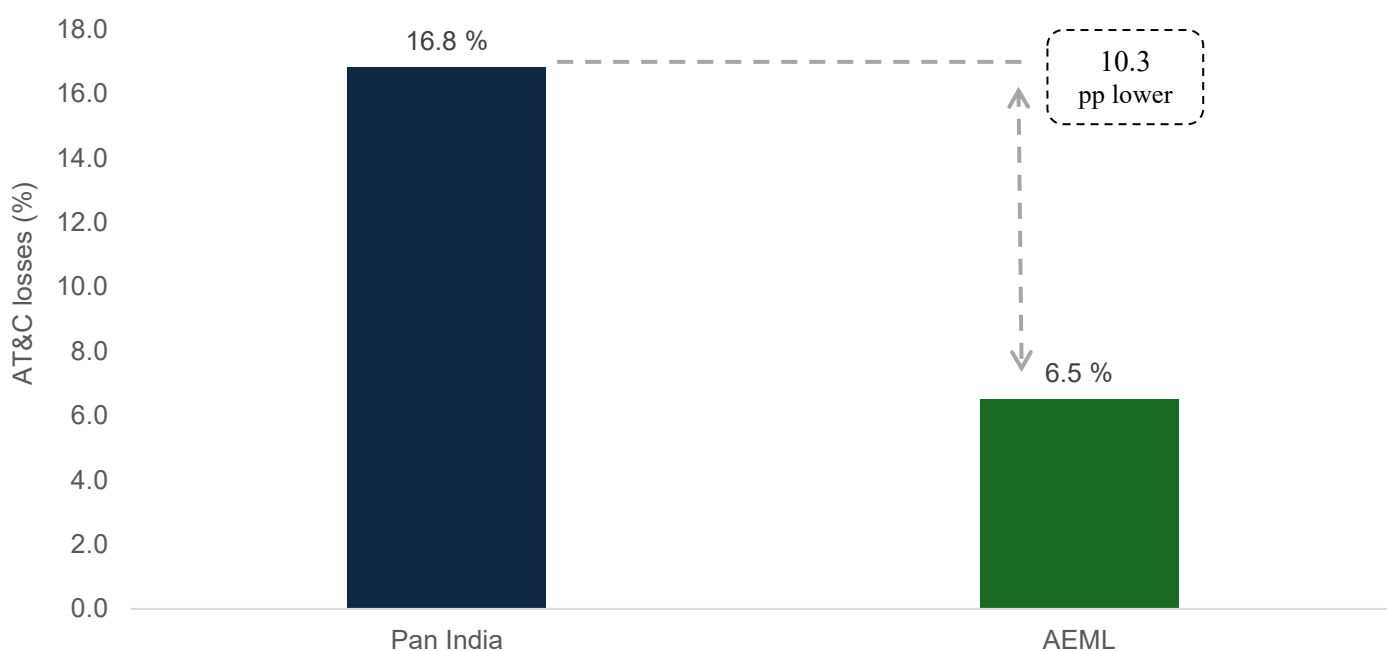
In March 2025, the distribution sector in India had significant debt of Rs 7.5 trillion, of which Tamil Nadu, Maharashtra, Uttar Pradesh and Rajasthan accounted for 45%. The power sector has been grappling with persistently high levels of regulatory assets, weakening the financial health of discoms. In fiscal 2025, regulatory assets of states totaled Rs 1 trillion, with substantial contributions from Tamil Nadu, Rajasthan, Delhi, West Bengal, Maharashtra and Kerala.

The Supreme Court on 6th August 2025 directed liquidation of existing & long-pending dues, marked as regulatory assets, owned by discoms over a maximum of four-year period starting from April 1 last year. The court also said, in future, the regulatory assets must be liquidated within a period of three years. This ruling will help the state discoms reduce their regulatory asset burden and improve their financials.

AT&C losses, which indicate the amount of power lost during T&D, have been persistently high, averaging over 20% between fiscals 2011 and 2021. The Ujwal DISCOM Assurance Yojana (UDAY) trimmed AT&C losses and the ACS-ARR gap to ~21.6% and Rs 0.47 per kWh (ACS-ARR gap are inclusive of UDAY grants and regulatory income), respectively, by the end of fiscal 2019. However, discoms' financials deteriorated subsequently, with AT&C losses and the ACS-ARR gap increasing to ~22.3% and Rs 0.55 per kWh, respectively, by March 2021.

Nevertheless, the government's continued efforts to revive the sector have brought down AT&C losses from 27% in fiscal 2011 to 15.04% in fiscal 2025. As a result, the ACS-ARR gap decreased from Rs 0.53 per kWh in fiscal 2021 to Rs 0.06 per kWh in fiscal 2025. Better subsidy disbursal by state governments and improved collection efficiency of discoms (97% in fiscal 2025) contributed to this reduction. Several output-linked schemes initiated by the government also played a role. The MoP revised the prudential norms of PFC and REC to ensure that loss-making discoms cannot avail financing until they develop an action plan to reduce losses within a specific timeframe, with a commitment from their respective state governments. The ministry also decided that loss-making discoms can avail of future assistance to strengthen the distribution system only if they commit to reducing their AT&C losses and ACS-ARR gap to specified levels within a specific timeframe.

Figure 40: Historical average AT&C losses – Pan India vs AEML (Fiscal 2021-Fiscal 2025)

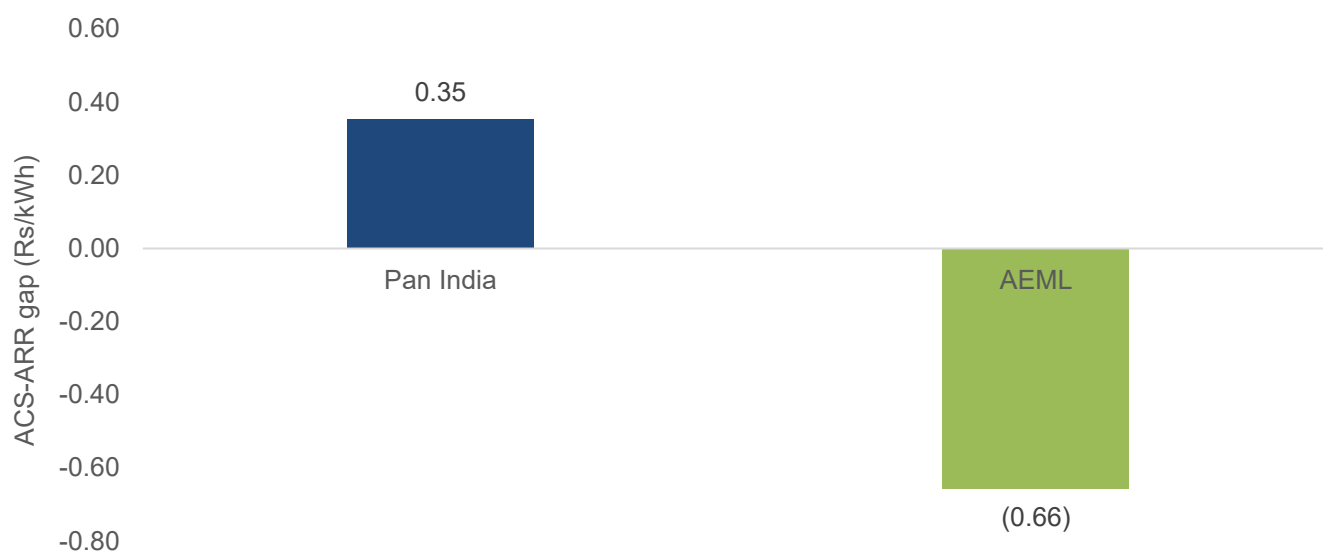


Note: Historical averages are calculated using Fiscal 2021-Fiscal 2025 AT&C loss data.

Source: PFC, Crisil Intelligence

To improve operational efficiencies and financial sustainability, the Government of India approved the RDSS, which provides result-linked financial assistance to discoms to strengthen supply infrastructure on meeting pre-qualifying criteria and achieving basic minimum benchmarks. With an outlay of Rs 3.03 trillion over fiscals 2022 to 2026, including estimated government budgetary support of Rs 0.976 trillion, the scheme aimed to reduce AT&C losses at the pan-India level to 12 to 15% and bring the ACS-ARR gap to zero by fiscal 2025. This is yet to be achieved but progress has been made in the direction as by fiscal 2025, the AT&C loss is 15.04% and ACS-ARR gap is 0.04 Rs/kwh.

Figure 41: ACS-ARR gap - Pan India vs AEML (Fiscal 2021-Fiscal 2025)



Note: Historical averages are calculated using Fiscal 2021-Fiscal 2025 ACS-ARR gap data. ACS-ARR gap is calculated on an energy-sold basis, excluding regulatory income and revenue grants under UDAY for loan takeover.

Source: PFC, Crisil Intelligence

The introduction of the LPS rules in June 2022 brought much-needed discipline to the distribution sector. In August 2022, 13 states were barred from buying and selling on power exchange platforms because of non-payment of dues. Discoms' overdue payments have declined from Rs 1.13 trillion in June 2022 to Rs 0.59 trillion in June 2025, as the penalty for nonpayment under the LPS rules is regulation of short- and medium-term market transactions, thwarting discoms' ability to manage demand and supply in real time.

The government has implemented major reforms to address persisting issues in distribution, including RDSS, LPS rules, additional prudential norms for lending by financial institutions, the National Smart Grid Mission, and mandatory energy accounting and auditing. While these initiatives have revitalized the sector, resolving larger legacy issues will require more time and intervention.

Key Schemes and their impact

The central government introduced various schemes aimed at improving the T&D infrastructure and enhancing operational efficiency. One such scheme, Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), focuses on separating feeders for rural households and agricultural purposes, as well as strengthening the sub-T&D infrastructure in rural areas. Its objective was to provide round-the-clock power to rural households and adequate power for agricultural consumers. Special category states received a grant of up to 90% of the project cost, while others received 75%. Discoms could also receive an additional grant if they met certain conditions, such as timely implementation of the scheme, reduction in AT&C losses along a specified trajectory and upfront release of revenue subsidy by state governments based on metered consumption.

In contrast, the Integrated Power Development Scheme (IPDS) had an urban focus, with the aim to strengthen the sub-T&D network, implement metering for distribution transformers, feeders and consumers, and enable IT integration in the distribution sector. Discoms could also receive an additional grant under IPDS, subject to similar conditions as under DDUGJY.

Launched in 2015, UDAY aimed to provide a long-term solution to the issues faced by discoms by facilitating an operational and financial turnaround. The scheme required states to take over 75% of the discoms' debt, reducing their interest costs and future losses. While UDAY helped cash-strapped discoms reduce their debt and AT&C losses, it did not fully address challenges related to cross-subsidies and power-procurement costs. UDAY aimed to reduce AT&C losses to 15% and achieve an ACS-ARR gap of zero by fiscal 2019 through operational improvements such as mandatory smart metering, distribution infrastructure upgrades and energy-efficient measures. However, with a slight decline in AT&C losses from 23.98% in fiscal 2016 to ~21.64% in fiscal 2019, the scheme did not fully achieve its targets.

The Saubhagya scheme accelerated electricity access in off-grid areas significantly but faced challenges in ensuring tariff realization from newly connected consumer groups, ultimately impacting the finances of discoms in some states. In Union Budget 2021-22, the central government announced a new scheme to promote the viability of discoms, the RDSS with an outlay of Rs 3.03 trillion over five years. The scheme aims to support discoms in infrastructure creation, including prepaid smart metering and feeder separation, as well as system upgrades tied to financial improvements.

In June 2022, the government introduced the LPS scheme, which allows for consolidation of all outstanding dues, including principal and LPS, into a single amount. The consolidated amount can be repaid in a maximum of 48 interest-free equated monthly instalments. It also outlines the implementation modalities and penalties for non-payment, following the re-determined payment schedule. Additionally, if discoms fail to pay their current dues one month after the due date or two-and-a-half months after the presentation of the power bill, whichever is later, it will result in regulation of power. Since the implementation of the LPS rules, the overdue amount of power discoms to power generation companies have decreased to Rs 478 billion as of March 2026.

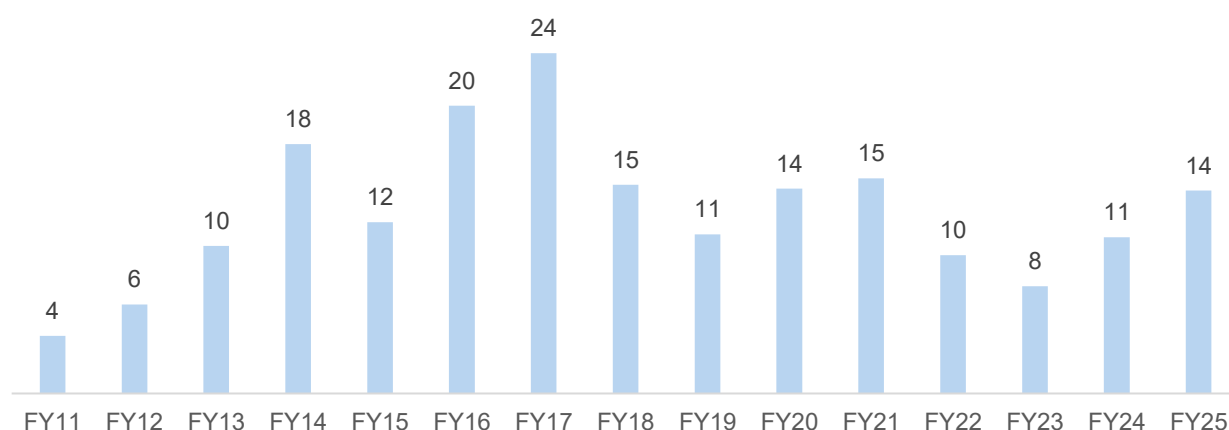
Open access: a key monitorable for the distribution sector

Open access allows consumers to freely choose their electricity supplier within a competitive and non-discriminatory framework. It provides larger industrial and commercial users with the flexibility to purchase electricity directly from their preferred generator or supplier instead of relying on the local distribution utility. Originally, open access was intended for consumers with loads greater than 1 MW by January 2009. The Green Open Access Rules, 2022, reduced the threshold for open access transactions from 1 MW to 100 kW specifically for green energy, enabling even small consumers to obtain renewable power through open access.

Open access has gained popularity owing to the range of exemptions and incentives offered by states. For instance, Karnataka waived T&D charges, cross-subsidy surcharges and banking provisions for 10 years on solar projects commissioned by March 2018, resulting in a significant increase in solar open access capacity addition in the state.

Figure 42: Open access volume on power exchanges

(Billion units)



Note: The open access volume on power exchange is as per latest available data

Source: CEA, Crisil Intelligence

Karnataka later withdrew all open access incentives for solar projects and proposed a retrospective levy of 25% T&D charges on projects commissioned in fiscal 2018. There have been similar instances in other states as discoms implement restrictive policy measures to discourage high-paying C&I consumers from migrating to open access.

When a C&I consumer migrates to open access, the distribution utility suffers loss of revenue from that consumer. Since the tariffs for C&I consumers are generally higher than those for domestic or agricultural consumers, discoms lose more revenue when a C&I consumer migrates to open access. Consumer migration to open access also results in surplus power from PPAs or power procurement obligations from generating stations. The discom has the option to either curtail the surplus power or reallocate it to underserved consumers within the state, such as domestic and agricultural consumers. However, this can lead to stranded capacity, where excess power is not fully utilized or efficiently distributed.

In recent times, many states have introduced policy measures to discourage high-paying C&I consumers from migrating to open access. These include imposing high open access cross-subsidy and additional surcharges, among other charges, which significantly increases the landed cost for consumers. This reduces the economic feasibility of adopting open access, thereby impeding the growth of open access in the power sector.

In Karnataka, the cross-subsidy surcharge for industrial consumers was set at Rs 1.48 /kWh for fiscal 2026. However, the state utility, Bangalore Electricity Supply Company Ltd, significantly decreased the additional surcharge from Rs 2.15/unit in fiscal 2023 to Rs 1.37/kWh in fiscal 2025. Maharashtra increased additional surcharge ~11% from Rs 1.27/unit in fiscal 2023 to Rs

1.41/unit in fiscal 2026, and the cross-subsidy surcharge for industrial consumers increased a marginal ~1% from Rs 1.76/unit to Rs 1.78/unit. In Tamil Nadu, the cross-subsidy surcharge for commercial consumers was Rs 2.57/unit and for industrial consumers Rs 1.99/unit in fiscal 2026

Some states are reevaluating their banking provisions to balance the needs of various stakeholders. Banking of power enables generating plants to supply excess energy to the grid for later use. Discoms are adjusting their banking provisions to manage the impact on their revenue streams, as some C&I consumers explore alternative renewable energy procurement options. By revising banking rules and waiver policies for open access renewable projects, Discoms aim to maintain a stable customer base.

The concern is that some consumers may be using the banking provision in a way that affects Discoms' power procurement costs, such as drawing on banked energy during peak periods and injecting power during off-peak periods. To address this, some states have transitioned from annual to monthly banking periods, while others have eliminated banking facilities for RE. For instance, Andhra Pradesh withdrew the banking of 100% of energy for solar, wind and hybrid projects through a policy amendment in November 2019. Discoms in most states now offer banking charges of 6-10%, with Bihar being an exception at 2% for RE sources. The quantum of banked energy under these regulations is limited to 30% of the total cycle consumption of electricity from the distribution licensee by the consumer. Credit from banking is not permitted to be carried forward to subsequent banking cycles and has to be adjusted during the same cycle as per the energy injected in the off-peak and peak periods determined by the commission in its retail supply tariff order from time to time.

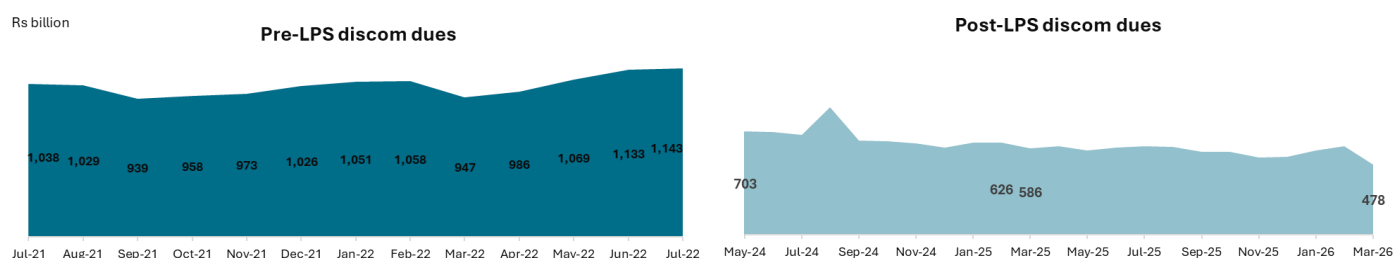
Furthermore, with increasing demand for open access, Andhra Pradesh has come up with a regulation on green energy open access, which includes a provision for banking with an 8% banking charge. On the other hand, Tamil Nadu has proposed a draft regulation on green energy open access energy rules, which includes a new wind repowering policy that proposes to allow banking to the existing generation as per the old banking norms and additional generation up to 50% in a repowered project (upgrading or replacing outdated power generation equipment).

Solar installed capacity under open access was estimated at 22-25 GW as of fiscal 2026. Crisil Intelligence expects 35-45 GW of projects to be commissioned under the open access utility segment between fiscal 2027 and 2031, with estimated 7.5-8.5 GW added in fiscal 2026, driven by the go-green initiatives/sustainability targets of commercial and industrial (C&I) consumers, effective long-term policies in key states such as Karnataka, Uttar Pradesh and Maharashtra, and lower offtake risk combined with conducive policies such as the Green Open Access.

LPS rules a wakeup call for errant discoms

To tackle non-payment of dues by discoms to power generation companies, the MoP introduced LPS rules on June 3, 2022, the rules enable Power System Operation Corporation Ltd (POSOCO) to penalise discoms for non-payment of current dues and overdue amounts by blocking their access to the short-term energy market.

Figure 43: Discom dues owed to gencos



*Note: The above data is sourced from government disclosures over time, discrepancy/restatement in subsequent disclosures may be seen.
Source: PRAAPTI, Crisil Intelligence*

Discom dues have declined to Rs 478 billion as on March 2026, from Rs 1,133 billion in the pre-LPS period of June 2022.

Establishment of parallel licensees

The Electricity Act, 2003, includes provisions for the establishment of parallel licensees that enable multiple power supply and distribution service providers to operate competitively within the same region. SERCs can approve these parallel licences.

According to the provisions outlined in the Electricity Act, 2003, to obtain a parallel licence for electricity distribution, a private company must possess its own substations and network within the specified area of the licence application. Accordingly, the licensee is supposed to pay 30% equity towards the cost of infrastructure investments. Regulatory approval secures an annual assured return of 16% on the equity. However, the proposed Electricity (Amendment) Bill, 2022, seeks to alter this requirement. If passed, this amendment would enable new licensees to utilise the existing network infrastructure by paying "wheeling charges". The move would enable private licensees to leverage the extensive network established in the past without making any substantial investments, and the wheeling charges may not even cover the interest on the initial investment to set up the

network. This proposed change has attracted considerable criticism from state discoms.

Although the implementation of parallel licensing faces various regulatory hurdles, a clear framework for parallel operation of multiple distribution licensees is required to tap the potential for new load growth. That said, there are risks related to underutilisation of assets, resource lock-in and the potential for cherry-picking of consumers, if parallel licensing is implemented without proper planning. The CERC has already identified some of these risks.

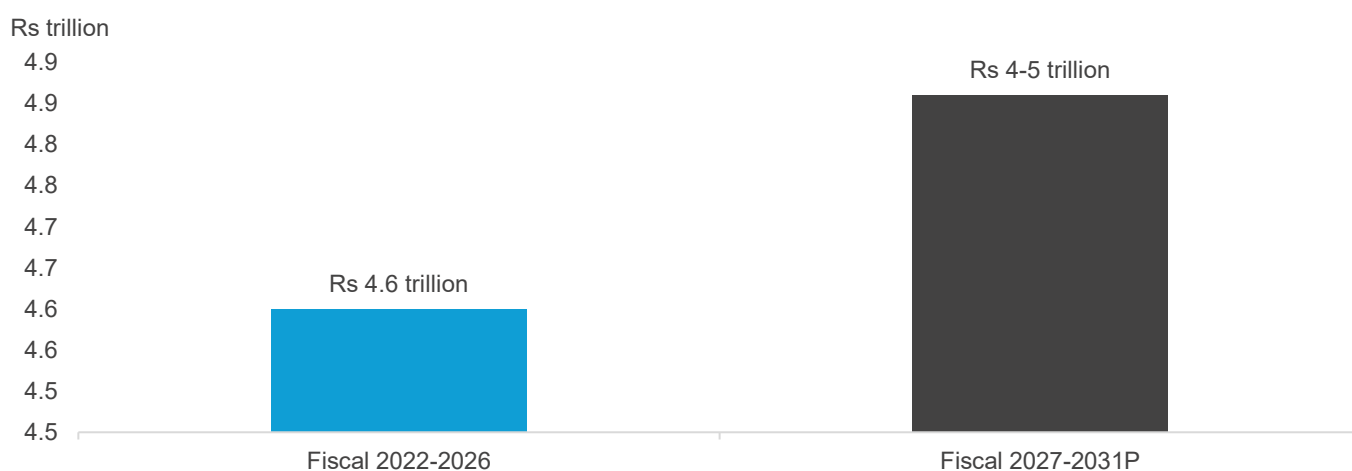
Overall, parallel licensing could boost competition and consumer choice in the power T&D sector. However, it is crucial to address related challenges to ensure smooth implementation and maximisation of benefits for all stakeholders.

RDSS impact, forecast on investments and parameters such as AT&C loss

Distribution investments include creation of distribution infrastructure, which includes works taken under the following:

1. Electrification of unelectrified villages, hamlets or areas within the area of supply
2. Supply of electricity for agricultural pump sets or community lift irrigation
3. Reduction of sub-T&D system losses, which will comprise:
 - a. Creation of new 33 kV and 11 kV substations near the load centre
 - b. Reduction in the ratio of length of low voltage to high voltage lines, including low tension-less system. The desirable ratio of low voltage to high voltage lines would be as specified by the respective regulatory commission
 - c. Adoption of aerial bunched conductors
 - d. Capacitor installation
 - e. Change of conductor or double circuiting of lines
4. Strengthening of the sub-transmission system to improve:
 - a. Voltage regulation at the existing or envisaged load demand
 - b. Reliability of the system to reduce outage time and cater to outage of the line and/or transformer
5. System augmentation schemes: Addition of transformation capacity at substations to match the envisaged loading condition
6. System improvement: To provide switchgear, control gear and protection to reduce fatal accidents and the failure rate of transformers

Figure 44: Distribution investments over fiscals 2022-2026 and 2027-2031



P – projected

Source: Crisil Intelligence

Crisil Intelligence expects investments amounting to Rs 4-5 trillion during fiscals 2027-2031 because of RDSS, along with other key schemes. For instance, discoms in Rajasthan are expected to invest in the rural electrification scheme responsible for implementing domestic connections along with energisation of irrigation wells. Similarly, discoms in Gujarat are focussed on

schemes to develop and improve the distribution network.

Under RDSS, loss reduction works will include setting up of armoured cabling, high voltage distribution system, aerial bunched cables, reconductoring, feeder bifurcation, feeder segregation, information technology/operational technology-related works, including enterprise resource planning and billing software, etc.

Of the total outlay of Rs 3.03 trillion under RDSS over 2022-26, the government has promised government budgetary support of Rs 0.976 trillion. Of this, Rs 0.42 trillion has been budgeted cumulatively till fiscal 2026. This corresponds to 43% of the overall funding requirement from the central government, suggesting that funding requirement in the next budget may go up significantly.

Table 19: ~Rs 2.5 trillion allocated for loss reduction and smart metering under RDSS as of December 2023

State	Smart meter (Rs billion)	Loss reduction (Rs billion)
Andaman and Nicobar Islands	0.5	4.5
Andhra Pradesh	41.3	92.9
Arunachal Pradesh	1.8	9.2
Assam	40.5	26.1
Bihar	20.2	70.8
Chhattisgarh	41.1	36.0
Delhi	0.1	3.2
Goa	4.7	2.5
Gujarat	106.4	60.2
Haryana	0.0	31.6
Himachal Pradesh	17.9	22.8
Jammu and Kashmir	10.6	46.4
Jharkhand	8.6	32.6
Kerala	82.3	23.5
Ladakh	0.0	8.8
Madhya Pradesh	87.7	94.0
Maharashtra	152.2	141.6
Manipur	1.2	4.0
Meghalaya	3.1	8.0
Mizoram	1.8	2.4
Nagaland	2.1	3.9
Puducherry	2.5	0.8
Punjab	57.7	38.7
Rajasthan	97.2	93.7
Sikkim	1.0	4.0
Tamil Nadu	192.4	90.7
Tripura	3.2	4.9
Uttar Pradesh	189.6	170.9
Uttarakhand	10.5	16.8
West Bengal	126.7	72.2
Total	1304.7	1217.8

Source: Crisil Intelligence

As of March 2026, Rs. 2.83 trillion have been sanctioned for loss reduction and smart metering works across all states/UTs under RDSS.

Under RDSS, discoms will be assessed annually on their performance, based on an evaluation matrix. Before being considered for evaluation, a discom needs to meet the following criteria:

- Publishing of audited annual accounts by December-end of the following year during the first two years of operation of the scheme (fiscals 2022 and 2023). Thereafter, audited annual accounts by September-end of the following year from the third year onwards
- Quarterly un-audited accounts within 60 days of the end of each quarter during the first two years of the scheme's operation (fiscals 2022 and 2023). Thereafter, audited quarterly accounts within 45 days from the third year onwards
- Ensure that no new regulatory asset has been created in the latest tariff determination cycle

- State government to ensure 100% payment of subsidy for the previous year and advance payment of the same up to the current period, in line with Section 65 of Electricity Act, 2003, and wipe out the remaining subsidy amount by the end of the project period
- All government departments/attached offices/local bodies/autonomous bodies/boards/corporations have made 100% payment of current electricity dues for the year under evaluation
- Number of days payable to creditors, including generation companies, for the year under evaluation is equal to or less than the projected trajectory, as per the results of the evaluation framework
- Tariff order for the current year in which evaluation is being done and true-up of the penultimate year has been issued and implemented effective April 1 of the respective fiscal.

Subsidy payment and the state government department's electricity dues form a significant chunk of the overall receivables for discoms, which impacts AT&C losses.

Debt and regulatory assets remain pain points for discoms

Table 20: Debt and regulatory assets across 10 states as of fiscal 2025

States	Regulatory asset (Rs billion)	Debt (Rs billion)
Madhya Pradesh	-	475
Tamil Nadu	-	1,183
Gujarat	-	154
Karnataka	4	482
Bihar	-	117
Rajasthan	-	827
Maharashtra	472	896
Andhra Pradesh	-	625
Telangana	-	374
Uttar Pradesh	-	502

Source: Crisil Intelligence

When a regulatory commission acknowledges the gap in the cost of supply and revenue and allows discoms to recover the same through a tariff hike in the future, the gap is registered as regulatory asset. Regulatory assets of states stood at Rs 1 trillion in fiscal 2025. This remains pain point for the sector since these are accounted as receivables without any solid action plan of liquidating these assets.

Discoms in four states – Maharashtra, Uttar Pradesh, Rajasthan and Tamil Nadu – together held nearly 45% of the state sector's debt of Rs 7.5 trillion in fiscal 2025. Debt in fiscal 2025 decreased by 2% over fiscal 2024.

Smart meters

Drivers for smart metering in India

A well-functioning distribution infrastructure, along with the availability of reliable, quality and affordable power 24x7, is key to the country's economic development.

The Indian government has been working relentlessly to assist states and discoms through various schemes since 2014, namely Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), Pradhan Mantri Sahaj Bijli Har Ghar Yojana (SAUBHAGYA) and IPDS. The distribution system in rural and urban areas has been strengthened under the DDUGJY and IPDS, respectively. As a result, India has achieved universal electricity access by connecting ~27 million households in 18 months under the SAUBHAGYA scheme. The government has also taken steps for the automation and use of information technology in the distribution sector under IPDS and Restructured Accelerated Power Development and Reforms Programme (R-APDRP), which includes the establishment of data centres, geographic information system mapping of consumers, asset mapping, online energy auditing and accounting, consumer care centres, advanced metering infrastructure meters on feeders and distribution transformers, provision of smart metering to reduce losses, etc., in urban areas.

Despite these measures, consumers in many parts of the country do not get reliable 24x7 electricity. AT&C losses and the ACS-ARR gap remain high. This sub-optimal performance of the distribution sector is due to structural and management deficiencies and weakness in the infrastructure.

The GoI also aims to transform the electricity distribution sector through the transition to smart meters under RDSS. Smart meters can improve the operational efficiency of distribution utilities, support their financial sustainability, and enhance consumer services by enabling more accurate monitoring of electricity consumption, improving billing efficiency, and reducing power theft. A smart meter is a digital meter that replaces analogue ones used in homes to record electrical usage. These digital meters can transmit energy consumption information to the utility (since they are connected to the internet) at frequent intervals, and can monitor consumption more precisely, thereby enabling more informed energy choices. These meters nullify power theft and help improve a discom's billing efficiency.

Policies and regulations

The CEA notified the Installation and Operation of Meters (Amendment) Regulations, 2019, on December 23, 2019. Further amendments to this were announced with the Installation and Operation of Meters (Amendment) Regulations, 2022, on February 28, 2022. These amendments stipulated that all new consumer meters would be smart ones with the prepayment feature. Further, existing analogue meters were to be replaced with smart ones that have the prepayment feature, within a time frame specified by the central government.

The MoP notified the timelines for the installation of smart meters vide Gazette notifications dated August 17, 2021, and May 23, 2022. The amendment has mandated the installation in phases (as per timelines stipulated under the RDSS scheme) for all discoms, irrespective of their participation in the RDSS scheme. The government has recently announced, in response to questions in the Rajya Sabha, that it is extending the deadline for the installation of smart meters to March 31, 2026.

Emerging business models

Smart meters are being installed under two modes of operation—total expenditure (totex) and operational expenditure (opex).

RDSS has recommended the implementation of the totex mode through PPP. Under this mode, an advanced metering infrastructure service provider (AMISP) will supply, maintain and operate the metering infrastructure. It will carry out both capital and operational expenditure under design, build, fund, own, operate and transfer, or similar modes and will be paid for a portion of its capital expenditure initially, with the remaining over the O&M period.

Under the opex mode, a contracted AMISP will incur both capex and opex during the built-up and O&M phases. The discom will then pay the agency a cost per meter every month, over the recovery period (usually up to seven to eight years).

According to the RDSS scheme, the discom is to receive budgetary support from the central government, which will be 15% of the approved cost for metering works, including the operational cost, subject to a maximum of Rs 900 per consumer prepaid smart meter. Discoms will pay the remaining amount over the O&M period. As part of the main features and guidance notes of the SBD for the appointment of advanced metering infrastructure service provider for smart prepaid metering in India, issued by the government on October 22, 2021, under the RDSS scheme, the accounting process of AMISP payment will be as follows:

- Transaction nature: Payment to the AMISP by the discom will be considered opex on the discom's account
- Regulatory treatment: The discom is to consider AMISP payments as opex, while filing ARR and a tariff review petition to the SERC

Almost all states are to opt for the totex mode for the smart metering scheme, under RDSS.

State-wise smart meter investment and installation plan

As per the RDSS guidelines, the implementation of smart meters was to be taken up in mission mode in identified contiguous areas. The guidelines state that installation would be taken up in two phases—the first phase is to be completed by December 2023, where the following areas will be taken up on priority. However, the scheme is facing delays.

The first phase until December 2023 was to cover the following areas on priority:

- All union territories
- All electricity divisions of 500 Atal Mission for Rejuvenation and Urban Transformation cities, with AT&C Losses >15% in the base year
- Industrial and commercial consumers
- All government offices at the block level and above
- Other areas with high losses, which would mandatorily include electricity divisions having more than 50% consumers in urban areas and with AT&C losses more than 15% and other electricity divisions with more than 25% AT&C losses

The second phase was to be completed by March 2025 and was to include electricity divisions with more than 50% consumers in urban areas and with AT&C losses of 15% or less, and other divisions with AT&C losses of 25% or less.

Amounts sanctioned for states towards smart metering under the RDSS is given in table

Table 21: State-wise sanctioned amount for smart metering under the RDSS as of December 2023

State	Sanctioned cost of smart metering (Rs billion)	No. of sanctioned smart meters (million)
Arunachal Pradesh	1.84	0.3
Andhra Pradesh	41.28	5.7
Assam	40.5	6.4
Bihar	20.21	2.4
Chhattisgarh	41.05	6
Goa	4.69	0.7
Gujarat	106.42	16.5
Himachal Pradesh	17.88	2.8
J&K	10.64	1.5
Kerala	82.31	13.2
Madhya Pradesh	87.69	12.9
Maharashtra	152.15	23.5
Manipur	1.21	0.2
Meghalaya	3.1	0.5
Mizoram	1.82	0.3
Nagaland	2.08	0.3
Puducherry	2.51	0.4
Punjab	57.69	8.7
Rajasthan	97.15	14.2
Sikkim	0.97	0.1
Tamil Nadu	192.35	30
Tripura	3.19	0.5
UP	189.56	26.9
Uttarakhand	10.51	1.6
West Bengal	126.7	20.7

Source: Crisil Intelligence

As of March 2026, Rs. 2.83 trillion have been sanctioned for loss reduction and smart metering works across all states/UTs under RDSS.

While the guidelines have a clear timeline for installation of smart meters, execution is likely to spill over. We expect an investment of Rs 760-780 billion for installation of a total of 280-290 million smart meters in the country over fiscals 2024-2028. Bihar, Maharashtra and Uttar Pradesh will lead investment with 23%, 20% and 17% share, respectively.

Table 22: Smart meter installation trajectory

	24	25	26	27P	28P
Smart meter additions (million)					7

E – estimated; P – projected

Source: Crisil Intelligence

Table 23: Smart meter investment trajectory

	24	25	26	27P	28P
Investments in smart meter installation (Rs billion)	4	8	1	5	5

E – estimated; P – projected

Source: Crisil Intelligence

Table 24: Investment in smart meter installation between fiscal 2024 and fiscal 2028 at Rs 760-780 billion

States	Investments during FY24-FY28P (Rs billion)
Bihar	170-175

States	Investments during FY24-FY28P (Rs billion)
Maharashtra	145-150
Uttar Pradesh	125-130
Assam	105-110
Madhya Pradesh	60-65
Gujarat	60-65
Andhra Pradesh	40-45
Rajasthan	35-40
Tamil Nadu	0-5
Telangana	0-5
Karnataka	0-5
Total	760-780

P – projected

Source: Crisil Intelligence

The installations will be driven by the central RDSS aimed at reducing inefficiencies. Therefore, a part of the required investment will also come through central grants under the scheme, which will ease the financial burden on discoms. Bihar is expected to lead the additions, amounting to comparatively high investment quantum of Rs 170-175 billion. The western pool of Gujarat, Madhya Pradesh and Maharashtra are expected to invest Rs 275-280 billion.

Add SWOT Analysis

Figure 45: SWOT analysis of India's smart metering ecosystem.

 Strengths • Government support through RDSS • Smart metering regulations notified by CEA and implementation timelines notified by the Ministry of Power • The TOTEX implementation model enables efficient risk sharing among stakeholders • Government budgetary support of 15% of the approved metering cost, subject to a cap of Rs 900 per prepaid smart meter	 Weaknesses • AT&C losses and ACS-ARR gaps remain high • Distribution infrastructure continues to face structural and management deficiencies
 Opportunities • Government target to deploy 250 million prepaid smart consumer meters across India. • Large state-wise sanctioned smart meter deployments under RDSS	 Threats • The pace of smart-meter deployment has been affected by slower than expected consumer adoption • Weak financial position of DISCOMs may affect the pace of smart meter deployment

Source: Crisil Intelligence

OUR BUSINESS

Unless otherwise stated, references in this section to “we,” “our” or “us” (including in the context of any financial information) are to the Company and its Subsidiaries, and to the extent it is accompanied by financial information, such information is included on a consolidated basis. To obtain a complete understanding of our Company and business, prospective investors should read this section in conjunction with the sections titled “Risk Factors”, “Industry Overview” and “Financial Information” on pages 35, 497 and 98, respectively, as well as financial and other information contained in this Preliminary Placement Document as a whole. Additionally, please refer to the section titled “Definitions and Abbreviations” on page 20 for the definition of certain terms used in this section.

Some of the information in the following section, especially information with respect to our plans and strategies, consists of certain forward-looking statements that involve risks and uncertainties. Our actual results may differ materially from those expressed in, or implied by, these forward-looking statements. You should read the section “Forward-Looking Statements” on page 16 for a discussion of the risks and uncertainties related to those statements and the section “Risk Factors” on page 35 for a discussion of certain risks that may affect our business, financial condition, or results of operations.

*Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Power transmission and distribution, and smart metering” issued in July 2026 (“**CRISIL Report**”) prepared and issued by CRISIL Intelligence, appointed by us and exclusively commissioned and paid for by us in connection with the Offer, and other publicly available information. CRISIL Intelligence has used various primary and secondary sources including government sources as well as international agencies to prepare the report. The data included herein includes excerpts from publicly available documents from various sources and the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data, or information (which may be relevant for the proposed Issue) that has been left out or changed in any manner. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular year refers to such information for the relevant calendar year. For further details and risks in relation to the CRISIL Report, see “Risk Factors – 51. Industry data in this document is derived from the CRISIL Report commissioned by and paid for us for such purpose. The CRISIL Report is not exhaustive and is based on certain assumptions, parameters, and conditions. The data and statistics in the CRISIL Report may be inaccurate, incomplete, or unreliable” on page 60.*

Unless otherwise indicated or the context otherwise requires, the information included in this section has been derived from the Audited Financial Statements. Unless otherwise stated, all financial numbers are presented in crores. 1 crore is equal to 10.00 million.

Overview

We are part of the Adani portfolio, which had an average market capitalization of ₹14 trillion during the three months ended June 30, 2026 and is one of the largest listed business groups in India in terms of market capitalization during the same period.²⁵ We are an integrated pan-India energy solutions provider through our multiple businesses, including transmission, distribution, smart metering, centralized cooling and an energy solutions platform. We are one of the leading players in India’s transmission and distribution sector and India’s largest private sector transmission company, with a 42.1% share of the private operational network as of March 31, 2026.²⁶ Our Subsidiary, Adani Electricity Mumbai Ltd. (“**AEML**”), is the largest private distribution licensee in Mumbai with a customer base of 3.27 million as of March 31, 2026.²⁷ We are one of India’s leading advanced metering infrastructure service providers as of March 31, 2026 and are among the few companies to have cumulatively installed 11.40 million smart meters across discoms as of March 31, 2026.²⁸ We have secured ten contracts totaling to 24.60 million smart meters, representing approximately 16.30% of the smart metering market awarded in India as of March 31, 2026.²⁹ We have also recently entered the cooling solutions business to deliver centralized and energy-efficient cooling under a “cooling-as-a-service” model with approximately 76,000 tons of refrigeration (“**TR**”) of projects under implementation as of June 30, 2026. In addition, we have established an energy solutions platform with supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of battery energy storage systems (“**BESS**”) and an energy portfolio of over 1.00 GW across commercial and industrial (“**C&I**”) customers, data centers and utilities.

We are contributing to India’s energy transition goals with our portfolio of assets in transmission that will aid evacuation of renewable power (Green Energy Corridor), coupled with high renewable power penetration in the distribution business and expansion into the smart metering business, cooling solutions and energy solutions.

We operate five main businesses: (a) transmission; (b) distribution; (c) smart metering; (d) cooling solutions; and (e) an energy solutions platform.

²⁵ Source: CRISIL Report

²⁶ Source: CRISIL Report

²⁷ Source: CRISIL Report

²⁸ Source: CRISIL Report

²⁹ Source: CRISIL Report

As of June 30, 2026, we have 27,949 circuit kilometers (“**ckms**”) of transmission lines across 14 states in India, of which 20,023 ckms were fully operational and 7,926 ckms were under construction. We operate 123,175 megavolt-ampere (“**MVA**”) of power transformation capacity under our transmission business as of the same date. As of June 30, 2026, our distribution business served over 3.29 million households (representing approximately 13.00 million distribution consumers) of AEML and 113 industrial customers of MPSEZ Utilities Limited (“**MUL**”). The annual energy requirement was approximately 13,660 million units (“**MUs**”) (12,245 MUs through AEML and 1,415 MUs through MUL) as of March 31, 2026. Through our power transmission business, we build, commission, operate and maintain electricity inter-state transmission systems (“**ISTS**”) and intra-state transmission systems (“**InSTS**”). As of June 30, 2026, we owned 35 fully operational transmission systems across the states of Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Chhattisgarh, Tamil Nadu, Telangana, West Bengal, Haryana, Jharkhand and Karnataka in India, which in aggregate have a network of power transmission lines of approximately 20,023 ckms and 82 substations having 123,175 MVA of transformation capacity. We are also developing 13 transmission systems across the states of Gujarat, Maharashtra, Rajasthan and Madhya Pradesh in India as of June 30, 2026. These transmission systems have a total network of power transmission lines of approximately 7,926 ckms and 11 substations having 73,775 MVA of transformation capacity. Our total under-construction transmission pipeline was ₹71,779 crore as of June 30, 2026. In July 2026, we were awarded an inter-state transmission project in Andhra Pradesh for certain proposed green hydrogen/ green ammonia projects as well as emerging digital infrastructure demand in the Pendurthi–Visakhapatnam region, with an estimated project value of approximately ₹8,500 crore.

The transmission systems were awarded to us under the “tariff-based competitive bidding” mechanism (“**TBCB**”) on a “build-own-operate-maintain” (“**BOOM**”) or “build-own-operate-transfer” (“**BOOT**”) basis. Our ISTS transmission systems earn revenue under long-term transmission services agreements (“**TSAs**”) and tariff orders passed by CERC, and our InSTS transmission systems earn revenue under long-term bulk power transmission agreements (“**BPTAs**”) and tariff orders passed by the relevant state electricity regulatory authority. These transmission systems receive availability-based tariffs under the TSAs or BPTAs, as applicable, irrespective of the quantum of power transmitted through the line. The tariff for transmission systems in India is contracted for the period of the TSA, which is up to 35 years from commercial operations date (“**COD**”), or BPTA, which is up to 25 years and may be renewed or extended for another ten years in accordance with the provision of underlying agreement, TSA or BPTA. Tariffs under the TSAs and BPTAs are billed and collected pursuant to the “point of connection” (“**PoC**”) mechanism, a regulatory payment pooling system. Under the PoC mechanism, payments are made to a central/state payment pool, and the proceeds are distributed proportionately to all transmission services providers, including us. The availability-based tariffs and PoC payment mechanism enable a stable and certain cash flow stream. For further details, see “*Industry Overview*” on page 497.

We have maintained an annual average availability for our operational transmission systems in excess of 99.50% since commissioning, for which we have earned maximum incentive revenues under the respective TSAs and BPTAs. Maintaining availability of the transmission systems in excess of 95.00% for high voltage direct current (“**HVDC**”) systems and 98.00% for AC systems gives us the right to claim incentives on a pro-rata basis, under the TSAs and BPTAs, ensuring an adequate upside to maximize availability.

We operate our electricity distribution business through our Subsidiaries AEML, AEML SEEPZ Limited (“**ASL**”) (a wholly owned subsidiary of AEML) and MUL. As of June 30, 2026, our distribution systems included AEML’s 594 ckms of 220 kV transmission lines and MUL’s 254 ckms of 220, 66, 33, 11 and 0.415 kV transmission lines and seven substations having 710 MVA transformation capacity. AEML has received various recognitions for its operational performance, customer service standards and governance practices. AEML has maintained an A+ integrated rating from the Power Finance Corporation during Fiscals 2025 and 2026 and was ranked first among distribution utilities by the Ministry of Power under its Integrated Utility Ranking for Fiscal 2026.³⁰ AEML has also received credit rating upgrades from domestic rating agencies, with both India Ratings and CRISIL Ratings upgrading its rating to AAA/Stable during Fiscal 2026. Additionally, CareEdge Global assigned a new international rating of BBB+ with a Stable outlook to AEML.

Leveraging our distribution and transmission platforms and expertise, we entered into the smart metering business in Fiscal 2023, which involves the installation of smart meters and providing end-to-end smart metering services under the design-build-finance-own-operate-and-transfer (“**DBFOOT**”) model. Smart meters can improve the operational efficiency of distribution utilities, support their financial sustainability, and enhance consumer services by enabling more accurate monitoring of electricity consumption, improving billing efficiency and reducing power theft.³¹ As of March 31, 2026, we have cumulatively installed 11.40 million smart meters, making it one of the highest smart meter installations in India as of the same date.³² Further, as of June 30, 2026, we have cumulatively installed 13.44 million smart meters. In addition, we have obtained an order book to install 24.60 million smart meters across five states in India as of June 30, 2026. At more than 22,000 to 23,000 installations per day, we had one of the highest installation rates in India’s smart metering industry during Fiscal 2026.³³ Further, our proposed acquisition of IntelliSmart Infrastructure Private Limited (“**IntelliSmart**”), subject to regulatory and other customary approvals. This is a smart metering joint venture between National Investment and Infrastructure Fund and Energy

³⁰ Source: CRISIL Report

³¹ Source: CRISIL Report

³² Source: CRISIL Report

³³ Source: CRISIL Report

Efficiency Services Limited and is expected to expand our smart metering portfolio and geographic presence, including in Gujarat, Uttar Pradesh and Madhya Pradesh, and further enhance the scale of our smart metering platform.

Further, we recently forayed in our cooling solutions business through our wholly owned Subsidiary, Adani Cooling Solutions Limited (“ACSL”), which constructs and operates centralized district cooling systems on a design-build-finance-own-operate (“DBFOO”) basis. As of June 30, 2026, we are developing a township project at Shantigram, Ahmedabad. We have also identified a pipeline of approximately 278,950 TR across airports, data centers, industrial estates, IT hubs, metro rail projects and real estate developments as of the same date. Separately, we operate an energy solutions platform that serves as an end-to-end energy management offering for large power consumers across sectors including cement, airports, data centers, ports, automotive, chemicals and fertilizers, FMCG, textiles, metals, infrastructure and hospitality.

We received a credit rating of BBB- and Baa3 Stable by Fitch and Moody’s, respectively, in Fiscal 2026. Further, the Japan Credit Rating Agency assigned a long-term foreign currency credit rating of BBB+ (Stable) to us in January 2026. In Fiscals 2026, 2025 and 2024, we generated a total income of ₹28,325.16 crore, ₹24,446.55 crore and ₹17,218.31 crore, respectively, an EBITDA (before exceptional items) of ₹8,725.97 crore, ₹7,745.98 crore and ₹6,322.15 crore, respectively, and a net profit after tax of ₹2,392.75 crore, ₹921.69 crore and ₹1,195.61 crore, respectively.

The following table sets out key financial metrics for the periods/years indicated on a consolidated basis:

Particulars	As of and for the financial year ended March 31,		
	2026	2025	2024
	(₹ in crores, except as otherwise specified)		
Financial Metrics			
Revenue from Operations	27,588.03	23,767.09	16,607.36
Total Income	28,325.16	24,446.55	17,218.31
Total Tax Expense	771.71	178.99	580.13
Exceptional Items	Nil	(1,506.02)	Nil
Profit Before Exceptional items, Tax and Deferred Assets Recoverable/Adjustable for the Year	3,114.84	2,580.87	1,779.56
Finance Costs	3,632.90	3,259.16	2,766.51
Depreciation and Amortization Expense	1,978.23	1,905.95	1,776.08
EBITDA (before exceptional items) ¹	8,725.97	7,745.98 ⁶	6,322.15
EBITDA Margin (before exceptional items) ²	30.81%	31.69%	36.72%
Profit After Tax for the Year	2,392.75	1,810.00 ^{6&7}	1,195.61
Profit After Tax Margin ³	8.45%	7.40% ^{6&7}	6.94%
Cash Profit	4,700	4,292 ⁷	3,257
Total Assets	92,834.92	73,960.10	58,578.81
Net Worth (Total Equity)	26,525.64	23,011.26	13,703.13
Return on Capital Employed ⁴	8.72%	9.12%	8.98%
Return on Equity ⁵	9.66%	9.86%	9.00%
Operational Metrics			
System Availability	99.7	99.7	99.6
Transmission:			
Operational Assets (nos.)	35	30	28
Under Construction	13	15	9
Under Construction (circuit kilometres)	7,926	7,471	3,073
Total Transmission Network	27,949	26,696	20,509
Distribution:			
Regulated Asset Base - AEML	10,521	9,549	8,485
Customer Base (in million)	3.27	3.18	3.18
Units Sold (in million)	11,959	11,506	10,574
Distribution Loss	4.21	4.77	5.29
Smart Metering:			
Meters Portfolio (in million)	24.6	22.8	22.8
Cumulative Meters Installed (in million)	11.36	3.13	NA

Particulars	As of and for the three months ended June 30,	
	2026	2025
	(₹ in crores, except as otherwise specified)	
Financial Metrics		
Revenue from Operations	9,711.08	6,819.28
Total Income	9,852.20	7,025.49
Total Tax Expense	155.91	117.12
Exceptional Items	Nil	Nil
Profit Before Exceptional items, Tax and Deferred Assets Recoverable/Adjustable for the Period	1,441.04	658.05

Particulars	As of and for the three months ended June 30,	
	2026	2025
Finance Costs	1,151.73	894.03
Depreciation and Amortization Expense	585.35	464.82
EBITDA (before exceptional items) ¹	3,178.12	2,016.90
EBITDA Margin (before exceptional items) ²	32.26%	28.71%
Profit After Tax for the Period	1,236.56	538.94
Profit After Tax Margin ³	12.55%	7.67%
Cash Profit	1,775.91	1,042.63
Total Assets	97,669.09	78,014.89
Net Worth (Total Equity)	27,585.61	23,610.79
Operational Metrics		
System Availability	99.63	99.83
<i>Transmission:</i>		
Operational Assets (nos.)	35	33
Under Construction	13	13
Under Construction (circuit kilometres)	7,926	7,063
Total Transmission Network	27,949	26,696
<i>Distribution:</i>		
Regulated Asset Base - AEML	10,353	9,433
Customer Base (in million)	3.29	3.24
Units Sold (in million)	3,685	3,210
Distribution Loss	5.16	4.24
<i>Smart Metering:</i>		
Meters Portfolio (in million)	24.60	22.80
Cumulative Meters Installed (in million)	13.44	5.54

Notes:

1. EBITDA (before exceptional items) is calculated as profit before tax and exceptional items for the year, plus finance costs and depreciation and amortization expenses.
2. EBITDA margin (before exceptional items) is calculated as EBITDA (before exceptional items) as a percentage of total income.
3. Profit after tax margin is calculated as profit after tax as a percentage of total income.
4. Return on capital employed is calculated as total EBIT by capital employed. Total EBIT is calculated as profit before tax, exceptional item and deferred assets recoverable / adjustable for the year plus finance cost. Capital employed is calculated as total assets minus current liabilities.
5. Return on equity is calculated as adjusted profit after tax attributable to owners for the year divided by total equity attributable to owners.
6. Adjusted for an exceptional item due to carve out of Dahanu Plant of ₹1,506.02 crore.
7. Adjusted for the regulatory income of ₹148.18 crore in T&D segment and net one-time deferred tax reversal of ₹469.00 crore in AEML distribution business.

Our Competitive Strengths

Mature operational assets with efficient operating history

We are one of the leading players in India's transmission and distribution sector and India's largest private sector transmission company, accounting for 42.1% of the private operational transmission capacity as of March 31, 2026³⁴. We own 35 fully operational transmission systems (including transmission systems of AEML and MUL), with a total of 20,023 ckms of transmission lines across 14 states in India as of June 30, 2026. These transmission systems are operated under individual licenses. Once a transmission system has been commissioned, it requires relatively low levels of expenditure to operate and maintain, which means that we have the benefit of owning a critical asset without incurring significant operational costs. We reported one of the highest EBITDA margins (before exceptional items) for our transmission segment in the Indian transmission industry at 92.00% in Fiscal 2026.³⁵

These transmission systems have a strong operational track record. We have maintained an annual average availability for our operational transmission systems in excess of 99.50% since commissioning, for which we have earned maximum incentive revenues under the respective TSAs and BPTAs. Maintaining availability in excess of 95.00% for HVDC systems and 98.00% for AC systems gives us the right to claim incentives, on a pro-rata basis, under the TSAs and BPTAs, ensuring an adequate upside to maximize availability.

Our electricity distribution business, operated under AEML and MUL, comprises a well-established electricity distribution system that has been a reliable power supply since 1929. In Fiscals 2026, 2025 and 2024, AEML achieved an average service availability index of 99.998%, 99.996% and 99.996%, respectively, and only had a distribution loss of 4.21%, 4.77% and 5.29%, respectively, during the same years. AEML was ranked first among distribution utilities by the Ministry of Power under its Integrated Utility Ranking for Fiscal 2026.³⁶

³⁴ Source: CRISIL Report

³⁵ Source: CRISIL Report

³⁶ Source: CRISIL Report

We have also developed a scaled smart metering business, with 13.44 million smart meters installed and an order book of 24.60 million smart meters across five states in India as of June 30, 2026. At more than 22,000 to 23,000 installations per day, we had one of the highest installation rates in India's smart metering industry during Fiscal 2026.³⁷ Our smart metering operations are supported by digital and AI-enabled processes and provide long-term revenue visibility through contracted deployments and operations and maintenance services.

In addition, we have expanded into adjacent energy infrastructure businesses that leverage our existing capabilities across the energy value chain. Our cooling solutions business had approximately 76,000 TR of projects under implementation and a pipeline of approximately 278,950 TR as of June 30, 2026. In addition, our energy solutions platform provides integrated and customized energy solutions to C&I customers, data centers and utilities, leveraging diversified renewable power sourcing, round-the-clock ("RTC") power capabilities and digital enablement.

Strategically located transmission systems with high growth potential to support India's renewable capacity targets

Our transmission systems are located across 14 states in India, thereby having a pan-India presence. We have leveraged our transmission system to create a transmission network using our power transmission lines. This network, including assets under construction, currently consists of 27,949 kms traversing the states of Gujarat, Maharashtra, Rajasthan, Uttar Pradesh, Bihar, Madhya Pradesh, Andhra Pradesh, Karnataka, Chhattisgarh, Tamil Nadu, Telangana, West Bengal, Jharkhand and Haryana. Further, our transmission systems are connected to the national grid and can serve regions of India such as northeastern and eastern India.³⁸ Moreover, the locations and extensive reach of our system position us to support the GoI's renewable capacity target and transmission expansion plan. The GoI has set a target of 500 GW of renewable energy capacity by 2030. As of March 2026, the installed power generation capacity from renewable energy sources (excluding large hydro) stood at 223 GW, accounting for approximately 42% of India's total installed electricity generation capacity.³⁹ As per the current policy scenario under the Viksit Bharat vision, solar and wind energy technologies are expected to account for 56% of the power generation mix by 2050.⁴⁰ To meet growing electricity demand driven by demographic and economic growth, as well as the targeted expansion of renewable energy capacity, significant transmission infrastructure additions are planned. The transmission network is expected to expand from approximately 5.04 lakh circuit km as of February 2026 to 6.48 lakh circuit km by 2032.⁴¹ Further, the National Electricity Plan (Volume II: Transmission) outlines an ambitious roadmap to meet the projected peak power demand of 458 GW by 2032, necessitating an estimated investment of ₹9.16 lakh crore in transmission infrastructure.⁴² In view of the aforementioned and the rising demand for electricity in the areas we serve, we derive a strategic advantage from our pan-India presence and the connectivity of our transmission systems.

Track record of delivering growth organically and inorganically

We are one of the leading players in India's transmission and distribution sector and India's largest private sector transmission company, accounting for 42.1% of the private operational transmission capacity as of March 31, 2026.⁴³ We have a track record of executing projects successfully. Our timely and cost-efficient execution of projects provides us with a competitive advantage, particularly in view of the large size of the projects which we implement.

We have end-to-end capabilities that cover the bidding stage, project development, project execution and project close-out. We employ a team of professionals with experience in completing project management cycles in small, medium and large projects. We have successfully budgeted, developed and executed projects in diverse geographies, including the development and operation of the first +/- 500 kV bipolar HVDC transmission asset set up by a private company.⁴⁴ We have demonstrated our ability to capture growth through winning competitive bids and acquisitions of projects. In Fiscals 2026, 2025 and 2024, we were awarded three, seven and one projects, respectively, through competitive bidding, and we acquired one project in each of these years. Such projects included transmission, distribution and smart metering projects.

Our (i) access to financing; (ii) industry expertise in identifying and valuing new projects and assessing risks; and (iii) experience in implementing large projects allow us to build and operate transmission and distribution systems efficiently. We have experience in managing the entire life cycle of transmission systems, from conceptualization to commissioning to operation. Our execution philosophy is to "de-risk at every stage." We leverage the Adani portfolio's multi-decade pool of managerial experience across a range of competencies for executing our projects. We conduct extensive studies before bidding for projects, including conducting topographic studies, site diligence, drone-based diligence, route planning, and legal, regulatory and financial diligence, which helps us efficiently bid for projects, navigate the development process of each project and also improve the reliability of our pipeline. We execute the project construction phase strategically using the Adani portfolio's large talent pool, deploying the latest technology and engaging with vendors and suppliers efficiently. We have developed in-house capabilities for tower design, emergency restoration systems, power system analysis work and operations

³⁷ Source: CRISIL Report

³⁸ Source: CRISIL Report

³⁹ Source: CRISIL Report

⁴⁰ Source: CRISIL Report

⁴¹ Source: CRISIL Report

⁴² Source: CRISIL Report

⁴³ Source: CRISIL Report

⁴⁴ Source: CRISIL Report

and maintenance, representing our significant platform which provides us with the competitive advantage of economies of scale and scope. We have a strong capital management philosophy where we fund the different stages of project development and operations by tapping the capital markets or through bank loans, leveraging our Company's credit rating of BBB- and Baa3 Stable by Fitch and Moody's, respectively, in Fiscal 2026.

In addition to pursuing organic growth opportunities, we have also successfully integrated our acquisitions and entered into new markets. For example, through our acquisition of AEML and MUL, we expanded our operations into the distribution business, a sector with high barriers to entry such as the need for substantial capital investment and regulatory approvals and licenses, which provides AEML's and MUL's well-established distribution system a natural competitive advantage. As a result of our acquisition of AEML and MUL, we successfully developed a 'grid-to-switch' platform with integrated electricity transmission and distribution capabilities. Further, we successfully won bids for ten smart metering projects in India which are currently under implementation. We have also executed a securities purchase and subscription agreement on June 9, 2026 to acquire a 100% equity stake in IntelliSmart, subject to regulatory and other customary approvals. The proposed acquisition of IntelliSmart, which operates a portfolio of over 22.00 million meters across Uttar Pradesh, Gujarat, Madhya Pradesh, Bihar and Assam as of June 30, 2026, is expected to strengthen our position within India's smart metering industry and deliver synergies through economies of scale and integration with our broader energy platform.

Large distribution business customer base with continually growing rates of energy consumption and supportive regulatory scheme

Distribution utilities play a critical role in India's power sector by ensuring the reliable and efficient supply of electricity to end consumers.⁴⁵ Our distribution system serves a large and diverse customer base with continually growing rates of energy consumption.

We currently have distribution systems in the state of Maharashtra that we serve through our Subsidiary AEML, and in the state of Gujarat that we serve through our wholly owned Subsidiary MUL. AEML's customers increased by 3.46% from 3.18 million households to 3.29 million households (representing approximately 13.16 million distribution consumers), while MUL's customers increased by 17.70% from 96 to over 113 industrial customers as of March 31, 2024 to June 30, 2026.

The energy wheeled through AEML's distribution network has grown by 668 MUs, or 6.70%, from 9,916 MUs in Fiscal 2024 to 10,584 MUs in Fiscal 2026 while the maximum energy demand in the area has continued to increase. The energy wheeled through MUL's distribution network has grown by 717 MUs, or 108.80%, from 658 MUs in Fiscal 2024 to 1,375 MUs in Fiscal 2026. The maximum energy demand in the area for MUL has increased by 77.39% from 115 MW in Fiscal 2024 to 204 MW Fiscal 2026.

Our electricity distribution customers have strong credit profiles and high propensities to pay. As of June 30, 2026, AEML's distribution system spans over 400 sq. km and MUL's distribution system spans over 85 sq. km and caters to customers in the suburbs of Mumbai and the Mira-Bhayander Municipal Corporation in Thane district and Mundra region, District Kutch in Gujarat.

The per capita electricity consumption in India increased to 1,460 kWh in 2024-25, representing a rise of 503 kWh (approximately 52.6%) from 957 kWh in 2013-14, driven by population growth, industrialisation, economic expansion, and the strengthening of the country's transmission and distribution infrastructure.⁴⁶ This electricity consumption is projected to grow to 1,800-1850 BUs in Fiscal 2027.⁴⁷ Energy consumption is expected to be driven by the Government of India's increasing focus on rural electrification, railway electrification, the adoption of electric vehicles, and initiatives such as "24x7 Power for All."⁴⁸

Moreover, the 2006 introduction of TBCB has made the market more accessible for private entities. The private sector has commissioned 43 out of 76 projects since April 2015 and is currently executing 41 out of 84 projects under construction as of March 31, 2026.⁴⁹ Of these, our Company won 33 projects. The surge in electricity demand, renewable energy growth, the need for additional transmission and distribution infrastructure and competitive bidding offer substantial opportunities for our company.

The GoI also aims to transform the electricity distribution sector through the transition to smart meters under the Revised Distribution Sector Scheme ("RDSS").⁵⁰ To leverage this opportunity, we entered into the smart metering business, which involves the installation of smart meters and providing end-to-end smart metering services under the DFOOT model. As of March 31, 2026, we secured ten smart metering contracts totaling 24.60 million smart meters as of March 31, 2026, representing approximately 16.3% of the smart metering market awarded in India.⁵¹

⁴⁵ Source: CRISIL Report

⁴⁶ Source: CRISIL Report

⁴⁷ Source: CRISIL Report

⁴⁸ Source: CRISIL Report

⁴⁹ Source: CRISIL Report

⁵⁰ Source: CRISIL Report

⁵¹ Source: CRISIL Report

Payment pooling mechanism provides diversification of transmission business and reduces counterparty risk

The majority of our transmission business revenue is derived from tariffs charged to customers and is collected by the CTU for our ISTS and by the STU for our InSTS, in each case under the PoC mechanism. This payment pooling system is applicable to all customers of the power transmission grid across India, resulting in all transmission tariffs being collected by either the CTU or the STU. These are thereafter pooled and paid to the various transmission licensees in proportion to their yearly transmission charges as approved by the relevant regulatory authority, which helps to support a diversified business risk profile. Additional credit assurance is provided through multiple facets, including: all customers provide letters of credit; state grid users provide a bank guarantee; customer access to the network can be restricted in the event of credit failure; a regulated quantum of power can be sold by a relevant generating company also suffering a default; the proceeds of such power sale can be shared by the generating company and transmission licensee pro rata, after adjustment of energy charges and incidental expenses by the generating company; and penalty interest provisions can be implemented. These measures, in addition to the pooling system, provide strong credit to counterparties and security of payment.

Long-term, recurring, stable and predictable revenue streams provide strong cash flows

Our revenues are primarily derived out of contracted tariffs under long-term contracts (up to 35 years, while the licenses are for a period of 25 years and extendable by an additional ten years) from transmission systems with relatively low operating and maintenance costs. Below is a summary of the license period and remaining license life of transmission licenses granted to the transmission systems operated by us as of June 30, 2026:

Particulars	Approximate remaining TSA/ concession period from COD
Tiroda-Aurangabad Transmission System	24 years
Tiroda-Warora Transmission System	21 years
Mundra-Mohindergarh Transmission System	22 years
Mundra-Dehgam Transmission System	22 years
Maru Transmission Service Company LTD	12 years
Aravali Transmission Service Company LTD	13 years
Western Transmission (Gujarat) LTD	24 years
Western Transco Power LTD	22 years
Adani Transmission Bikaner Sikar Limited	25 years
Adani Transmission (Rajasthan) Limited	27 years
Fatehgarh Bhadla Transmission Limited	30 years
Hadoti Power Transmission Limited	28 years
Barmer Power Transmission Limited	28 years
Thar Power Transmission Limited	28 years
Raipur Rajnandgaon-Warora Transmission Limited	28 years
Sipat Transmission Limited	28 years
Chhattisgarh-WR Transmission Limited	28 years
Alipurduar Transmission Ltd.	29 years
Bikaner Khetri Transmission Limited	30 years
Ghatampur Transmission Limited	30 years
Lakadia Banaskantha Transco Limited	31 years
WRSS XXI(A) Transco Limited	31 years
Jamkhambhaliya Transco Ltd	31 years
Obra- C Badaun Transmission Limited	31 years
Karur Transmission Ltd	32 years
Kharghar Vikhroli Transmission Ltd	32 years
Warora Kurnool Transmission Ltd	32 years
Khavda Bhuj Transmission Ltd	33 years
Adani Energy Solutions Mahan Limited	27 years
KPSI Transmission Limited	34 years
Khavda II-A	34 years
North Karanpura Transco Limited	34 years
Sangod Transmission Service Limited	34 years
Adani Electricity Mumbai Infra Limited	35 years
MP Power Transmission Package-II Limited (MP II)	33 years

Our transmission systems receive tariffs on the basis of availability, irrespective of the quantum of power transmitted through the line, thereby reducing demand risks. The tariffs for our transmission systems regulated under Section 62 of the Electricity Act, 2003 are determined on a cost-plus basis, with an assured return on equity, on a post-tax basis (i.e., the return is grossed up by the applicable tax rate for the relevant year).

Similar to our transmission business, our distribution business offers the benefits of a long-term asset with regulated returns and high cash flow visibility. AEML has been in the distribution business for over 90 years (including the operational history of the predecessor company/license AEML acquired) and operates under a perpetuity-like distribution concession with optional

25-year extensions, and MUL has been in the distribution business for over ten years. In addition to the regulated returns we receive from our transmission and distribution businesses, we intend to leverage on technology and our expansive network of retail distribution customers to pursue cross-sell and upsell opportunities that provide non-regulated revenues.

Our long-term transmission and distribution licenses, together with a stable regulatory framework, provide us with recurring diversified revenue streams and mitigate the risks arising from economic and other uncertainties such as those resulting from pandemics, high coal prices in light of the Russia-Ukraine conflict and other global geopolitical tensions.

Further, all operating charges incurred by our operational transmission systems are fully recoverable from end-users by way of fixed operating charges. Our contracts provide for a commitment for tariff payment from users to us. Our revenues from our transmission systems are adequately protected from non-payment of tariffs by end-users, as the applicable regulations require end-users to provide standby letters of credit and/or bank guarantees in favor of the STU and CTU, which reduces the risk of payment defaults by our customers.

We believe our financial position will help us finance our expansion plans in the coming years. Additionally, our transmission systems and distribution system have low operational risks and stable revenue-generating ability, with long-term revenue visibility in a stable regulatory framework. Our transmission systems and distribution network, are fully operational, and enable us to diversify our operational and regulatory risks, thereby improving our credit profile. Accordingly, our credit profile will allow us to access the debt markets to meet our financing requirements.

Skilled and experienced senior management team and competent and committed workforce

We are led by our Promoters, Mr. Gautam S. Adani and Mr. Rajesh S. Adani, supported by an able and experienced senior management. Our board of directors has a combined experience of over three decades. Our highly experienced and professional management team provides us with a key competitive advantage. Most members of our senior management have extensive experience in the industries we operate in. This results in effective operational coordination and continuity of business strategies. We also benefit from having an engineering team with diverse capabilities in design, construction, project management, procurement and quality assurance. Our engineering team ensures that our projects are successfully executed and that ongoing operations maintain high levels of availability. The skills and diversity of our senior management team, engineers and other members of our workforce also give us the flexibility to respond efficiently and effectively to changes in the business environment.

Our personnel policies are designed to recruit talented employees, facilitate their integration into our organization and encourage them to develop their skills and expertise. We have been successful in attracting experienced staff in various areas of our business, including operations, project management, engineering, technology and finance. Moreover, we invest resources in employee training and development, and we recruit through a competitive screening process to attract talent for various positions. We undertake training sessions for our employees on a regular basis to enhance their performance and improve their competencies, particularly with respect to their functional skills. In addition to these regular training sessions, we also build the capabilities of our employees through a year-long behavioral learning program.

Our Strategies

Increase our capacity, strengthen our market share of the transmission and distribution sectors and enter new markets, including the smart metering, cooling solutions and energy solutions platform businesses

We intend to continue to increase our capacity and strengthen our position in the transmission and distribution sectors. We are currently in the process of developing 13 transmission systems with a total under-construction pipeline of ₹71,779 crore as of June 30, 2026. When these transmission systems come online, they will expand our current operational transmission network from 20,023 ckms (as of June 30, 2026) to up to 27,949 ckms. We have set a target to develop 30,000 ckms of transmission lines by Fiscal 2030. We were also recently awarded the Visakhapatnam transmission project, which is expected to add up to 1,582 ckms of transmission lines and up to 10,500 MVA of transformation capacity, and support power supply requirements for proposed green hydrogen and green ammonia projects as well as emerging digital infrastructure demand in the Pendurthi–Visakhapatnam region. We also plan on pursuing additional value-accretive opportunities in the electricity distribution space in the future. We incurred ₹14,232.00 crore and ₹3,498.00 crore of capital expenditure in Fiscal 2026 and the three months ended June 30, 2026, respectively, which is reflective of our continued investment momentum and execution strength.

Further, we intend to strengthen our existing market share by pursuing new growth opportunities in a disciplined manner focusing on returns. In relation to our transmission business, we evaluate, and intend to continue to evaluate, opportunities to bid for upcoming ISTS projects via the TBCB process. We also evaluate and intend to continue to evaluate opportunities to bid for InSTS projects via the TBCB or DBFOT process. TBCB assets are acquired under a strict risk adjusted return on capital framework with a focus on build quality and operations and maintenance (“O&M”) excellence. We will strive to maintain our market share in fixed tariff transmission systems by pursuing inter-state, intra-state and brownfield acquisitions. We will continue to build on our experience as one of the few private providers of electricity distribution to increase our market share through bidding for new opportunities, including by leveraging on second license options in SEZs and various cities in India. We also seek to expand into new regions through parallel licensing opportunities. As of June 30, 2026, we have submitted

parallel license applications across the states of Maharashtra, Gujarat, Uttar Pradesh and Haryana. In the future, we plan on expanding our presence to other regions of India, including the Southern and North-Eastern regions, and we continue to evaluate opportunities to pursue international projects.

The GoI's RDSS and initiative for the nationwide rollout of smart meters by installing 250 million presents a significant growth opportunity within smart metering business.⁵² The smart metering market is expected to attract investments of approximately ₹760-780 billion during Fiscal 2024 to Fiscal 2028.⁵³ Our existing experience in implementing and operating smart metering projects, combined with our distribution and transmission businesses' synergies and customer insights, position us favorably in this sector. As of March 31, 2026, we secured ten smart metering contracts totaling 24.60 million smart meters as of March 31, 2026, representing approximately 16.3% of the smart metering market awarded in India⁵⁴ As of March 31, 2026, we had installed 11.40 million smart meters cumulatively across India, with an estimated untapped market opportunity of approximately 99 million meters remaining.⁵⁵ Leveraging our 16.3% market share and one of the highest installation rates in India's smart metering industry of 22,000 to 23,000 installations per day during Fiscal 2026,⁵⁶ we aim to further solidify our position in the industry. We have also executed a securities purchase and subscription agreement on June 9, 2026 to acquire a 100% equity stake in IntelliSmart, subject to regulatory and other customary approvals. The proposed acquisition of IntelliSmart, which operates a portfolio of over 22 million meters across Uttar Pradesh, Gujarat, Madhya Pradesh, Bihar and Assam as of June 30, 2026, is expected to strengthen our position within India's smart metering industry and deliver synergies through economies of scale and integration with our broader energy platform.

We also intend to expand our recently forayed cooling solutions business, which involves the construction and operation of centralized cooling systems under the DBFOO model. As per the India Cooling Action Plan, 2019, India's cooling demand is projected to increase by around eight times by 2037-38 compared with the 2017-18 baseline.⁵⁷ As of June 30, 2026, we have approximately 76,000 TR of projects under implementation and a pipeline of approximately 278,950 TR across real estate, airports, IT hubs, industrial estates, data centers and metro rail projects. We expect to benefit from the large addressable market with respect to nationwide infrastructure (e.g., airports, data centers, SEZs and realty spaces) in which we can leverage our existing synergies by offering an integrated solution with power sourcing from our grid. Our focus remains on commissioning ongoing projects, including those at Shantigram and Mundra SEZ, and progressing the conversion of our pipeline of centralized cooling opportunities. We also intend to evaluate and develop large independent cooling systems serving real estate developments, townships, university campuses and industrial estates, including projects utilizing public infrastructure land and municipal rights of way. Further, we intend to pursue strategic capital partnerships and continue investing in scalable, efficient and environmentally responsible technologies to support the growth of our cooling solutions platform.

We also seek to scale our recently established energy solutions platform, an emerging growth business offering integrated, customer-centric and low-carbon energy solutions across C&I customers, data centers and utilities. As of June 30, 2026, we had supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of BESS and an energy portfolio of over 1.00 GW across C&I customers, data centers and utilities. We intend to continue expanding this platform by providing integrated energy solutions leveraging renewable energy sourcing, RTC power capabilities, BESS and digital enablement. We also seek to leverage opportunities in the data center sector, which stands out as a high-growth opportunity driven by accelerating digital infrastructure demand and the need for reliable, scalable and sustainability-linked power solutions.⁵⁸ In addition, we intend to offer integrated RTC power solutions combining renewable energy, conventional sources and storage solutions to utilities, supporting renewable energy integration, grid reliability and efficient utilization of transmission infrastructure.

Due to our knowledge and experience in managing projects, we expect to undertake this expansion with the aims of minimizing execution risks and optimizing returns, by fully utilizing our platform as one of India's largest private sector transmission and distribution companies.

Focus on increasing the value of our distribution business including through renewable energy

With the acquisition of AEML and MUL, we are uniquely positioned to expand our base in Mumbai and Gujarat, especially in the business-to-consumer sector of the power business. We aim to expand our distribution business into new geographies beyond AEML's 400 sq. km. and MUL's 85 sq. km. licensing areas by securing parallel distribution licenses. As of June 30, 2026, we have submitted parallel license applications across the states of Maharashtra, Gujarat, Uttar Pradesh and Haryana. We continually evaluate similar geographies across India and target regions with high commercial and industrial energy consumption, high consumption density, substantial growth potential, and significant anchor loads such as data centers, manufacturing industries and airports. This expansion into new territories will enable us to serve a broader customer base, deploy our capital effectively, boost our revenue and enhance our returns.

⁵² Source: CRISIL Report

⁵³ Source: CRISIL Report

⁵⁴ Source: CRISIL Report

⁵⁵ Source: CRISIL Report

⁵⁶ Source: CRISIL Report

⁵⁷ Source: CRISIL Report

⁵⁸ Source: CRISIL Report

We intend to enhance our portfolio of non-regulated services by leveraging AEML's existing distribution customer base of over 3.29 million households (representing approximately 13 million distribution customers) and MUL's 113 industrial customers as of June 30, 2026 to capitalize on the growth trends in the distribution space. For example, we plan to offer new ancillary services (such as fiber and tower leasing across geographies and towns, rooftop solar, electric vehicle charging stations, new licenses alongside city gas distribution licenses, fiber to home, broadband, on-demand entertainment, e-security and smart home products) and target new segments of customers (such as open access customers, SEZs, smart colonies and smart grids). Our distribution portfolio provides us access to a network spanning over 400 sq. km. as of June 30, 2026, which we intend to opportunistically exploit through various commercial initiatives across city distribution.

We continuously strive to procure power from cheaper and sustainable sources with an overall objective to offer affordable power to the consumers of Mumbai. We are committed to building out our supplies of renewable energy sources in the near future and increasing the share of renewable energy in our power supply mix from 37.00% as of June 30, 2026 to 60.00% by 2027, while driving down the cost of power purchase. To this end, we intend to launch the Mumbai Green Energy Initiative to give consumers the flexibility to set their targets for renewable energy. As part of that initiative, we intend to provide our consumers with the option to buy clean power under MERC's current program of providing 100% renewables by charging an additional green power tariff fee per kWh. In addition, we intend to offer certificates to our qualifying consumers stating that all of their power requirements have been supplied through renewable energy sources.

Improve operating performance by modernizing our transmission and distribution infrastructure and services and by maintaining industry best practices

We intend to maintain high transmission and distribution availability, optimize our operating costs and incorporate more energy-efficient technologies into our operations so that we are well-positioned to capitalize on future growth opportunities. Our Engineering Network Operations Center ("ENOC") enhances our operations' efficiency, safety and security. As a centralized hub, ENOC allows for remote operations, real-time network monitoring and management, facilitating swift incident response and proactive maintenance. We have also enabled remote operation of substations through ENOC, reducing on-site manpower requirements, enhancing safety and improving operating efficiency. We leverage data analytics for equipment failure prediction and performance optimization, supporting informed decision-making. By maintaining high transmission availability rates, we are eligible to receive an incentive payment under applicable Tariff Regulations, and we have a track record of successfully doing so. We view these incentive payments not only from a financial perspective, but also as a demonstration of our ability to efficiently maintain our transmission systems above the required regulatory level. We also intend to undertake further improvements in our operations and maintenance practices. For example, we have procured emergency restoration systems to mitigate exigencies and maintain high system availability and reliability, and we have hired skilled employees to maintain these systems. Further, we have implemented a plant maintenance module and a linear asset management module from SAP at all of our substations in order to ensure efficient and effective asset utilization and monitoring. We also utilize hotline techniques to undertake maintenance on our transmission systems without interrupting power transmission. In addition, we have undertaken business process re-engineering initiatives to enhance operational efficiency and standardization across our operations and are progressing the digitization of end-to-end operations and maintenance processes to support data-driven decision-making and productivity improvements. We are also committed to enhancing operational efficiencies in our distribution business by improving the heat rate and availability of our distribution system and reducing aggregate technical and commercial losses, thereby supplying reliable and quality power to our customers.

We intend to modernize our infrastructure and services and to follow industry best practices. As we grow our transmission business, our engineering department continuously strives to adopt new and improved transmission tower designs with a focus on cost reduction through reducing our consumption of materials such as steel, aluminum and insulators. In-house designs also provide us the flexibility, not offered by standard designs, to customize environmental and technical parameters. We also increasingly utilize advanced technologies, including drones and AI/ML-enabled tools for transmission line inspections, to improve asset monitoring, automate defect identification and reduce manual intervention. For our existing infrastructure, we also intend to maintain those assets so as to increase their useful life to the extent possible in order to obtain cost efficiencies and to increase prospects for license renewal. Further, we will leverage our technology to offer new services to our distribution customers, such as rooftop solar energy, electric vehicle charging stations and smart home products.

Our History

Adani Enterprises Limited ("AEL"), an Adani portfolio company, commenced its transmission business directly and through one of its then-subsidaries, Adani Power Limited ("APL"), in 2006. Our Company was incorporated on December 9, 2013.

The Mundra-Dehgam transmission system and Mundra-Mohindergarh transmission system were initially owned and operated by APL, and the Tirorda-Warora Transmission System was initially owned and operated by Adani Power Maharashtra Limited ("APML"), another subsidiary of APL. As part of a reorganization process, these transmission systems were transferred to Adani Transmission (India) Limited ("ATIL") on April 1, 2014. Following this corporate reorganization, the board of directors of AEL approved the Scheme of Arrangement in January 2015 to demerge a number of its business lines, including its transmission business. This was done in order to simplify its corporate structure, enable greater management focus, enhance value for shareholders and provide scope for independent collaboration and expansion. Pursuant to the Scheme of Arrangement, the transmission business of AEL and its two subsidiaries, ATIL and Maharashtra Eastern Grid Power Transmission Company

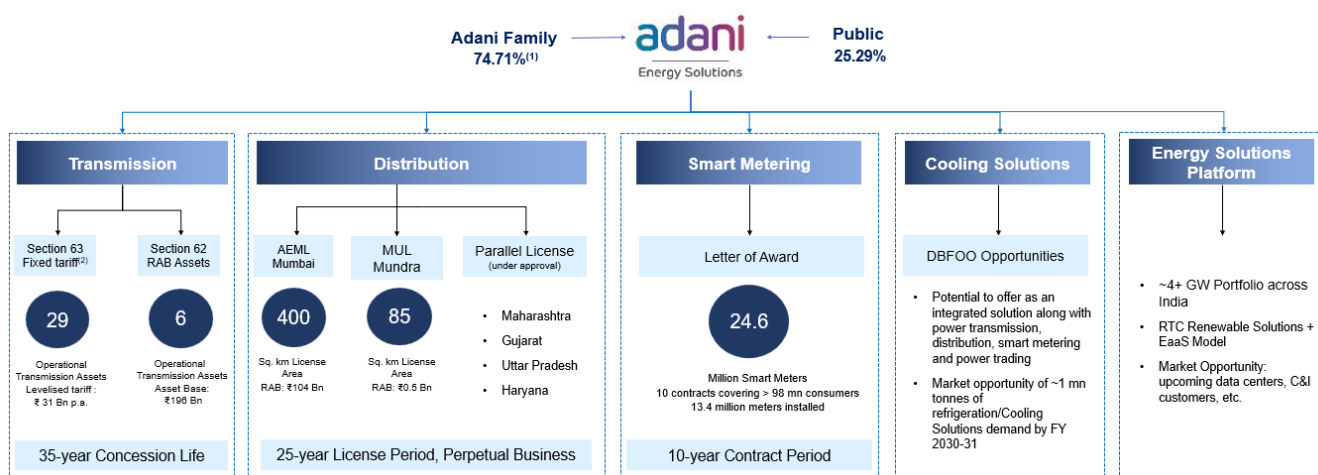
Limited (“**MEGPTCL**”), were transferred to our Company as a going concern in March 2015 and our Company was demerged from AEL. In the ensuing years, we have incorporated and entered into share purchase agreements to acquire various additional subsidiaries to develop our transmission systems.

On August 29, 2018, we completed our acquisition of Reliance Electric Generation and Supply Limited from R-Infra and renamed it as AEML. AEML’s operations have been in existence since 1929. On December 21, 2017, we entered into a share purchase agreement with R-Infra to acquire its Mumbai distribution business. Pursuant to the share purchase agreement, R-Infra’s Mumbai distribution business was de-merged from R-Infra and transferred to Reliance Electric Generation and Supply Private Limited. Reliance Electric Generation and Supply Private Limited was originally a wholly owned subsidiary of R-Infra, initially incorporated as Daffodil Advisors Private Limited on September 18, 2008. On August 4, 2016, our Company became a public company. On August 29, 2018, we acquired 100% of the equity share capital of Reliance Electric Generation and Supply Private Limited, which we renamed as AEML on August 31, 2018. AEML now operates as a wholly owned Subsidiary of our Company. On December 15, 2021, we signed a share purchase agreement with Adani Ports and Special Economic Zone Limited (“**APSEZ**”) for the acquisition of MUL, which is now a wholly owned Subsidiary of our Company.

We entered the smart metering business in Fiscal 2023. We operate our smart metering business through AESL and the wholly owned Subsidiaries of our Company, BEST Smart Metering Limited, NE Smart Metering Limited, Adani Transmission Step-Six Limited, Adani Transmission Step-Seven Limited and Adani Transmission Step-Eight Limited. Further, on June 9, 2026, we executed a securities purchase and subscription agreement to acquire a 100% equity stake in IntelliSmart, subject to regulatory and other customary approvals. The proposed acquisition is expected to expand our smart metering portfolio and strengthen our position within India’s smart metering industry. We also operate our cooling solutions business through our subsidiary ACSL. We have also established an energy solutions platform offering integrated energy services to C&I customers, data centers and utilities.

Our Operations

Our business can be broadly categorized under five categories: (a) transmission; (b) distribution; (c) smart metering; (d) cooling solutions; and (e) an energy solutions platform.

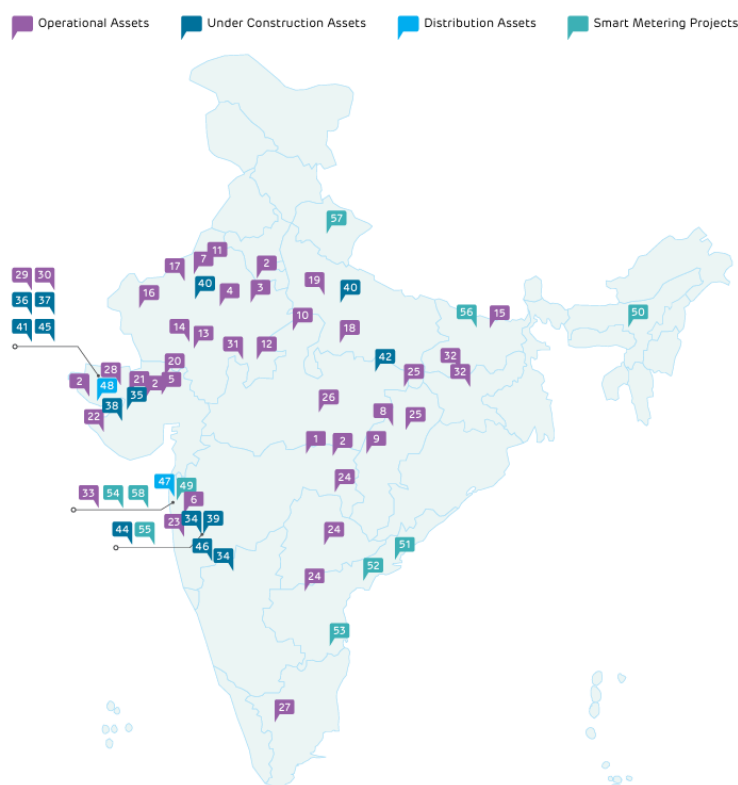


Notes:

As of June 30, 2026.

TBCB: Tariff based competitive bidding; RAB: Regulated Asset Base; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ Utilities Limited; Sq. Km: Square Kilometer.

The following map shows an overview of our network of transmission and distribution assets and smart metering assets as of June 30, 2026.



Notes:

Map not to scale (for representation purposes only)

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

Projects awarded under RTM basis (extension of existing projects)

Transmission Business

Our core business is electric power transmission over long distances at high voltages. Transmission networks supply electricity from generating resources to substations located near population and industrial centers. This is distinct from the local wiring between high-voltage substations and customers, which is typically referred to as electric power distribution. Transmission lines, when interconnected with each other, become transmission networks. Substations can include transformers that change voltage levels between high transmission voltages and lower distribution voltages, or they can function as the interconnection of two different transmission voltages. Power can be transmitted over transmission lines using either alternating current or direct current. The current in AC lines switches direction periodically, and the current in DC lines flows in a single direction. For this reason, DC transmission lines must be on a double circuit to transmit power in both directions simultaneously. The graphic below shows the relationship between the generation, transmission and distribution of electric power:



The Indian power industry is divided into five regions for the planning and operation of electricity generation, transmission and distribution: the Northern, Southern, Eastern, Western and North-Eastern regions.⁵⁹ Transmission of electricity within the regions is done through regional grids, and transmission of electricity between regions is done via the national grid.⁶⁰ The Northern, Eastern, Western, and North-Eastern regions are interconnected and operate as a single grid, known as the national grid.⁶¹ The Southern grid was synchronized with the all-India grid, the NEW grid, in December 2013 through the Raichur-Solapur 765 kV S/C line, thus leading to the formation of one synchronous national grid.⁶²

The transmission assets were awarded to us under two mechanisms: (1) TBCB; and (2) “cost-plus” basis. For more details on these tariff structures, see “*Management’s Discussion and Analysis of our Results of Operations – Significant Factors Affecting Results of Operations – Tariff Structure*” on page 475. The tariff for our ISTS and InSTS in India is contracted for the period of the TSA, which is up to 35 years from COD, or BPTA, which is up to 25 years and may be renewed or extended for another ten years in accordance with the provision of underlying agreement, TSA or BPTA. Our ISTS earn revenue pursuant to long-

⁵⁹ Source: CRISIL Report

⁶⁰ Source: CRISIL Report

⁶¹ Source: CRISIL Report

⁶² Source: CRISIL Report

term TSAs and tariff orders passed by CERC, and our InSTS earn revenue pursuant to long-term BPTAs and tariff orders passed by the relevant state electricity regulatory authority, and in accordance with the Electricity Act, 2003. We bill this tariff to CTU, for our ISTS and to STUs, for our InSTS, in each case under a payment pooling mechanism. Tariffs under these TSAs and BPTAs are billed and collected pursuant to the PoC mechanism, a regulatory payment pooling system. Under the PoC mechanism, payments are made to a central payment pool, and the proceeds are distributed proportionately to all transmission services providers, including us. For further details, see “– *Contracts and Tariffs*” on page 571.

We operate our transmission assets at high levels of efficiency. We have maintained an annual average availability for our operational transmission assets of over 99.5%. The average availability rates of our transmission assets for the years indicated are set out in the table below.

	Availability		
	Fiscal		
	2026	2025	2024
	(in %)		
Tiroda-Aurangabad Transmission System	99.87	99.87	99.85
Tiroda-Warora Transmission System	99.67	99.45	99.84
Mundra-Mohindergarh Transmission System	99.44	99.33	99.25
Mundra-Dehgam Transmission System	99.73	99.79	99.72
Maru Transmission Service Company LTD	99.82	99.94	99.89
Aravali Transmission Service Company LTD	99.96	99.96	99.91
Western Transmission (Gujarat) LTD	99.81	99.75	99.67
Western Transco Power LTD	99.85	99.9	99.64
Adani Transmission Bikaner Sikar Limited	100.00	100.00	100.00
Adani Transmission (Rajasthan) Limited	100.00	99.95	99.97
Fatehgarh Bhadla Transmission Limited	99.98	99.97	99.89
Hadoti Power Transmission Limited	99.92	99.95	99.90
Barmer Power Transmission Limited	99.87	99.92	99.92
Thar Power Transmission Limited	99.85	99.98	99.90
Raipur Rajnandgaon-Warora Transmission Limited	99.88	99.83	99.90
Sipat Transmission Limited	99.89	99.82	99.89
Chhattisgarh-WR Transmission Limited	99.93	99.95	99.89
Alipurduar Transmission Ltd.	99.96	100	99.94
Bikaner Khetri Transmission Limited	99.46	99.53	99.77
Ghatampur Transmission Limited	99.66	98.82	98.42
Lakadia Banaskantha Transco Limited	99.82	99.7	99.91
WRSS XXI(A) Transco Limited	99.89	99.92	99.95
Jamkhambhaliya Transco Ltd	99.87	99.85	99.51
Obra- C Badaun Transmission Limited	99.65	99.45	99.54
Karur Transmission Ltd	99.81	99.93	100.00
Kharghar Vikhroli Transmission Ltd	99.96	99.77	100.00
Warora Kurnool Transmission Ltd	100	99.96	99.27
Khavda Bhuj Transmission Limited	99.8	99.8	99.35
Adani Energy Solutions Mahan Limited	99.81	99.58	-
KPSI Transmission Limited	99.74	-	-
Khavda II-A	99.49	-	-
North Karanpura Transco Limited	99.81	99.93	99.96
Sangod Transmission Service Limited	99.71	-	-
MP Power Transmission Package-II LTD	99.79	99.86	99.97

Operational Asset Portfolio

We are currently operating 35 transmission projects, details of which are set out below as of June 30, 2026:

S. No.	Project Name	Transmission Line (Asset Details)	Transmission Line Length (ckms)	Transformation Capacity (MVA)	Contract Type
1.	Adani Transmission India Limited (ATIL)	Mundra – Dehgam, Mundra – Mohindergarh and Tiroda – Warora	3,834	6,630	ROA
2.	Maharashtra Eastern Grid Power Transmission Company Limited (MEGPTCL)	Tiroda – Aurangabad	1,217	6,000	ROA
3.	Adani Electricity Mumbai Limited (AEML) [#]	Mumbai Distribution Business	594	4,000	ROA

S. No.	Project Name	Transmission Line (Asset Details)	Transmission Line Length (ckms)	Transformation Capacity (MVA)	Contract Type
4.	MPSEZ Utility Limited (MUL)	Mundra SEZ Distribution Business	254	710	ROA
5.	Aravali Transmission Service Company Limited (ATSCL)	Aravali Lines	97	630	TBCB
6.	Maru Transmission Service Company Limited (MTSCL)	Maru Lines	300	730	TBCB
7.	Western Transmission (Gujarat) Limited (WTGL)	Western Transmission (Gujarat)	974	-	TBCB
8.	Western Transco Power Limited (WTPL)	Western Transmission (Maharashtra)	2,089	-	TBCB
9.	Adani Transmission Bikaner Sikar Private Limited (ATBSPL)	Bikaner – Sikar	343	-	TBCB
10.	Alipurduar Transmission Limited (APTL)	Alipurduar Transmission	650	-	TBCB
11.	Adani Transmission (Rajasthan) Limited (ATRL)	Suratgarh – Sikar	278	-	TBCB
12.	Raipur Rajnandgaon – Warora Transmission Limited (RRWTL)	Raipur – Rajnandgaon – Warora	611	-	TBCB
13.	Chhattisgarh – WR Transmission Limited (CWRTL)	Chhattisgarh – WR	434	630	TBCB
14.	Sipat Transmission Limited (STL)	Sipat – Rajnandgaon	348	-	TBCB
15.	Hadoti Power Transmission Limited (HPTSL) – PPP 8	Hadoti Lines	116	310	TBCB
16.	Barmer Power Transmission Limited (BPTSL) – PPP 9	Barmer Lines	133	150	TBCB
17.	Thar Power Transmission Limited (TPTSL) – PPP 10	Thar Lines	164	125	TBCB
18.	Fatehgarh Bhadla Transmission Limited (FBTL)	Fategarh – Bhadla	292	-	TBCB
19.	Bikaner Khetri Transmission Limited (BKTL)	Bikaner – Sikar	481	-	TBCB
20.	Ghatampur Transmission Limited (GTL)	Ghatampur	897	-	TBCB
21.	Obra-C Badaun Transmission Limited (OBTL)	Obra	630	950	TBCB
22.	Lakadia Banaskantha Transco Limited (LBTL)	Lakadia – Banaskantha	351	-	TBCB
23.	WRSS XXI(A) Transco Limited (WRSS_XXIA)	Lakadia – Bhuj	295	3,000	TBCB
24.	Jam Khambaliya Transco Limited (JKTL)	Jam Khambaliya	37	2,500	TBCB
25.	Warora Kurnool Transmission Limited (WKTL)	Warora – Kurnool	1,756	3,000	TBCB
26.	Karur Transmission Line (KTL)	Karur	9	1,000	TBCB
27.	Kharghar Vikroli Transmission Limited (KVTL)	Kharghar – Vikhroli	74	1,500	TBCB
28.	Khavda-Bhuj Transmission Limited (KBTL)	Khavda – Bhuj	217	4,500	TBCB
29.	Adani Energy Solutions Mahan Limited (AESML)	Mahan – Sipat	673	-	TBCB
30.	MP Power Transmission Package-II Limited (MP II)	MP Package – II	1,088	2,736	TBCB
31.	Khavda II-A Transmission	Khavda-II-A	355	-	TBCB
32.	KPS 1 Transmission Limited (KPS - 1)	Khavda Pooling Station 1	43	6,000	TBCB
33.	Sangod Transmission Service Limited (STSL)	Sangod	11	1,160	TBCB
34.	North Karanpura Transco Limited (NKTL)	North Karanpura	299	1,000	TBCB
35.	Adani Electricity Mumbai Infra Limited (AEMIL – HVDC) [#]	HVDC Mumbai	80	2,139	ROA
	Total	-	20,023	49,400	-

Notes: For transmission network calculations we have not considered distribution network of AEMIL Mumbai; ROA: Regulated Asset Base (Cost Plus Assets); TBCB: Tariff Based Competitive Bidding (Fixed Tariff Assets); MVA: Mega Volt-Amperes.

[#]AEMIL - Adani Electricity Mumbai Infra Limited 99.99% shares are held by ATL HVDC as of March 31, 2026.

Transmission Systems Under Construction

We are currently developing 13 transmission projects, details of which are set out below as of June 30, 2026:

S. No.	Project Name	Transmission Line (Asset Details)	Transmission Line Length (ckms)	Transformation Capacity (MVA)	Contract Type	Levelized Tariff/ Billing (₹ Crores)
1	WRSR Transmission Limited (WRSR)	WRSR (Narendra – Pune Line)	635	6,000	TBCB	213
2	Halvad Transmission Limited (HTL)	Khavda Phase-III Part-A (Halvad)	594	-	TBCB	271
3	Khavda IV – A Power Transmission Limited	Khavda Phase IV – A	597	4,500	TBCB	509
4	Navinal Transmission Limited (NTL)	NES – Navinal (Mundra)	260	6,000	TBCB	299
5	Jamnagar Transmission Limited (JTL)	NES – Jamnagar	658	3,000	TBCB	392
6	Pune-III Transmission Limited	Khavda Phase IV Part D	644	4,500	TBCB	589
7	Bhadla-Fatehpur HVDC Project	HVDC Rajasthan Phase-II	2,400	21,900	TBCB	3,557
8	Line and Substation Augmentation (18 projects)	Line and Substation Augmentation (18 projects)	-	9,175	ROA	275*
9	Mundra I Transmission Limited	Navinal (Mundra) Phase 1 Part B1	150	3,000	TBCB	308
10	Mahan Transmission Limited (MTL)	Mahan	740	2,800	TBCB	363
11	WRNES Talegaon Power Transmission Limited	WRNES Talegaon	-	3,000	TBCB	221
12	KPS III HVDC Transmission Limited	Khavda South Olpad HVDC	1,200	5400	TBCB	2,392
13	South Kalamb Power Transmission Limited	South Kalamb S/s: Part A	47	4,500	TBCB	120
	Total	-	7,926	73,775	-	9,510

Note:

ROA: Regulated Asset Base (Cost Plus Assets); TBCB: Tariff Based Competitive Bidding (Fixed Tariff Assets); MVA: Mega Volt-Amperes; NES: Network Expansion Scheme; and S/s: Substation

* Estimated billing for cost-plus transmission assets

Distribution Business

We operate our electricity distribution business through our Subsidiaries AEML and MUL. As of June 30, 2026, our distribution assets included AEML's 594 ckms of 220 kV transmission lines and MUL's 254 ckms of 220, 66, 33, 11 and 0.415 kV transmission lines. As of June 30, 2026, we served over 3.29 million households (representing approximately 13.00 million distribution consumers) and 113 industrial customers of MUL with an annual energy requirement of approximately 13,660 MUs (12,245 MUs through AEML and ASL and 1,415 MUs through MUL).

We have applied for a parallel distribution license with the regulators to be able to offer distribution services in Maharashtra, Gujarat, Uttar Pradesh and Haryana.

The following table sets forth some of our key performance statistics for our distribution business as of the dates indicated:

AEML

	As of June 30,		As of March 31,		
	2026	2025	2026	2025	2024
Sales					
Network sales (MUs) ⁽¹⁾	3,812	3,423	12,245	12,295	11,624
Own sales (MUs) ⁽²⁾	3,260	2,939	10,584	10,558	9,916
Peak demand (MW) ⁽³⁾	2457	2170	2,171	2,300	2,161
Consumer					
Network households (in millions) ⁽⁴⁾	3.29	3.24	3.27	3.18	3.18
Own households (in millions) ⁽⁵⁾	2.75	2.71	2.74	2.64	2.65
Power Distribution Assets					

	As of June 30,		As of March 31,		
	2026	2025	2026	2025	2024
High-tension cables (ckm)	5,345	5,195	5,305	5,198	5,164
Low-tension cables (ckm) (including service cables and street light cables) ⁽⁵⁾	21,524	21,131	21,531	21,139	20,913
Number of distribution transformers	7,705	7,538	7,684	7,492	7,383
Number of power transformers	254	247	250	247	247
Distribution Capacity					
Distribution transformers (MVA)	5,772	5,625	5,739	5,588	5,484
Power transformers (MVA)	4,737	4,577	4,657	4,577	4,577

Notes:

Units wheeled by consumers that are billed by AEML or the transmission assets connected to our distribution assets.

Units consumed by consumers that are billed by AEML or the transmission assets connected to our distribution assets.

Maximum demand at a particular point of time in the period.

Consumers billed by AEML or the transmission assets connected to our distribution assets.

Consumers billed by AEML or the transmission assets connected to our distribution assets.

MUL

	As of June 30,		As of March 31,		
	2026	2025	2026	2025	2024
Sales					
Network sales (MUs) ⁽¹⁾	433	284	1,415	963	661
Own sales (MUs) ⁽²⁾	423	272	1,375	948	658
Peak demand (MW) ⁽³⁾	240	183	204	155	115
Consumer					
Bulk consumers (in nos.) ⁽⁴⁾	113	107	111	104	96
Power Distribution Assets					
High-tension cables (ckm)	242	235	231	225	225
Low-tension cables (ckm) (including service cables and street light cables) ⁽⁵⁾	12	12	12	12	12
Number of distribution transformers	9	9	9	9	8
Number of power transformers	14	14	14	14	14
Distribution Capacity					
Distribution transformers (MVA)	3	3	3	3	3
Power transformers (MVA)	707	707	707	707	707

Notes:

Units wheeled by consumers that are billed by MUL or the transmission assets connected to our distribution assets.

Units consumed by consumers that are billed by MUL or the transmission assets connected to our distribution assets.

Maximum demand at a particular point of time in the period.

Consumers billed by MUL or the transmission assets connected to our distribution assets.

Consumers billed by MUL or the transmission assets connected to our distribution assets.

AEML

Our Company owns 74.90% of the shares of AEML and the remaining 25.10% is held by Qatar Investment Authority as of June 30, 2026. We acquired our stake in AEML from R-Infra on August 29, 2018. The transaction marked our foray into the power distribution space and also increased our existing footprint in the power transmission sector.

Retail and wire businesses

AEML is the largest private distribution licensee in Mumbai with a customer base of 3.27 million as of March 31, 2026.⁶³ AEML's distribution asset spans over 400 sq. km, and it distributed approximately 2,171 MW of peak demand power to over 3.27 million households (representing approximately 13.00 million distribution consumers) with an annual energy requirement of approximately 12,245 MUs in our licensed areas in Mumbai, based on data available as of March 31, 2026. The areas served by AEML's distribution asset includes the suburban areas of Mumbai and the Mira-Bhayander Municipal Corporation area in the Thane District of the state of Maharashtra, India. The entire licensed area is an urban mix of residential C&I consumers, and growth in our distribution network is fueled by the ever-increasing electricity consumption of Mumbai.

AEML's power distribution network in Mumbai primarily consists of underground cables. As of June 30, 2026, our wire network consisted of approximately 5,345 ckm of high-tension cables, approximately 21,524 ckm of low-tension cables (including service cables and streetlight cables) and approximately 8,606 substations. AEML's distribution asset includes 594 ckms of 220 kV transmission lines. Through AEML, we hold a distribution license and a transmission license granted under Section 14 of the Electricity Act that will be in force for a period of 25 years starting from August 16, 2011.

⁶³ Source: CRISIL Report

Source of power

AEML sources its power requirement through various power purchase agreements (“PPAs”). AEML has a rational mix of short-term power purchase agreements and long-term power purchase agreements.

Further to the PPAs, we also have the following options for power procurement:

- Any shortfall, after taking into consideration availability of long-term sources, is purchased from the short-term market, like the bilateral market (through an e-bidding portal of the Ministry of Power, the GoI) and power exchanges.
 - We also have proprietary membership of power exchanges, such as Indian Energy Exchange Limited, Power Exchange India Limited and Hindustan Power Exchange and based on our requirement, we purchase electricity from power exchanges which operate as a national level platform. There is sufficient availability of power on such exchanges with sellers offering more than 8,000 MW per day.
 - Bilateral purchases are secured through the e-bidding portal to make firm arrangements for the upcoming month or quarter.
- We also engage in banking of power, wherein power is banked with another utility to be used when demand is high and returned when the demand is lower.

Customer base

There is a large customer base and growing energy consumption in the Mumbai area served by AEML. From March 31, 2024 to June 30, 2026, AEML’s consumers increased by 3.46% from 3.18 million consumers to 3.29 million households (representing approximately 13.00 million distribution consumers). The energy sold through AEML’s distribution network has grown by 668 MUs, or 6.73%, from 9,916 MUs in Fiscal 2024 to 10,584 MUs in Fiscal 2026. The maximum energy demand in the area has increased from 2,161 MW in the Fiscal 2024 to 2,171 MW in Fiscal 2026.

Billing cycle

We carry out monthly billing for our consumers with a meter reading cycle spread over an entire month. Consumers are given a specified period to pay their bills in accordance with MERC regulations. Non-payment by any consumer during this period results in delayed payment charges and interest, while a continued failure to pay results in a consumer being disconnected from our supply of electricity, in compliance with MERC regulations. Our collection efficiency is close to 100%. The electricity is supplied to premises and not to individuals. Thus, any default is required to be paid by any subsequent occupant of the premise.

The energy wheeled through our distribution network has increased by 621 MUs from 11,624 MUs in the Fiscal 2024 to 12,245 MUs in Fiscal 2026, representing an increase of 5.34%, mainly as a result of an increase in demand and our acquisition of consumers.

We have continued to improve upon AEML’s operational performance and efficiency since it was acquired in 2018. In Fiscals 2026, 2025 and 2024, AEML achieved an average service availability index of 99.998%, 99.996% and 99.996%, respectively, and only had a distribution loss of 4.21%, 4.77% and 5.29%, respectively, during the same periods.

MUL

On December 15, 2021, we signed a share purchase agreement with APSEZ for the acquisition of MUL, which is now a wholly owned Subsidiary of our Company. This transaction consolidated our distribution businesses under our Company.

The electricity distribution business currently operated by MUL has been in operation since August 2010. MUL’s distribution asset spans over 85 sq. km and has a transmission network of 254 ckms as of June 30, 2026. Under MUL, we distributed approximately 240 MW of power to 113 customers in our licensed areas in Mundra SEZ as of the same date. The annual energy requirement was 1,415 MUs as of March 31, 2026 and the energy requirement for the three months ended June 30, 2026 was 433 MUs. The areas served by MUL’s distribution asset includes the SEZ areas in Mundra SEZ. The entire licensed area is industrial.

MUL’s power distribution network in Mundra SEZ primarily consists of overhead and underground network. As of June 30, 2026, our wire network consisted of high-tension cables, low-tension cables (including service cables and streetlight cables) and approximately seven substations MUL’s distribution asset includes 254 ckms of 220, 66, 33, 11, 0.415 kV of overhead and underground transmission lines.

In Fiscal 2026 and the three months ended June 30, 2026, we sold 1,375 MUs and 423 MUs, respectively, through MUL.

There is a large customer base and growing energy consumption in the Mundra SEZ area served by MUL. The energy wheeled through MUL's distribution network, has grown by 754 MUs, or 113.97%, from 661 MUs in Fiscal 2024 to 1,415 MUs in Fiscal 2026. The energy wheeled during the three months ended June 30, 2026 was 433 Mus. The maximum energy demand in the area has increased by 77.79% from 115 MW in Fiscal 2024 to 204 MW Fiscal 2026.

The map below shows the MUL distribution licensee area and distribution network coverage map in Mundra SEZ:



Smart Metering Business

We entered the smart metering business in Fiscal 2023. We operate our smart metering business through AESL and our wholly owned Subsidiaries of our Company, BEST Smart Metering Limited, NE Smart Metering Limited, Adani Transmission Step-Six Limited, Adani Transmission Step-Seven Limited and Adani Transmission Step-Eight Limited. The smart metering projects were awarded to us pursuant to competitive bidding. Our scope includes the installation of smart meters, offering communication networks, cloud infrastructure and data management systems, providing end-to-end smart metering services under the DBFOOT model, where all consumers points, distribution points and feeders will be smart metered to enable complete energy accounting with no manual intervention. As of June 30, 2026, we have cumulatively installed 13.44 million smart meters across five states. Further, at more than 22,000 to 23,000 installations per day, we had one of the highest installation rates in India's smart metering industry during Fiscal 2026.⁶⁴

Smart meters measure electricity consumption and communicate the consumption reading to power utility companies automatically on a real-time basis. Smart meters also enable two-way communication between the meter and the power utility company through cellular communication or radio frequency. Smart meters can monitor consumption more precisely, thereby enabling more informed energy choices. These meters nullify power theft and help improve a discom's billing efficiency. For more details on smart meters see "*Industry Overview*" on page 497.

In order to receive payments for the use of smart meters from consumers, we are required to establish a direct debit facility ("DDF") through which we will be able to receive payments via a chosen payment gateway and Direct Debit Agent Bank Account at the end of each payment cycle.

As of June 30, 2026, we have secured ten contracts totaling to 24.60 million smart meters. The table below sets forth certain details of our smart meter contracts as of June 30, 2026.

S. No.	Project Name	Coverage Area	Smart Meters Quantity (million)	Revenue Potential (₹ Crores)	Contract Period (months)	Contract Type	Month of Award
1.	Brihanmumbai Electric Supply & Transport Undertaking (BEST)	Mumbai (BEST Circle)	1.10	1,304	120	DBFOOT	Sept and October 2022 (Amendment)
2.	Assam Power Distribution Company Limited (APDCL)	Tejpur, Mangaldoi, North Lakhimpur	0.80	845	120	DBFOOT	February 2023
3.	Andhra Pradesh Eastern Power Distribution Company Limited (APEPDCL)	Srikakulam, Vizianagaram, Visakhapatnam, East Godavari and West Godavari	1.10	1,289	120	DBFOOT	June and December 2023
4.	Andhra Pradesh Central Power Distribution Company Limited (APCPDCL)	Krishna, Guntur, and Prakasam	1.70	2,084	120	DBFOOT	June and November 2023

⁶⁴ Source: CRISIL Report

S. No.	Project Name	Coverage Area	Smart Meters Quantity (million)	Revenue Potential (₹ Crores)	Contract Period (months)	Contract Type	Month of Award
5.	Andhra Pradesh Southern Power Distribution Company Limited (APSPDCL)	Nellore, Chittoor, Kadapa, Anantapuram, Kurnoolam & Kurnool	1.30	1,795	120	DBFOOT	June and September 2023
6.	Maharashtra State Electricity Distribution Co. Limited (MSEDCL, NSC-05)	Bhandup Zone, Kalyan Zone and Konkan Zone (inc additional qty)	8.10	9,667	120	DBFOOT	August 2023 and March 2024
7.	Maharashtra State Electricity Distribution Co. Limited (MSEDCL, NSC-06)	Baramati Zone and Pune Zone	5.20	6,294	120	DBFOOT	August 2023
8.	North Bihar Power Distribution Company Limited (NBPDC)	Siwan, Suran, Gopalganj, Vaishali, and Samastipur	2.80	3,102	120	DBFOOT	August 2023
9.	Uttarakhand Power Corporation Limited (UPCL)	Kumaon Region	0.70	816	120	DBFOOT	December 2023
10.	Adani Electricity Mumbai Limited (AEML)	Mumbai (AEML Circle)	1.80	2,323	120	DBFOOT	June 2025
	Total		24.60	29,519			

Note: The discoms are our customers, and we are executing these contracts through 100% owned SPVs.

Cooling Solutions Business

We operate our cooling solutions business through our subsidiary, ACSL. ACSL delivers centralized, energy-efficient and low-carbon cooling solutions to diverse sectors under a “cooling-as-a-service” (CaaS) model on a DBFOO basis. A centralized cooling system that produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling. This approach materially reduces electricity and water consumption while lowering lifecycle cooling costs compared to conventional, refrigerant-based systems.

India’s cooling demand is expected to increase eightfold over the next decade, with significant implications for electricity demand, grid infrastructure, and emissions intensity. Policy initiatives such as the India Cooling Action Plan (ICAP), 2019 and the District Cooling Guidelines, 2023 promote the adoption of energy-efficient and centralized cooling solutions. The sector presents substantial opportunities across a range of end-use segments, including commercial real estate, data centres, airports, industrial parks, and integrated townships.⁶⁵

The policy environment for cooling solutions has also strengthened significantly. MERC has recognized DCS as an industrial activity, enabling consumers to avail HT-I/LT-V industrial tariffs instead of higher commercial tariffs, thereby improving project viability and competitiveness.⁶⁶ Further, the National Building Code of India (NBC) 2026 includes a dedicated chapter on DCS, recommending DCS feasibility assessments during the master-planning stage of large developments and encouraging its adoption for multi-building clusters with cumulative cooling demand exceeding 5,000 TR.⁶⁷

We serve a diversified customer base spanning commercial and residential buildings, airports, data centers, industrial estates, and infrastructure developments, both within the Adani portfolio companies and externally across Tier-1 and Tier-2 cities. As of June 30, 2026, we have approximately 76,000 TR of projects under implementation, including a project at Shantigram Township in Ahmedabad and a project in Chennai with Phase 1 commissioning scheduled for Fiscal 2027. We have a pipeline of approximately 278,950 TR across real estate, airports, IT hubs, industrial estates, data centers, and metro rail projects as of June 30, 2026. We have also signed an MoU with MAHAPREIT to explore cooling solutions opportunities across Maharashtra and other jurisdictions.

Energy Solutions Platform

We operate our energy solutions platform as an emerging growth business positioned to accelerate the transition toward integrated, low-carbon, customer-centric and digitally enabled energy solutions. As of June 30, 2026, we had supply tie-ups of approximately 4.00 GW across solar and wind, 3.3 GWh of BESS and an energy portfolio of over 1.00 GW across C&I

⁶⁵ Source: CRISIL Report

⁶⁶ Source: CRISIL Report

⁶⁷ Source: CRISIL Report

customers, data centers and utilities. The platform caters to three key segments: (a) C&I customers; (b) data centers; and (c) RTC renewable energy solutions for utilities.

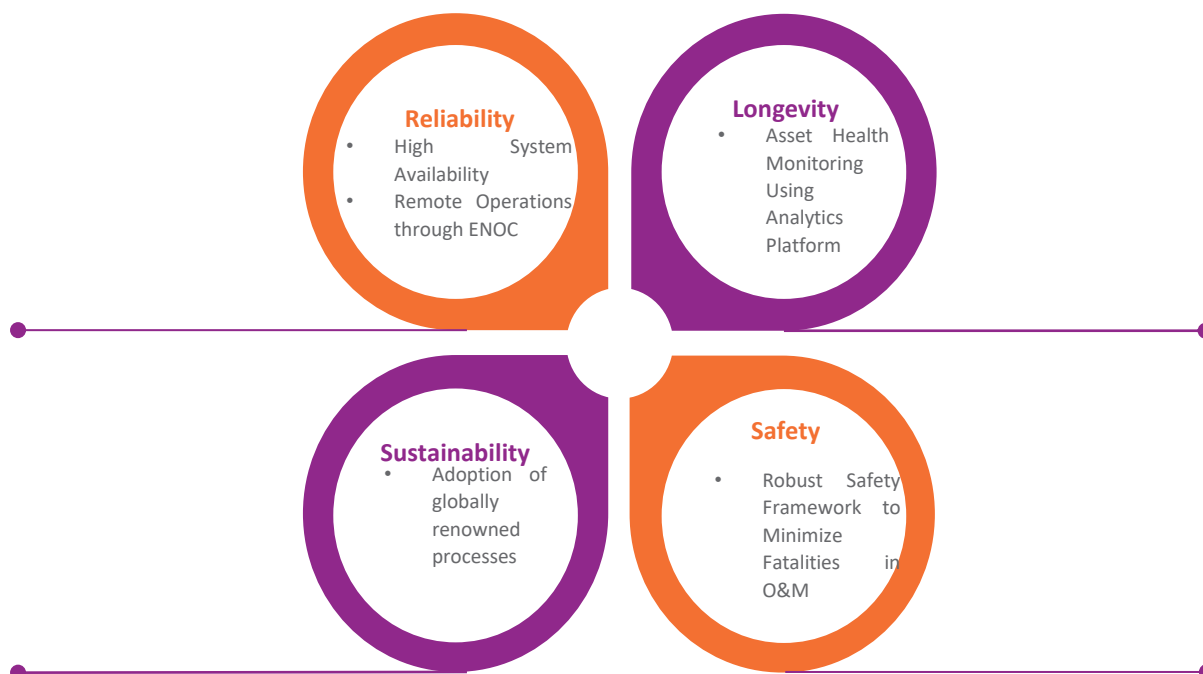
Our portfolio includes businesses across cement, airports, data centers, ports, automotive, chemicals and fertilizers, FMCG, textiles, metals, infrastructure and hospitality sectors. The platform leverages our integrated ecosystem across generation, transmission and distribution to deliver reliable energy solutions at scale, currently servicing an aggregate load of 6,857 MW as of June 30, 2026 across Adani portfolio companies and external customers.

The platform also includes a “Virtual Discom” approach, delivering Energy-as-a-Service (EaaS) solutions for multi-location customers enabling centralized management of energy procurement, portfolio optimization, sustainability tracking and long-term cost visibility across geographically dispersed operations. Among emerging segments, data centers stand out as a high-growth opportunity driven by accelerating digital infrastructure demand and the need for reliable, scalable and sustainability-linked power solutions.⁶⁸ Our ability to deliver large power capacities within defined timelines, supported by dedicated consumer-end transmission infrastructure connected to CTU/STU networks, creates a unique customer value proposition.

Operations and Maintenance

Our success lies in delivering excellence at every stage of project execution, including operations and maintenance. We manage our O&M operations in-house.

Our O&M philosophy is focused on the following four tenets.



- **Reliability:** We have maintained high system availability above the threshold prescribed by our regulators. Our Engineering Network Operations Center (“ENOC”) enhances our operations’ efficiency, safety, and security. As a centralized hub, ENOC allows for remote operations, real-time network monitoring and management, facilitating swift incident response and proactive maintenance. We leverage data analytics for equipment failure prediction and performance optimization, supporting informed decision-making. Our video monitoring system and security automation system enables critical infrastructure surveillance and robust security against physical and cyber threats. Our asset performance management tools manage asset health, reducing downtime and operational costs and ensuring reliable power delivery.
- **Longevity:** We have implemented several measures to enhance the longevity of our operations. Our assets are managed through a SAP system with an analytical dashboard that monitors and diagnoses the health of our assets based on multiple test parameters. We have developed a Health Index formulation that assesses the condition and performance of our assets, enabling proactive maintenance and management. We also use a risk score and action plan framework to identify potential vulnerabilities in our infrastructure, which outlines steps to mitigate these risks.
- **Sustainability:** We adhere to renowned or global processes, including the Adani Business Excellence, Integrated Management System, Business Continuity Management, to enhance our business sustainability.

⁶⁸ Source: CRISIL Report

- **Safety:** We have adopted measures and safety framework with the goal of minimizing fatalities in O&M. We utilize smart patrolling with weather forecasting software, enabling us to anticipate and mitigate the impact of adverse weather conditions on our operations. We are exploring remotely operated robots equipped with smart cameras for areas with high electromagnetic interference fields, which will reduce human exposure to potentially hazardous environments.

The operation of our transmission systems is primarily our responsibility, although we are subject to the oversight of the RLDCs and the SLDCs. The RLDCs and SLDCs are responsible for system operation and control, including inter-state and intra-state power management, inter-state and inter-regional transfer of power, covering contingency analysis and operational planning on a real-time basis and the operation of regional and state-level unscheduled interchange pool accounts and regional and state-level reactive energy accounts. Consequently, our operations and maintenance strategy focuses primarily on maintenance and seeks to achieve the following objectives:

- to achieve the targeted system availability specified by the regulator/system administrator; and
- to optimize the life cycle cost of transmission lines by preventive actions.

Our maintenance division develops and tracks the preventive maintenance plan to help ensure a safe and reliable system. By performing preventative maintenance on our assets, we can minimize the need for reactive maintenance, which may adversely impact reliability and tends to be more costly than preventative maintenance. We also emphasize on-line techniques in order to minimize shutdown time for periodic maintenance checks and breakdown maintenance. We have adopted proven practices such as thermo-vision scanning, live line washing, on-line insulator detection and hot line repair techniques in order to achieve these objectives. Further, to prepare for certain *force majeure* situations that cannot be predicted, transmission utilities have implemented alternative transmission systems, such as emergency restoration systems, and we provide the skilled labor necessary to install and operate these emergency restoration systems.

Our engineers were extensively involved in construction, testing and commissioning of the terminal stations, in order to absorb the technology. We, with the support of our technical team and expert engineers, have set up an in-house team to take care of the maintenance of substations.

Contracts and Tariffs

While payments are collected by CTUIL and respective state authorities, the ultimate beneficiaries of our transmission assets are the power generators, power distributors and other bulk consumers who pay the charges applicable for transmission of power to CTUIL or state authorities, as the case may be. The transmission charges that we can charge in connection with the transmission of electricity are set out in a TSA/tariff orders. We have also entered into a number of other material agreements that are key to the operation of our business.

Transmission Service Agreements

As some of our transmission systems have ISTS licenses, we are required to enter into a TSA with beneficiaries/CTUIL with respect to these transmission systems. The TSA governs transmission services and the sharing of transmission charges and losses in accordance with the Sharing of Charges and Losses Regulations. Accordingly, the TSA provides the general terms and conditions with regard to various matters, including billing, collection and disbursement of transmission charges, metering and accounting, *force majeure*, change in law, events of default, termination and dispute resolution.

Bulk Power Transmission Agreements

As some of our transmission systems have InSTS licenses, we are required to enter into BPTAs with the respective state electricity transmission company in its capacity as STU with respect to these transmission systems. The BPTAs govern transmission services and the sharing of transmission charges and losses in accordance with the respective SERC tariff regulations. Accordingly, the BPTAs provide the general terms and conditions with regard to various matters, including billing, collection and disbursement of transmission charges, metering and accounting, *force majeure*, change in law, events of default, termination and dispute resolution. Our BPTAs also provide that a revolving letter of credit of 100% of monthly billing for the transmission service user and a bank guarantee of 300% of monthly billing for the transmission service user must be provided by the transmission service user.

Distribution Tariff

The respective SERC approves our distribution tariff for the areas for which we are licensed to distribute power. The SERC sets our distribution tariff under the cost-plus basis to ensure we can recover our costs and achieve a post-tax return on equity. In addition, one third of our efficiency gains on normative controllable parameters are retained by our distribution business and the remaining two thirds are shared with our distribution customers. At the beginning of the control period, when our actual costs for the past period form the basis for future tariff projections, a difference may arise between the SERC's required tariffs and the tariffs that are applicable at the time. This difference is eventually eliminated through revising our tariff charges in subsequent years.

Distribution Customer Payment Terms

We carry out monthly billing procedures for our distribution customer base with a meter reading cycle spread over an entire month. Customers are given a specified period to pay their bills in accordance with the respective SERC regulations. Non-payment by any customer during this period results in delayed payment charges and interest, while a continued failure to pay results in a customer being disconnected from our supply of electricity, in compliance with the respective SERC regulations.

Tariff Mechanisms

We earn most of our revenues from the receipt of tariffs from the transmission of electricity on our operating transmission systems. Under our distribution business, we receive tariffs from the distribution of electricity in various states in India that are regulated by the respective SERCs. Our distribution tariffs are subject to a multi-year framework that permits licensees to charge tariffs equal to or lower than the rates approved by the respective SERCs by way of tariff orders and in accordance with the respective SERC tariff regulations. The amount of tariffs we receive in any period is governed by the Tariff Regulations applicable to our business and the process for determining such amounts under these regulations.

Tariff Regulations

Under the Electricity Act, the GoI has the power to issue tariff policy, and the CERC and the respective SERCs are required to comply with this tariff policy and the provisions of the Electricity Act. In accordance with these requirements, the CERC and the SERCs (including the MERC) have established transmission tariff regulations for transmission licensees and parameters for determining transmission tariffs.

Tariff Determination Process

The CERC and the SERCs determine tariffs by issuing Tariff Orders for transmission projects on a cost-plus basis and for TBCB projects, tariffs are determined through a competitive bidding process where the lowest bidder is awarded the project.

Cost-plus Tariffs

Under the Electricity Act, the CERC Tariff Regulations and the respective SERC tariff regulations, a transmission licensee is required to seek approval from the CERC or the respective SERC, as the case may be, a tariff determination in respect of each of its transmission projects. The tariff applicable to any particular transmission project is designed to compensate the licensee for the costs of construction of the transmission project and for the operation of the project thereafter, as well as to provide a pre-determined rate of return on the licensee's investment in the project. This "cost-plus basis" tariff is determined based on a number of components that are aggregated into an ATC which is paid to us by CTUIL and respective state authorities, as the case may be. See "*— Annual Transmission Charge*" below for further details.

A transmission licensee submits a cost-plus tariff request for approval to the CERC or the respective SERCs, as applicable, on completion of the related project. The CERC or the respective SERCs, as applicable, will first grant a provisional order, which may provide that the licensee receives less than 100% of the tariff initially requested. The relevant regulator later issues a final tariff order approving a final tariff, which may be different from the provisional tariff. See "*Risk Factors — 3. Any changes to current tariff policies or modifications of tariffs standards by regulatory authorities could have a material adverse effect on our business, prospects, financial condition, and results of operations.*" on page 37. The CERC or the respective SERCs, as the case may be, determines the tariff applicable to a particular project together with the project licensee through a transparent process. This process includes an open public hearing and interested parties can challenge the tariff sought by the licensee.

The CERC and the respective SERCs each also carries out a true up/reconciliation exercise for the previous tariff period when it considers the tariff petition filed for the next tariff period. Under this exercise, the previous year's tariff will be compared to what that year's tariff should have been. If a difference is identified, the next year's tariff will be adjusted accordingly. The CERC or the respective SERCs, as applicable, will determine the method of recovery of any additional amount owed, either through a one-time payment or spread out over a period of time. If the true up/reconciliation exercise results in a lower tariff, the licensee is required to adjust the tariff lower in the following year.

Annual Transmission Charge

Under the CERC Regulations and the respective SERCs Regulations, we are permitted to charge CTUIL and the respective state authorities, respectively, for the recovery of the ATC applicable to each of our transmission systems determined on the basis of the applicable Tariff Regulations. Although the CERC Regulations and the respective SERC Regulations have certain differences in how they calculate the ATC, it is generally intended to compensate us for the cost of the transmission projects we undertake and to allow us to recover a pre-determined return on equity. The ATC is calculated on an annual basis by aggregating the majorly following components for any given annual period:

- *Return on equity*: an amount representing a 15.5% return on the equity we invest into the project (calculated on a pre-tax basis), with the limitation that a maximum of 30% of the project cost may be funded through equity for purposes of this calculation;

- *Tax on the return on equity*: an amount equal to any gross-up for tax actually paid on the foregoing amount representing return on equity;
- *Interest on debt*: an amount equal to the interest paid on debt used to finance the project, calculated as the weighted average interest rate (based on the actual loan portfolio existing at the time of calculation) of normative debt (which includes equity funding that exceeds 30% of the project cost, and which is repaid based on the depreciation allowed for that year, and not actual repayment cost), on the assumption that normative debt accounts for 70% of project cost;
- *Operations and maintenance cost*: an amount equal to expenses for operations and maintenance on the transmission system, with calculations for CERC transmission systems being done on a fixed basis, taking into account line length and number of bays in substations on the transmission system, and calculations for the respective SERCs transmission systems being done based initially on these same factors, but later reconciled to actual operations and maintenance expense on the system;
- *Depreciation*: an amount that represents such annual period's share of depreciation on the transmission system, calculated on a straight-line method over the statutory life of the asset; the total amount of such recoverable depreciation is equal to 90% of the project cost over the life of the asset;
- *Interest on working capital*: an amount equal to the interest actually paid on working capital financing, as determined based on norms prescribed by the CERC/respective SERCs; and
- *Contingency reserve*: a contingency fund payment of up to 5% of the project cost, based on the actual amount spent (applicable only to MERC-regulated projects).

Competitively-Bid Tariffs

Pursuant to the GoI's Tariff Policy dated January 28, 2016, all inter-state transmission projects are, subject to certain exceptions, required to be developed pursuant to a competitive bidding process. Competitive bidding is also, subject to certain exceptions, required to be used to set tariffs for intra-state transmission projects that cost above a threshold that is decided by the relevant SERC. Transmission projects which are to be developed through the competitive bidding process are implemented under the TBCB scheme. Interested parties bid for projects under either a BOOM/BOOT model or a DBFOT model. Bidders are required to quote for tariffs over a period of 35 years.

Incentive Payment

In addition to the above, we are also eligible to receive incentive payments based on availability of our transmission systems. Under the CERC and the respective SERCs tariff regulations we are required to maintain minimum system availability of at least 95.00% for HVDC systems and 98.00% for AC systems in order to receive 100.00% of the ATC to which we are entitled. If we maintain system availability above the thresholds prescribed in the regulations, we are eligible for incentive payment. The amount of these incentive payments increases as our availability level increases, with the maximum incentive payment being payable for 99.75% availability. Availability-based incentive fees are payable for both cost-plus tariff systems and systems subject to a competitive bidding process. For additional information on the availability calculation, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations — Significant Factors Affecting Results of Operations — Tariff Structure*" on page 475.

Information Technology

Information technology systems are key to our ability to manage our business. Our information technology systems enable us to coordinate our operations. We use SAP to manage and control activities such as preventive maintenance, compliance, scheduling, inventory and procurement, storage management and project monitoring and execution.

To optimize the effective utilization of our distribution network and manpower, we have installed a supervisory control and data acquisition ("**SCADA**") system in the control room of 33 of our substations as of June 30, 2026 for event analysis and operations. The SCADA system acts as an interface between the operator and the control system and allows operators to control substations and see all events which occur during any alarm or failure of any substation elements. The SCADA system also collects event data and alarm information from all control facilities and presents it to operators. In addition to ensuring improved reliability and reduce interruptions in the power we supply to our distribution customers, the SCADA system is used for energy management and for improving our overall distribution system performance.

Another key initiative has been our cloud transformation, migrating our enterprise resource planning platform to the cloud for more agile operations and a scalable foundation for growth. We've achieved real-time visibility into business operations through a centralized command and control center, standardizing business practices for consistent and efficient IT practices supported by real-time data.

Our ERP system supports our inventory management, logistics, procurement, and financial management. We prioritize continual learning of our employees by offering e-learning platforms for both technical and non-technical knowledge.

Adhering to international best practices such as ITIL for IT processes, we've implemented a business continuity management system in line with ISO22301:2019 standards.

Employees

As of March 31, 2026, we had 8,127 employees, comprising 3,517 permanent employees and 4,610 contractual employees. The following table sets forth the number of permanent employees by function as of March 31, 2026:

Particulars	No. of employees
Top Management	4
Senior Management	76
Middle Management	826
Junior Management	859
Supervisor	1,750
Non-executives	2
Total	3,517

Our operations require highly skilled and experienced management and technical personnel. We offer our employees comprehensive ongoing training in order to increase their competence and capabilities with respect to transmission system operations. We also have regular staff training sessions and performance enhancement programs to develop and improve competencies in our general workforce, particularly with respect to functional skills. We have also implemented a performance appraisal system which allows us to assess the performance of our employees.

We have not experienced any material strikes, work stoppages, labor disputes or actions by or with our employees, and we consider our relationship with our employees to be stable.

The total remuneration to our employees includes a base salary, a tax-friendly component and a bonus. We provide a number of benefits to our employees, including:

- each of our employees, as well as his or her spouse and dependent children, is eligible to participate in our group health insurance program;
- retirement benefits, including pensions, to certain of our employees;
- a higher educational assistance program for certain of our employees and their children;
- a program to recognize and motivate employees based on certain criteria and in recognition of certain significant achievements and contributions;
- gifts to our employees in recognition of certain significant personal events in our employees' lives; and
- recognition and rewards for meritorious children of our employees through secondary school.

Insurance

We maintain industrial all-risk insurance policies covering the substations on all of our operational transmission systems. These insurance policies include coverage for property damage and business interruption. We also maintain insurance coverage with respect to other areas to the extent required by law. Our assets are insured in line with industry practice.

Environmental, Health and Safety Management

We are committed to ensuring the health and safety of our employees by providing and maintaining an accident-free and healthy workplace through implementation of Environment, Occupational Health, and Safety ("EHS") management systems in order to minimize health and safety hazards. Further, we proactively monitor the EHS management systems, integrate EHS procedures and best practices into our operations, conduct EHS training activities for employees and undertake periodic reviews of standard operating procedures in order to mitigate health and safety risks.

We are in compliance in all material respects with Indian legislation in relation to employee health and safety.

ESG Policy

Our ESG policy is an integral part of our business philosophy. We have established an ESG Framework which identifies clear roles and responsibilities to achieve the targets under our commitment to sustainability (the “**ESG Framework**”). On April 14, 2026, CARE ESG Ratings Limited assigned its first ESG rating of 86.8/100 (CareEdge-ESG 1+) for our Company. Our policy is guided by the Environmental and Social Performance Standards of the International Finance Coalition.

Some of the major objectives which we strive to achieve under our ESG Framework are as follows:

- to be among the top ten companies of electric utility sector in Global ESG benchmarking by Fiscal 2030;
- to increase the share of renewable energy in our power supply mix to 60% by 2027 and to 70% by 2030;
- to reduce emission intensity by 50% by 2027 and by 60% by 2029, based on our 2019 baseline;
- to remain a Zero-Waste-to-Landfill (“**ZWL**”) company;
- to remain a Single-use-Plastic-Free (“**SuPF**”) company;
- to achieve No Net Loss of biodiversity on ongoing basis; and
- to engage all critical suppliers that are screened using ESG criteria.

Property

Our registered office is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India, and is leased by us from a group company. Our projects are located on land that is a mix of freehold, leased from landowners or state governments, on leave and license and under land use agreements. Our long-term leases with state governments typically have terms up to 40 years.

Negotiation of Right of Way and Procurement of Land

As part of the construction process for transmission lines, we are required to obtain right of way from landowners whose land our transmission lines will pass through. This process is regulated by the GoI and the relevant state governments.

We have a defined public consultation procedure to negotiate right of way for our transmission lines. Before construction of the transmission line begins, we publish a notification in the Official Gazette for a 60-day public consultation period, during which any objections to the construction of the transmission line can be raised. Once we receive the relevant license, we can begin construction on the transmission line, regardless of whether the transmission line corridor passes through private property. We pay compensation to landowners for damage to property at the higher of the value under government regulation or market value.

We also engage in corporate social responsibility activities in areas where we seek to obtain right of way for our transmission lines.

We also acquire land for our substations. As the land requirements for this are relatively small, all acquisitions are done through direct purchases or leases from private parties.

Competition

Since 1998, the Indian transmission sector has been open, as a matter of law, to investment by private domestic and international entities as transmission licensees. See “*Regulations and Policies in India Relating to the Power Sector*”. In 2000, the GoI issued guidelines for private sector investment in power transmission. Such investment was permitted either through a joint venture with the Power Grid Corporation of India Limited (“**PGCIL**”) for the provision of inter-state or inter-regional transmission services (with the tariff for the projects undertaken by such joint ventures to be formulated on a cost-plus basis), or in the form of an independent private transmission company (with the tariff for the projects undertaken by such independent private transmission companies to be formulated based on competitive bidding). In April 2006, the GoI issued tariff-based competitive bidding guidelines for transmission services and also issued guidelines for encouraging competition in the development of transmission projects.

Certain provisions in the Electricity Act, such as open access to the transmission and distribution network, recognition of power trading as a distinct activity, the liberal definition of a captive generating plant, the provision for supply in rural areas and the establishment of parallel licenses, have introduced and encouraged competition in the power sector.

Competition in the transmission sector depends on the size, nature and complexity of the project and the geographic region in which the project is being executed. While service quality, technical capability, health and safety history, availability of qualified personnel, as well as reputation and experience are important considerations, price is the major factor in most tender awards. Further, size, scheduling and complexity of certain large-scale projects preclude participation by smaller and less sophisticated companies that operate in our industry.

Corporate Social Responsibility

We are actively involved in various corporate social responsibility (“CSR”) activities and committed to sustainable socio-economic development. We intend to invest each year in furtherance of our CSR initiatives as per provisions of the Companies Act. The Corporate Social Responsibility and Sustainability Committee of our Board recommends a CSR policy to our Board and is responsible for monitoring the implementation of this policy and management of the sustainability performance of our Company. As part of our CSR policy, we intend to focus on the development of the communities located in the vicinity of our business operations. We undertake CSR activities through the Adani Foundation with developmental projects in the core areas of primary education, community health care, sustainable livelihood development and community infrastructure development.

- **Education:** The Adani Foundation believes that education is a powerful catalyst for social and economic transformation, especially in rural and underprivileged areas. Recognising this, the Foundation champions education not only as a fundamental right but as a transformative force that fuels aspirations and opportunities. We remain committed to empowering children with knowledge, critical thinking and confidence to build better futures. Through an extensive network of 43 schools as of March 31, 2026, strategic partnerships, and pioneering programmes, the Adani Foundation aims to make quality learning accessible, aspirational and inclusive for all. With its flagship initiatives, such as Project Utthan, which focuses on improving learning and academic outcomes, and Udaan, which encourages students to dream big and explore possibilities, the Foundation is effectively shaping the aspirations of young India, nurturing the next generation of leaders and innovators and building a more equitable future.
- **Community Health:** The Adani Foundation SuPoshan initiative is instrumental in mitigating malnutrition and anaemia among children, adolescent girls and women of reproductive age. The project empowers village-level volunteers, SuPoshan Sanginis, who serve as catalysts for behavioral change by monitoring health, providing nutritional counseling, and facilitating life-saving medical treatment.
- **Community Infrastructure Development:** The Adani Foundation fosters inclusive and self-reliant communities through four key pillars: infrastructure development, encompassing roads, water conservation systems, drinking water access, and streetlighting; disaster support and crisis aid, providing timely assistance during natural calamities and emergencies; empowerment and inclusion, by facilitating access to government schemes, promoting sports, and creating opportunities for specially-abled individuals; and community engagement, which strengthens participation, resilience, and sustainable socioeconomic development within communities.
- **Sustainable Livelihood Development:** The Adani Foundation enhances household incomes by building a self-sustaining ecosystem that supports livelihoods across on-farm, off-farm, and non-farm sectors. Through women-led enterprises, youth skilling under Project Saksham, artisan empowerment through Sathwaro, and agricultural development initiatives, the Foundation promotes entrepreneurship, employability, sustainable farming practices, and long-term socioeconomic resilience in communities.

Short Seller’s Report and Supreme Court Order

Event of Short Seller’s Report

The Short Seller’s Report addressed to ‘Adani Group’ contained certain allegations and questions pertaining to some of the Adani portfolio entities, such as Adani Ports and Special Economic Zone Limited, Adani Power Limited, Adani Green Energy Limited, Adani Total Gas Limited, AEL and our Company. The allegations and questions in the Short Seller’s Report were in relation to alleged non-compliance of minimum public shareholding, non-disclosures of related party transactions and stock price manipulation, among other things. The response to various allegations levelled in the Short Seller’s Report was submitted by AEL to the Stock Exchanges on January 29, 2023, which is available on AEL’s website.

Adani portfolio entities carry out their operations and business across various jurisdictions, including in India, Australia, Singapore, and the United Arab Emirates, and have issued foreign currency bond offerings (including under Rule 144A of the Securities Act) in the past. The governmental and/or regulatory authorities (including the securities regulators in India and overseas) in certain jurisdictions are conducting inquiries or investigations as per their respective laws (whether applicable to the relevant Adani portfolio entities or not). Negative consequences following from alleged non-cooperation with, or unfavorable outcomes of, any such investigations could include penalties, both financial and non-financial (including, among others, prosecution and prohibition on accessing overseas capital markets), that could have a material adverse effect on their business, results of operations and financial condition in future periods and their reputation.

In connection with the allegations levelled in the Short Seller's Report, certain Adani portfolio entities and individuals (including our Company, its Promoters and certain members of the Promoter Group) are under regulatory and adjudication proceedings and investigation by regulatory and statutory authorities in India. As part of the regulatory and adjudication proceedings and investigation by regulatory and statutory authorities, certain Adani portfolio entities and individuals (including our Company, its Promoters and certain members of the Promoter Group) have received show cause notices from SEBI. Our Company has received a show cause notice relating to alleged violation of certain provisions of the SEBI Listing Regulations and the erstwhile equity listing agreement with respect to validity of the peer review certificates of the statutory auditors of our Company during a previous financial year. This matter is pending. Further, a show cause notice has been issued to our Company, the Promoters, certain members of the Promoter Group and others in relation to, *inter alia*, alleged non-compliance of certain provisions of the SCRA, the SCRR, the SEBI Act and regulations thereunder and the erstwhile equity listing agreement regarding alleged wrongful categorisation of shareholding of certain entities in our Company and violation of related disclosure requirements and consequences therefrom. This matter is pending. Such Adani portfolio entities and individuals (including our Company, its Promoters and certain members of the Promoter Group) have responded to and/or are in process of responding to the regulatory and statutory authorities by providing information, responses, documents and/or clarifications or taking other necessary legal recourse, as applicable. The regulatory and statutory authorities have broad powers to take action or issue directions in the interest of investors and the securities market, including, among others, through the imposition of monetary penalties, debarment from accessing capital markets, restrictions on undertaking certain activities, restriction on holding position as key managerial personnel in any listed company or its subsidiaries or issuing directions impacting or resulting in revisiting their financial statements. It is not possible to predict the timing or outcome of such investigation and/or legal proceedings pursuant thereto. In case any adverse findings, order or judgement is made by a court or competent authority against a relevant Adani portfolio entity and/or an individual, then such relevant Adani portfolio entity and/or an individual (including our Company, its Promoters and certain members of the Promoter Group) may have to expend resources and divert the time of its board of directors and the senior management to defend itself against such order or judgement. Any failure on behalf of the relevant Adani portfolio entities and/or individuals (including our Company, its Promoters and certain members of the Promoter Group) to successfully challenge such adverse order or judgement before a court or competent authority may have an adverse effect on the continuity of the relevant company's or Adani portfolio entities' reputation, business and operations, and may affect its financial position, including the profitability as well as the price of its securities in an adverse manner.

Supreme Court Order

After the issuance of the Short Seller's Report, few public interest litigation were filed before the Supreme Court in relation to the said report. Pursuant to the same, on March 2, 2023, the Supreme Court constituted the Expert Committee. The Expert Committee, in its report dated May 6, 2023, submitted certain updates to the Supreme Court in relation to the ongoing investigations, including, *inter alia*, that: (a) SEBI has reached out to regulatory authorities, both within and outside India, to further investigate certain allegations in the Short Seller's Report; and (b) on a prima facie basis, no pattern of artificial trading or wash trades among the same parties was found and there was no coherent pattern of abusive trading that has come to light based on the active and working surveillance framework that SEBI uses. After hearing all the concerned parties, the Supreme Court, by way of its judgement dated January 3, 2024 disposed of the public interest litigations and, *inter alia* (a) held that no valid grounds have been raised for the Supreme Court to direct SEBI to revoke its amendment to the SEBI FPI Regulations and the SEBI Listing Regulations; (b) noted that SEBI has completed its investigations with respect to 22 out of 24 matters involving allegations levelled against the Adani portfolio entities and directed SEBI to complete its pending investigations expeditiously and preferably within three months; (c) noted that the Supreme Court has not interfered with the outcome of the investigations by SEBI and directed SEBI to take its investigations to their logical conclusion in accordance with law; (d) held that the facts of the case do not warrant a transfer of the investigation from SEBI to another agency (such as Central Bureau of Investigation) or special investigation team, as the threshold for the transfer of investigation has not been demonstrated to exist; (e) rejected the petitioner's reliance on (i) Organized Crime and Corruption Reporting Project report to suggest that SEBI was lackadaisical in conducting the investigation, as the report of a third party organization without any attempt to verify the authenticity of its allegations cannot be regarded as conclusive proof, and (ii) the letter by the Directorate of Revenue Intelligence ("DRI"), as the issue has already been settled by concurrent findings of DRI's Additional Director General, the Customs, Excise and Service Tax Appellate Tribunal and the Supreme Court; (f) rejected the allegations of conflict of interest against members of the Expert Committee as unsubstantiated; (g) directed the Government of India and SEBI to constructively consider the suggestions of the Expert Committee as a non-exhaustive list of recommendations, and take any further actions necessary to strengthen the regulatory framework, protect investors and ensure orderly functioning of the securities market; and (h) directed SEBI and investigative agencies of the Government of India to probe into whether the loss suffered by Indian investors due to the conduct of Short Seller's Report and any other entities in taking short positions involved any infraction of the law and if so, directed that suitable action be taken.

Subsequently, in August 2024, SEBI issued a statement, *inter alia*, stating that out of the 24 investigations, one more (i.e., 23 out of 24 investigations) was completed in March 2024 and one remaining investigation is close to completion.

For details of some of the notices received and outstanding legal proceedings in this regard, please also see "*Certain Adani portfolio entities are currently subject to regulatory and adjudication proceedings and investigation by regulatory and statutory authorities in relation to the allegations made in a short seller's report published in January 2023. If the Adani portfolio entities are found to be in breach of applicable laws, they may be subject to penalties and regulatory action.*", "*- We are subject to*

anti-bribery and anti-corruption laws, violation of which may subject our Company and/or our Promoters to governmental inquiries and/or investigations, which if material and adverse in nature, could adversely affect our business, results of operations and financial condition in future periods and our reputation.” and “Legal Proceedings” on pages 45, 70 and 641, respectively.

ORGANIZATIONAL STRUCTURE

Corporate History

Our Company was incorporated on December 9, 2013, as a public limited company under the Companies Act, 1956 as amended pursuant to a certificate of incorporation issued by the RoC. Our Company received the certificate of commencement of business from the RoC on December 17, 2013. Pursuant to the approval accorded by our Shareholders on July 19, 2023, the name of our Company was changed to “Adani Energy Solutions Limited” and a fresh certificate of incorporation consequent upon change of name was issued to our Company by the RoC on July 27, 2023.

The CIN of our Company is L40300GJ2013PLC077803, and our Registered and Corporate Office is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat India.

The Equity Shares have been listed on the BSE and NSE since July 31, 2015.

Organizational Structure

As of the date of this Preliminary Placement Document, we have 102 Subsidiaries and 1 Joint Venture, as per Companies Act. For further details, see “*Definitions and Abbreviations*” and “*Financial Information*” on pages 20 and 98, respectively.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

The composition of our Board is governed by the provisions of the Companies Act, the rules prescribed thereunder, the SEBI Listing Regulations and the Articles. In accordance with the Articles, our Company shall not have less than three Directors and not more than 15 Directors.

Pursuant to the provisions of the Companies Act, at least two-thirds of the total number of Directors, excluding the Independent Directors, are liable to retire by rotation, with one-third of such number retiring at each AGM. A retiring Director is eligible for re-election. Further, pursuant to the Companies Act, the Independent Directors may be appointed for a maximum of two consecutive terms of up to five consecutive years each and thereafter have a cooling off period of three years prior to re-appointment. Any re-appointment of Independent Directors shall be on the basis of, *inter alia*, the performance evaluation report and approval by our Shareholders of our Company, by way of a special resolution.

The following table sets forth details regarding our Board as of the date of this Preliminary Placement Document:

Sr. No.	Name, period of directorship, address, occupation, date of birth, DIN, age and nationality	Designation and current term
1.	Gautam S. Adani Period of directorship: Since June 17, 2015 Address: “Shantivan”, B/H. Karnavati Club, Gandhinagar-Sarkhej Highway Mohemadapura, Ahmedabad 380 058, Gujarat, India Occupation: Industrialist Date of birth: June 24, 1962 DIN: 00006273 Age: 64 years Nationality: Indian	Designation: Chairman Term: Liable to retire by rotation
2.	Rajesh S. Adani Period of directorship: Since June 17, 2015 Address: Shanti Sagar Bungalow, Rajpath Club to Bopal Road, Near Kantam Party Plot Cross Road, Bodakdev, Ahmedabad 380 059, Gujarat, India Occupation: Industrialist Date of birth: December 7, 1964 DIN: 00006322 Age: 61 years Nationality: Indian	Designation: Non-Executive Director Term: Liable to retire by rotation
3.	Anil Sardana Period of directorship: Since May 10, 2018 Address: Flat 22, A & B, New Akash Ganga Co-operative Housing Society Ltd., 89, Bhulabhai Desai Road, opposite Tata Garden, Breach Candy, Mumbai 400 026, Maharashtra, India Occupation: Service Date of birth: April 16, 1959 DIN: 00006867 Age: 67 years	Designation: Managing Director Term: Five years with effect from May 10, 2023

Sr. No.	Name, period of directorship, address, occupation, date of birth, DIN, age and nationality	Designation and current term
	Nationality: Indian	
4.	Kandarp Patel Period of directorship: Since May 31, 2025 Address: Richmond, Unit No. 9, 5 th Floor, Near Jayantilal Park, BRTS bus stop, Ambli-Bopal Road, Bopal, Ahmedabad 380 058, Gujarat, India Occupation: Service Date of birth: March 23, 1972 DIN: 02947643 Age: 54 years Nationality: Indian	Designation: Whole-time Director and Chief Executive Officer Term: Three years with effect from May 31, 2025
5.	Lisa Caroline MacCallum Period of directorship: Since November 30, 2021 Address: 6 Oakwood Avenue, Brighton Victoria, Australia 3186 Occupation: Service Date of birth: April 10, 1972 Age: 54 DIN: 09064230 Nationality: Australian	Designation: Independent and Non-executive Director Term: Three years with effect from November 30, 2024
6.	Hemant Madhusudan Nerurkar Period of directorship: Since May 31, 2025 Address: 1201, Lodha Grandeur, Rahimtullah Sayani Road, Prabhadevi, Mumbai 400 025, Maharashtra, India Occupation: Retired Date of birth: October 20, 1948 DIN: 00265887 Age: 77 years Nationality: Indian	Designation: Independent and Non-executive Director Term: Three years with effect from May 31, 2025
7.	Chandra Iyengar Period of directorship: Since May 31, 2025 Address: 212, 21 st floor, Jupiter Building, Cuffe Parade, Colaba, Mumbai 400 005, Maharashtra, India Occupation: Service Date of birth: November 10, 1950 Age: 75 years DIN: 02821294	Designation: Independent and Non-executive Director Term: Three years with effect from May 31, 2025

Sr. No.	Name, period of directorship, address, occupation, date of birth, DIN, age and nationality	Designation and current term
	Nationality: Indian	
8.	Anil Satya Ahuja Period of directorship: Since November 29, 2025 Address: 341 Bukit Timah Road, #16-02 Honolulu Tower, Singapore 259 719 Occupation: Service Date of birth: December 1, 1962 Age: 63 years DIN: 00759440 Nationality: Singapore citizen	Designation: Independent and Non-executive Director Term: Three years with effect from November 29, 2025.

Brief Biographies of the Directors

Gautam S. Adani

Gautam S. Adani is one of the Promoters and the Chairman of our Company. He has over three decades of business experience across various business verticals such as resources, logistics and energy. He has completed his education up to matriculation.

Rajesh S. Adani

Rajesh S. Adani is one of the Promoters and the Non-Executive Director of our Company. He holds a bachelor's degree in commerce from Gujarat University. He is in charge of operations of the Adani portfolio entities and has been responsible for developing its business relationships.

Anil Sardana

Anil Sardana is the Managing Director of our Company. He was the managing director and chief executive officer of Tata Power Company Limited.

Kandarp Patel

Kandarp Patel is the Whole-time Director and Chief Executive Officer of our Company. He holds a master's degree in business administration with specialisation in financial management from Sardar Patel University. He has previously worked with Gujarat Electricity Board (GEB) as controller of accounts.

Lisa Caroline MacCallum

Lisa Caroline MacCallum is an Independent and Non-executive Director of our Company. She holds a bachelor's degree in arts and a bachelor's degree in commerce from Bond University. She is also a member of the Institute of Chartered Accountants of Australia. She has also completed her graduate diploma in applied finance and investment from the Securities Institute. She has previously worked with Nike Inc. for a period of 11 years. She also serves as a member of Council of Bond University, Australia Limited.

Hemant Madhusudan Nerurkar

Hemant Madhusudan Nerurkar is an Independent and Non-executive Director of our Company. He holds a bachelor's degree of technology in metallurgical engineering from Pune University. He has over three decades years of experience in the steel industry. He joined Tata Steel Limited on February 1, 1982, and held various positions at Tata Steel, including executive director (India and South East Asia) from April 9, 2009 and managing director from October 1, 2009. He has been awarded the Tata Gold Medal in 2004.

Chandra Iyengar

Chandra Iyengar is an Independent and Non-executive Director of our Company. She is an officer of the 1973 batch of the Indian Administrative Services.

Anil Satya Ahuja is an Independent and Non-executive Director of our Company. He holds a bachelor's degree of technology in mechanical engineering from the Indian Institute of Technology, Delhi, and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has previously worked with organisations including, Citibank India, JP Morgan Partners Advisors and 3i Asia Limited, Singapore Branch, and also served on the board of HDFC Bank Limited and Adani Enterprises Limited.

Relationship between our Directors

Except for Gautam S. Adani and Rajesh S. Adani, who are brothers, none of the other Directors are related to each other.

Borrowing Power of our Board

Pursuant to resolution passed our Board on January 30, 2015 and our Shareholders on February 12, 2015 in accordance with the provisions of Section 180(1)(c) and all other applicable provisions of the Companies Act and our Articles of Association, our Board has been authorised to borrow sums of money as they may deem necessary for the purpose of the business of our Company, which together with the monies already borrowed by our Company (apart from temporary loans obtained from our Company's bankers in the ordinary course of business), may exceed at any time, the aggregate of the paid-up capital of our Company and its free reserves (that is to say, reserves, not set apart for any specific purposes) by a sum not exceeding ₹15,000 crore.

Interest of the Directors

Except Gautam S. Adani and Rajesh S. Adani, who are Promoters of our Company, no other Directors are interested in the promotion of our Company.

All the Directors of our Company, including our Independent Directors, may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of our Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them.

All the Directors of our Company may also be deemed to be interested to the extent of Equity Shares, if any, held by them or by companies, firms and trusts in which they are interested as directors, partners, members or trustees and also to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

No loans have been availed by our Directors from our Company.

Except as provided in “*Financial Information*” beginning on page 98, and except as disclosed below in this Preliminary Placement Document, our Company has not entered into any contract, agreement or arrangement during the three Fiscals immediately preceding the date of this Preliminary Placement Document, in which any of the Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements, arrangements which are proposed to be made with them. For further details on the related party transactions mentioned above, see “*Related Party Transactions*” on page 34.

Other than as disclosed in this Preliminary Placement Document, there are no outstanding transactions other than in the ordinary course of business undertaken by our Company, in which the Directors are interested.

Shareholding of the Directors

As per our Articles of Association, our Directors are not required to hold any qualification Equity Shares.

As on the date of this Preliminary Placement Document, none of our Directors hold any Equity Shares in our Company, except as stated below:

Name	Number of Equity Shares	Percentage of the issued and paid-up Equity Share capital (in %)
Gautambhai Shantilal Adani ⁽¹⁾	1	Negligible
Rajeshbhai Shantilal Adani ⁽²⁾	1	Negligible

⁽¹⁾ 'Gautambhai Shantilal Adani' refers to 'Gautam S. Adani'

⁽²⁾ 'Rajeshbhai Shantilal Adani', refers to 'Rajesh S. Adani'

Remuneration paid to Directors

The Non-Executive Directors are paid remuneration consisting of commission and sitting fees, which is determined by our Board. Pursuant to the resolutions passed by our Board of Directors on July 19, 2023, our Non-Executive and Independent Directors are entitled to sitting fees of ₹75,000 for attending the meetings of the Board and Audit Committee respectively and ₹35,000 for attending other committee meetings.

Our Company has paid the following remuneration to our Directors from July 1, 2026 to the date of this Preliminary Placement Document, the quarter ended June 30, 2026, and the Financial Years ended March 31, 2026, March 31, 2025 and March 31, 2024:

(in ₹ crore)

S. No.	Name of Director	Remuneration for period from July 1, 2026 to the date of this Preliminary Placement Document	Remuneration for the quarter ended June 30, 2026	Remuneration for FY 2026	Remuneration for FY 2025	Remuneration for FY 2024
1.	Gautam S. Adani	Nil	Nil	Nil	Nil	Nil
2.	Rajesh S. Adani	Nil	Nil	Nil	Nil	Nil
3.	Anil Sardana	Nil	Nil	Nil	Nil	Nil
4.	Kandarp Patel	Nil	Nil	Nil	Nil*	Nil*
5.	Lisa Caroline MacCallum	0.34	0.06	0.55	0.44	Nil**
6.	Hemant Madhusudan Nerurkar	0.34	0.08	0.42	Nil^	Nil^
7.	Chandra Iyengar	0.34	0.08	0.42	Nil^^	Nil^^
8.	Anil Satya Ahuja	0.34	0.06	0.17	Nil#	Nil#

* Kandarp Patel was appointed as the Whole-time Director and Chief Executive Officer on May 31, 2025. Hence, he was not paid any remuneration in the financial years ended March 31, 2025, and March 31, 2024.

** Lisa Caroline MacCallum was reappointed as an Independent and Non-executive Director on June 25, 2024 with effect from November 30, 2024. Hence, she was not paid any remuneration in the financial year ended March 31, 2024.

^ Hemant Madhusudan Nerurkar was appointed as an Independent and Non-executive Director on May 31, 2025. Hence, he was not paid any remuneration in the financial years ended March 31, 2025 and March 31, 2024.

^^ Chandra Iyengar was appointed as an Independent and Non-executive Director on May 31, 2025. Hence, she was not paid any remuneration in the financial years ended March 31, 2025 and March 31, 2024.

Anil Satya Ahuja was appointed as an Independent and Non-executive Director on November 29, 2025. Hence, he was not paid any remuneration in the financial years ended March 31, 2025 and March 31, 2024.

Key Managerial Personnel and Senior Management

The details of our Key Managerial Personnel and the members of our Senior Management in terms of the Companies Act, 2013 and the SEBI ICDR Regulations as on the date of this Preliminary Placement Document are set forth below:

S. No.	Name	Designation
1.	Anil Sardana	Managing Director
2.	Kandarp Patel	Whole-time Director and Chief Executive Officer
3.	Ashok Jagetiya	Chief Financial Officer
4.	Jaladhi Atulchandra Shukla	Company Secretary and Compliance Officer

Other than Jaladhi Atulchandra Shukla and Ashok Jagetiya, the members of our Senior Management include:

S. No.	Name	Designation
1.	Bhaskar Sarkar	Chief Business Officer – Cooling Solutions
2.	Kapil Sharma	Chief Executive Officer – AEML
3.	Karthik B Kumar	Chief Commercial Controller – Transmission
4.	Pushpendrasinh Zala	CEO – Smart Metering Business
5.	Pramath Nath	Chief People Officer
6.	Sanjeev Muramkar	Head - Human Resources – AEML
7.	Sanjay Arvind Johari	Head Business Development – Energy Grids
8.	Srinivas Venkata Rama Gutta	Chief Digital Officer
9.	Raj Kumar Jain	Head of Energy Solutions and C&I
10.	Nitin Mittal	Head - Talent Acquisition

Shareholding of the Key Managerial Personnel and Senior Management

Except as disclosed below, none of our Key Managerial Personnel and members of our Senior Management hold Equity Shares in our Company as of the date of this Preliminary Placement Document.

S. No.	Name of Senior Management	Number of Equity Shares held	Percentage of the issued and paid-up Equity Share capital (in %)
1.	Jaladhi Atulchandra Shukla	49	Negligible
2.	Karthik B Kumar	633	Negligible

Relationship

None of our Key Managerial Personnel and the members of our Senior Management are related to each other or to the Directors.

Corporate Governance

Our Board presently consists of eight Directors. In compliance with the requirements of the SEBI Listing Regulations, there are four Independent Directors on our Board, including two-woman Independent Directors.

We are in compliance with the requirements of applicable regulations, including the SEBI Listing Regulations, the Companies Act and the SEBI ICDR Regulations in respect of corporate governance, including constitution of our Board and committees thereof. Our Board has been constituted in compliance with the Companies Act and the SEBI Listing Regulations.

Committees of our Board

Our Board has constituted statutory committees, which function in accordance with the relevant provisions of the Companies Act and the SEBI Listing Regulations. The statutory committees of our Board are: (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Corporate Social Responsibility Committee; (iv) Stakeholders' Relationship Committee; (v) and Risk Management Committee as mandated under the Companies Act and the SEBI Listing Regulations.

The following table sets forth details of members of the aforesaid committees, as on the date of this Preliminary Placement Document:

S. No.	Committee	Name and Designation of Members
1.	Audit Committee	i. Hemant Madhusudan Nerurkar (Chairman); ii. Lisa Caroline MacCallum (Member); iii. Chandra Iyengar (Member); and iv. Anil Satya Ahuja (Member).
2.	Nomination and Remuneration Committee	i. Chandra Iyengar (Chairman); ii. Lisa Caroline MacCallum (Member); iii. Hemant Madhusudan Nerurkar (Member); and iv. Anil Satya Ahuja (Member).
3.	Corporate Social Responsibility Committee	i. Chandra Iyengar (Chairman); ii. Hemant Madhusudan Nerurkar (Member); iii. Anil Sardana (Member); iv. Anil Satya Ahuja (Member); v. Lisa Caroline MacCallum (Member).
4.	Stakeholders' Relationship Committee	i. Hemant Madhusudan Nerurkar (Chairman); ii. Anil Sardana (Member); iii. Lisa Caroline MacCallum (Member); iv. Chandra Iyengar (Member); v. Kandarp Patel (Member); and vi. Anil Satya Ahuja (Member).
5.	Risk Management Committee	i. Hemant Madhusudan Nerurkar (Chairman); ii. Anil Sardana (Member); iii. Lisa Caroline MacCallum (Member); iv. Chandra Iyengar (Member); v. Kandarp Patel (Member); and vi. Anil Satya Ahuja (Member).

Related Party Transactions

For details in relation to the related party transactions entered into by the Directors with our Company during last three Fiscals immediately preceding the year of circulation of this Preliminary Placement Document, please see “*Related Party Transactions*” on page 34.

Other Confirmations

None of our Directors, Promoters, Key Managerial Personnel and Senior Management have any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interest of other persons.

Neither our Company, nor any of our Directors or Promoters have been identified as wilful defaulters or fraudulent borrowers by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters or fraudulent borrower as defined under the SEBI ICDR Regulations.

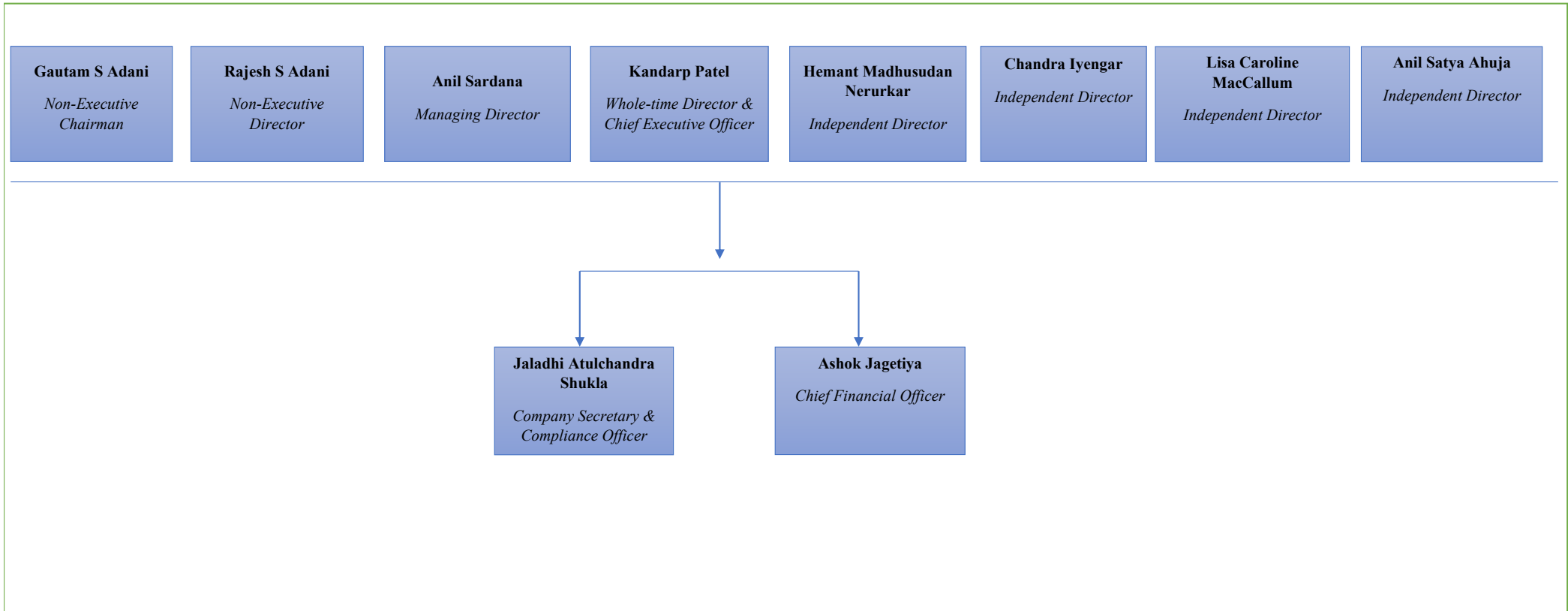
Neither our Company, nor any of our Directors or Promoters are debarred from accessing capital markets under any order or direction made by SEBI. Further, none of our Promoters or Directors are a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

None of the Directors, Promoters, Key Managerial Personnel or Senior Management of our Company intends to subscribe to the Issue.

Policy on disclosures and internal procedure for prevention of insider trading

Regulation 9(1) of the SEBI Insider Trading Regulations applies to our Company and our employees and requires our Company to implement a code of internal procedures and conduct for the fair disclosure of unpublished price sensitive information and the prevention of insider trading. In compliance with the same, our Company has adopted a code of conduct for prevention of insider trading, as approved by our Board on March 20, 2019, which lays down the procedure for preserving the confidentiality of unpublished price sensitive information and preventing misuse of such information. Our Company Secretary acts as the compliance officer of our Company under the aforesaid code of conduct for the prevention of insider trading.

Organisation Chart of our Company



SHAREHOLDING PATTERN OF OUR COMPANY

Shareholding pattern of our Company, as on June 30, 2026, is set forth below.

The following table sets forth the details regarding the equity shareholding pattern of our Company as on June 30, 2026:

Category y	Category of shareholder	Nos. of sharehold ers	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underly ng Deposit ory Receipts	Total nos. shares held	Shareholdin g as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities			No. of Shares Underlying Outstandin g convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non- Disposal Undertakin g		Other encumbrances , if any		Total Number of Shares encumbered		Number of equity shares held in dematerialise d form
								No of Voting Rights		Total as a % of (A+B+C)				No. (a)	As a % of tota l Sha res held (b)	No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Clas s eg: X	Clas s eg: Y															
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+XVI)		(XVIII)
(A)	Promoter & Promoter Group	16	89,74,95,827	-	-	89,74,95,827	74.71	89,74,95,827	-	89,74,95,827	74.71	74.71	-	-	-	-	-	-	-	-	-	-	-	89,74,95,827
(B)	Public	3,85,299	30,37,86,815	-	-	30,37,86,815	25.29	30,37,86,815	-	30,37,86,815	25.29	25.29	-	-	-	-	-	-	-	-	-	-	-	30,36,23,404
(C)	Non Promoter - Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares Held By Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	3,85,315	1,20,12,82,642	-	-	1,20,12,82,642	100.00	1,20,12,82,642	-	1,20,12,82,642	100.00	100.00	-	-	-	-	-	-	-	-	-	-	-	1,20,11,19,231

The following table sets forth the details regarding the equity shareholding pattern of our Promoters and Promoter Group as on June 30, 2026:

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)				No. (a)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
									Class eg: X	Class eg: Y	Total															
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+XVI)	(XVIII)	
(A1)	Indian																									
	Individuals/Hindu undivided Family	-	6	42	-	-	42	-	42		42	-	42	-	-	42	-	-	-	-	-	-	-	-	-	42
	Gautam S. Adani	Promoter	1	1	-	-	1	-	1		1	-	1	-	-	1.00	-	-	-	-	-	-	-	-	-	1
	Rajesh S. Adani	Promoter	1	1	-	-	1	-	1		1	-	1	-	-	1.00	-	-	-	-	-	-	-	-	-	1
	Pranav Vinod Adani	Promoter Group	1	10	-	-	10	-	10		10	-	10	-	-	10	-	-	-	-	-	-	-	-	-	10
	Karan Gautam Adani	Promoter Group	1	10	-	-	10	-	10		10	-	10	-	-	10	-	-	-	-	-	-	-	-	-	10
	Sagar Rajesh Adani	Promoter Group	1	10	-	-	10	-	10		10	-	10	-	-	10	-	-	-	-	-	-	-	-	-	10
	Jeet Gautam Adani	Promoter Group	1	10	-	-	10	-	10		10	-	10	-	-	10	-	-	-	-	-	-	-	-	-	10
	Central Government/ State Government(s)	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Financial Institutions/ Banks	-	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Any Other (specify)	-	3	71,77,01,985	-	-	71,77,01,985	59.74	71,77,01,985	-	71,77,01,985	59.74	71,77,01,985	-	-	71,77,01,985.00	59.74	-	-	-	-	-	-	-	-	71,77,01,985
	Bodies Corporate	-	2	11,60,67,325	-	-	11,60,67,325	9.67	11,60,67,325	-	11,60,67,325	9.67	11,60,67,325	-	-	11,60,67,325.00	9.67	-	-	-	-	-	-	-	-	11,60,67,325
	Adani Tradeline Private Limited	Promoter Group	1	9,76,17,325	-	-	9,76,17,325	8.13	9,76,17,325	-	9,76,17,325	8.13	9,76,17,325	-	-	9,76,17,325.00	8.13	-	-	-	-	-	-	-	-	9,76,17,325
	Adani Infra (India) Limited	Promoter Group	1	1,84,50,000	-	-	1,84,50,000	1.54	1,84,50,000	-	1,84,50,000	1.54	1,84,50,000	-	-	1,84,50,000.00	1.54	-	-	-	-	-	-	-	-	1,84,50,000
	Adani Properties Private Limited	Promoter Group	-	-	-	-	-	-	-		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Trusts	-	1	60,16,34,660	-	-	60,16,34,660	50.08	60,16,34,660	-	60,16,34,660	50.08	60,16,34,660	-	-	60,16,34,660.00	50.08	-	-	-	-	-	-	-	-	60,16,34,660
	Gautam S. Adani/Rajesh S. Adani (on behalf of S. B. Adani)	Promoter Group	1	60,16,34,660	-	-	60,16,34,660	50.08	60,16,34,660	-	60,16,34,660	50.08	60,16,34,660	-	-	60,16,34,660.00	50.08	-	-	-	-	-	-	-	-	60,16,34,660

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)				No. (a)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
									Class eg: X	Class eg: Y	Total															
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+XVI)		(XVIII)
	Family Trust)																									
	Gautam S. Adani/ Pritiben Gautam Adani (on behalf of Gautam S. Adani Family Trust)	Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Sub Total (A1)		-	9	71,77,02,027	-	71,77,02,027	59.74	71,77,02,027	-	71,77,02,027	59.74	-	71,77,02,027	59.74	-	-	-	-	-	-	-	-	-	-	71,77,02,027
(A2)	Foreign		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Individuals (Non-Resident Individuals/ Foreign Individuals)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Government		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Institutions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Foreign Portfolio Investor		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Any Other (specify)		7	17,97,93,800	-	-	17,97,93,800	14.97	17,97,93,800	-	17,97,93,800	14.97	-	17,97,93,800	14.97	-	-	-	-	-	-	-	-	-	-	17,97,93,800
	Overseas Corporate Bodies		7	17,97,93,800	-	-	17,97,93,800	14.97	17,97,93,800	-	17,97,93,800	14.97	-	17,97,93,800	14.97	-	-	-	-	-	-	-	-	-	-	17,97,93,800
	Afro Asia Trade And Investments Limited	Promoter Group	1	3,02,49,700	-	-	3,02,49,700	2.52	3,02,49,700	-	3,02,49,700	2.52	-	3,02,49,700.00	2.52	-	-	-	-	-	-	-	-	-	-	3,02,49,700
	Worldwide Emerging Market Holding Limited	Promoter Group	1	3,02,49,700	-	-	3,02,49,700	2.52	3,02,49,700	-	3,02,49,700	2.52	-	3,02,49,700.00	2.52	-	-	-	-	-	-	-	-	-	-	3,02,49,700
	Flourishing Trade and Investment Limited	Promoter Group	1	36,88,000	-	-	36,88,000	0.31	36,88,000	-	36,88,000	0.31	-	36,88,000.00	0.31	-	-	-	-	-	-	-	-	-	-	36,88,000
	Gelt Bery Trade and Investment Limited	Promoter Group	1	6,47,60,500	-	-	6,47,60,500	5.39	6,47,60,500	-	6,47,60,500	5.39	-	6,47,60,500.00	5.39	-	-	-	-	-	-	-	-	-	-	6,47,60,500

Category	Category of shareholder	Shareholder type	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged		Non-Disposal Undertaking		Other encumbrances, if any		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
									No of Voting Rights			Total as a % of (A+B+C)				No. (a)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)		
									Class eg: X	Class eg: Y	Total															
(I)	(II)		(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+XVI)		(XVIII)
	Fortitude Trade and Investment Limited	Promoter Group	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Emerging Market Investment DMCC	Promoter Group	1	2,70,33,500	-	-	2,70,33,500	2.25	2,70,33,500	-	2,70,33,500	2.25	-	2,70,33,500.00	2.25	-	-	-	-	-	-	-	-	-	-	2,70,33,500
	Infinite Trade and Investment Limited	Promoter Group	1	88,12,400	-	-	88,12,400	0.73	88,12,400	-	88,12,400	-	-	88,12,400	-	-	-	-	-	-	-	-	-	-	-	88,12,400
	Ardour Investment Holding Limited	Promoter Group	1	1,50,00,000	-	-	1,50,00,000	1.25	1,50,00,000	-	1,50,00,000	-	-	1,50,00,000	-	-	-	-	-	-	-	-	-	-	-	1,50,00,000
	Sub Total (A2)	-	7	17,97,93,800	-	-	17,97,93,800	14.97	17,97,93,800	-	17,97,93,800	14.97	-	17,97,93,800	14.97	-	-	-	-	-	-	-	-	-	-	17,97,93,800
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	-	16	89,74,95,827	-	-	89,74,95,827	74.71	89,74,95,827	-	89,74,95,827	74.71	-	89,74,95,827	74.71	-	-	0	0	-	-	-	-	0	0	89,74,95,827

The following table sets forth the details regarding the equity shareholding of the members of the public as on June 30, 2026:

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
(B1)	Institutions (Domestic)																
	Mutual Funds	33	9,70,08,068	-	-	9,70,08,068	8.08	9,70,08,068	-	9,70,08,068	8.08	-	9,70,08,068	8.08	-	-	9,70,08,068
	SBI Equity Hybrid Fund	1	5,11,60,377	-	-	5,11,60,377	4.26	5,11,60,377	-	5,11,60,377	4.26	-	5,11,60,377	4.26	-	-	5,11,60,377
	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Alternate Invest Funds	22	9,72,655	-	-	9,72,655	0.08	9,72,655	-	9,72,655	0.08	-	9,72,655	0.08	-	-	9,72,655
	Banks	4	3537	-	-	3537	-	3537	-	3537	-	-	3537	-	-	-	3537
	Insurance Companies	12	4,31,30,590	-	-	4,31,30,590	3.59	4,31,30,590	-	4,31,30,590	3.59	-	4,31,30,590	3.59	-	-	4,31,30,590
	Life Insurance Corporation of India	1	4,00,37,501	-	-	4,00,37,501	3.33	4,00,37,501	-	4,00,37,501	3.33	-	4,00,37,501	3.33	-	-	4,00,37,501
	Provident Funds/ Pension Funds	1	1,85,095	-	-	1,85,095	0.02	1,85,095	-	1,85,095	0.02	-	1,85,095	0.02	-	-	1,85,095
	Asset reconstruction companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	NBFCs registered with RBI	4	1,709	-	-	1,709	-	1,709	-	1,709	-	-	1,709.00	-	-	-	1,709
	Other Financial Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Any other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B1)	80	14,13,01,654	-	-	14,13,01,654	11.76	14,13,01,654	-	14,13,01,654	11.76	-	14,13,01,654	11.76	-	-	14,13,01,654
(B2)	Institutions (Foreign)																
	Foreign Direct Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sovereign Wealth Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Foreign Portfolio Investors Category I	192	10,66,15,926	-	-	10,66,15,926	8.88	10,66,15,926	-	10,66,15,926	8.88	-	10,66,15,926	8.88	-	-	10,66,15,926
	Goldman Sachs Trust II	1	3,34,29,320	-	-	3,34,29,320	2.78	3,34,29,320	-	3,34,29,320	2.78	-	3,34,29,320	2.78	-	-	3,34,29,320

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants , ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
	Goldman Sachs GQG Partners International Opportunities Fund																
	GQG Partners Emerging Markets Equity Fund	1	1,63,66,873	-	-	1,63,66,873	1.36	1,63,66,873	-	1,63,66,873	1.36	-	1,63,66,873	1.36	-	-	1,63,66,873
	Foreign Portfolio Investors Category II	23	1,51,19,314	-	-	1,51,19,314	1.26	1,51,19,314	-	1,51,19,314	1.26	-	1,51,19,314	1.26	-	-	1,51,19,314
	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Any other (Institutions (Foreign))	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B2)	215	12,17,35,240	-	-	12,17,35,240	10.13	12,17,35,240	-	12,17,35,240	10.13	-	12,17,35,240	10.13	-	-	12,17,35,240
(B3)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Central Government / President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	State Government / Governor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Shareholding by Companies or Bodies Corporate where Central / State Government is a promoter	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(B4)	Non-Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Associate companies / Subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Directors and their relatives (excluding independent directors and nominee directors)	3	1,06,925	-	-	1,06,925	0.01	1,06,925	-	1,06,925	0.01	-	1,06,925.00	0.01	-	-	1,06,925

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. As a % of total Shares held (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
	Key Managerial Personnel	1	49	-	-	49	-	49	-	49	-	-	49.00	-	-	-	49
	Relatives of promoters (other than "Immediate Relatives" of promoters disclosed under "Promoter and Promoter Group" category)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Trusts where any person belonging to "Promoter and Promoter Group" category is "trustee", "beneficiary", or "author of the trust"	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Investor Education and Protection Fund (IEPF)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Resident Individuals holding nominal share capital up to Rs. 2 lakhs	3,74,573	2,45,22,452	-	-	2,45,22,452	2.04	2,45,22,452	-	2,45,22,452	2.04	-	2,45,22,452	2.04	-	-	2,43,59,041
	Resident Individuals holding nominal share capital in excess of Rs. 2 lakhs	95	70,05,685	-	-	70,05,685	0.58	70,05,685	-	70,05,685	0.58	-	70,05,685	0.58	-	-	70,05,685
	Non Resident Indians (NRIs)	5,295	11,38,600	-	-	11,38,600	0.09	11,38,600	-	11,38,600	0.09	-	11,38,600	0.09	-	-	11,38,600
	Foreign Nationals	1	10,000	-	-	10,000	-	10,000	-	10,000	-	-	10,000.00	-	-	-	10,000
	Foreign Companies	1	6,82,600	-	-	6,82,600	0.06	6,82,600	-	6,82,600	0.06	-	6,82,600	0.06	-	-	6,82,600
	Bodies Corporate	949	52,33,433	-	-	52,33,433	0.44	52,33,433	-	52,33,433	0.44	-	52,33,433	0.44	-	-	52,33,433
	Any Other (specify)	4,086	20,66,677	-	-	20,66,677	0.17	20,66,677	-	20,66,677	0.17	-	20,66,677	0.17	-	-	20,66,677
	Clearing Members	58	1,13,318	-	-	1,13,318	0.01	1,13,318	-	1,13,318	0.01	-	1,13,318	0.01	-	-	1,13,318
	HUF	3,897	16,87,446	-	-	16,87,446	0.14	16,87,446	-	16,87,446	0.14	-	16,87,446	0.14	-	-	16,87,446
	Others	144	2,13,799	-	-	2,13,799	0.02	2,13,799	-	2,13,799	0.02	-	2,13,799	0.02	-	-	2,13,799
	Trusts	5	52,114	-	-	52,114	-	52,114	-	52,114	-	-	52,114	-	-	-	52,114
	Sub Total (B4)	3,85,004	4,07,49,921	-	-	4,07,49,921	3.39	4,07,49,921	-	4,07,49,921	3.39	-	4,07,49,921	3.39	-	-	4,07,49,921

Category	Category of shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)				No. (a)	As a % of total Shares held (b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
	Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)+(B)(4)	3,85,299	30,37,86,815	-	-	30,37,86,815	25.29	30,37,86,815	-	30,37,86,815	25.29	-	30,37,86,815	25.29	-	-	30,36,39,904

The following table sets forth the details of our non-promoter, non-public shareholders as on June 30, 2026:

Category	Category of shareholder	Nos. of shareholder s	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+ C)				No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total							
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+ X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XVIII)
(C1)	Custodian/DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The following table sets forth the details of disclosure made by the trading members holding 1% or more of the total number of shares of our Company as on June 30, 2026:

Sl. No.	Name of the Trading Member	Name of the Beneficial Owner	No. of shares held	% of total no. of shares	Date of reporting by the Trading Member
1.	NIL	NIL	NIL	NIL	NIL

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Book Running Lead Managers. Prospective investors are advised to inform themselves of any restrictions or limitations that may be applicable to them. Also see “Distribution and Solicitation Restrictions” and “Transfer Restrictions” on pages 611 and 620, respectively.

Our Company, the Book Running Lead Managers, and their respective directors, officers, agents, advisors, shareholders, employees, counsels, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBS ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document have not been, and will not be, filed as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 and rules thereunder, through the mechanism of a qualified institutions placement (“QIP”). Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs, provided that:

- the shareholders have adopted a special resolution approving the Issue. Such special resolution must specify (a) that the allotment of Equity Shares is proposed to be made pursuant to the QIP; and (b) the Relevant Date;
- the explanatory statement to the notice to the shareholders for convening the general meeting must disclose, among other things, the particulars of the issue including the date of passing the board resolution, the kind of securities being offered, amount which the company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of offer, the contribution made by the promoters or directors either as part of the offer or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the Issue, are listed on the Stock Exchanges, for a period of at least one year prior to the date of issuance of notice to our shareholders for convening the meeting to adopt the above-mentioned special resolution, except for Equity Shares allotted during the preceding one year from the date of this Preliminary Placement Document. For details, see “Capital Structure” on page 95;
- invitation to apply in the Issue must be made through a private placement offer-cum-application (i.e., this Preliminary Placement Document) and an application form serially numbered and addressed specifically to the Eligible QIBs to whom the Issue is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of this Issue;
- our Company shall have completed allotments with respect to any offer or invitation made by our Company or has withdrawn or abandoned any such invitation or offer, however, our Company may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- the Promoters and Directors of our Company are not fugitive economic offenders;

- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document), our Company must prepare and record a list of Eligible QIBs to whom the offer will be made. The offer must be made only to such Eligible QIBs whose names are recorded by our Company prior to the invitation to subscribe; and
- our Company acknowledges that issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under this Issue shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. The “Relevant Date” referred to above means the date of the meeting in which our Board or QIP Committee decides to open the Issue and “stock exchange” means any of the recognized stock exchanges on which the Equity Shares of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date. Further, in accordance with the resolution of the shareholders of our Company dated July 25, 2026, our Company may offer a discount of not more than 5% on the Floor Price in accordance with the SEBI ICDR Regulations.

The Equity Shares will be Allotted within 365 days from the date of the shareholders’ resolution approving the Issue, being July 25, 2026 and within 60 days from the date of receipt of Bid Amount from the Successful Bidders. For details of refund of Bid Amount, see “– Pricing and Allocation – Designated Date and Allotment of Equity Shares” on page 607.

Subscription to the Equity Shares offered pursuant to the Issue must be made by Eligible QIBs on the basis of this Preliminary Placement Document and the Placement Document shall contain all material information required under applicable laws, including the information specified in Schedule VII of SEBI ICDR Regulations and the requirements prescribed under Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company, with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

This Issue was authorized and approved by our Board on July 1, 2026 and approved by the shareholders of our Company through their resolution dated July 25, 2026. The minimum number of Allottees with respect to a QIP shall not be less than:

- two, where the issue size is less than or equal to ₹250 crore; and
- five, where the issue size is greater than ₹250 crore.

No single Allottee shall be Allotted more than 50% of the Issue Size.

Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, see “— Bid Process —Application Form” on page 603.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognized stock exchange.

We have applied for and received the in-principle approvals of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares on the Stock Exchanges. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges. Our Company has received in-principle approvals from each of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for the listing of the Equity Shares on the BSE and NSE each dated July 27, 2026.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (a) within the United States only to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act and referred to in this Preliminary Placement Document as “U.S. QIBs”. For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and (b) outside the United States in “offshore transactions” in reliance on Regulation S and in each case in compliance with the applicable laws of the jurisdictions where those offers and sales occur. For further information, see the sections “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Issue Opening Date, our Company and the Book Running Lead Managers shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form, to identified Eligible QIBs and the Application Form will be specifically addressed to each such Eligible QIB. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain records of the Eligible QIBs in the form and manner as prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched. Our Company will make the requisite filings with the RoC within the stipulated time periods as required under the Companies Act, 2013 and the PAS Rules. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with the BRLMs, at their sole discretion.
2. **Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer to subscribe shall be deemed to have been made to such Eligible QIB.** Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid.
3. Eligible QIBs may submit the Application Form, including any revisions thereof along with the Bid Amount transferred to the escrow account specified in the Application form and a copy of the PAN card or PAN allotment letter, during the Issue Period to the Book Running Lead Managers. Application Form may be signed physically or digitally, if required under applicable laws in the relevant jurisdiction applicable to each Eligible QIBs and as permitted under such applicable laws. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Application Amount is paid along with submission of the Application Form within the Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Application Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Application Amount in the Escrow Account along with the submission of such revised Bid. In case Bids are being made on behalf of the Eligible QIBs and the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIBs is authorised to do so.
4. Bidders will be required to indicate the following in the Application Form:
 - Full official name of the Eligible QIB to whom Equity Shares are to be Allotted, complete address, e-mail id and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe for the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;

- details of the depository account to which the Equity Shares should be credited;
 - a representation that it is either (i) outside the United States acquiring the Equity Shares in an “offshore transaction” in reliance on Regulation S and in compliance with the applicable laws of the jurisdictions where such offers and sales occur, or (ii) if within the United States, it is a “qualified institutional buyer” as defined in Rule 144A purchasing the Equity Shares in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act, and it has agreed to certain other representations set forth in the “*Representations by Investors*” on page 6 and “*Transfer Restrictions*” on page 620 and certain other representations made in the Application Form; and
 - Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form.
5. Eligible QIBs shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “*ADANI ENERGY SOLUTIONS LIMITED QIP ESCROW ACCOUNT 2026*” with the Escrow Agent, within the Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. Until Allotment, and the filing of return of Allotment by our Company with the RoC, or receipt of final listing and trading approvals from the Stock Exchanges, whichever is later, Bid Amount received for subscription of the Equity Shares shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised only for the purposes permitted under the Companies Act, 2013. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but prior to the Bid Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “– *Refunds*” on page 608
 6. Once a duly completed Application Form is submitted by a Bidder and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Issue Closing Date. In case of an upward revision before the Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
 7. The Bids made by asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.
 8. Upon receipt of the duly completed Application Form and the Bid Amount in the Escrow Account, after the Issue Closing Date, our Company shall, in consultation with Book Running Lead Managers determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. Upon such determination, the Book Running Lead Managers will send the serially numbered CAN to the Eligible QIBs who have been Allocated the Equity Shares. The dispatch of a CAN, and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and will be in consultation with the Book Running Lead Managers.**
 9. The Bidder acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post-Issue shareholding in the Placement Document and consents to such disclosure, if any Equity Shares are allocated to it.

10. Upon determination of the Issue Price and the issuance of CAN and before Allotment of Equity Shares to the Successful Bidders, the Book Running Lead Managers, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.
11. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. We will inform the Stock Exchanges of the details of the Allotment.
12. After passing the resolution for Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the depository participant, as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
13. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to this Issue into the beneficiary accounts of the respective Allottees.
14. Our Company will then apply for the final trading approvals from the Stock Exchanges.
15. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Eligible QIBs shall be eligible for trading on the Stock Exchanges only upon the receipt of final trading and listing approvals from the Stock Exchanges.
16. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Eligible QIBs to whom the Equity Shares have been Allotted. Our Company and the Book Running Lead Managers shall not be responsible for any delay or non-receipt of the communication of the final trading and listing permissions from the Stock Exchanges or delay in completion of the corporate actions at NSDL and CDSL or any loss arising from such delay or non-receipt. Investors are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Qualified Institutional Buyers

Only Eligible QIBs are eligible to invest in the Equity Shares pursuant to the Issue, provided that with respect to foreign portfolio investors, only Eligible FPIs applying under Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:

- alternate investment funds registered with SEBI;
- Eligible FPIs;
- insurance companies registered with Insurance Regulatory and Development Authority of India;
- insurance funds set up and managed by army, navy or air force of the Union of India;
- insurance funds set up and managed by the Department of Posts, India;
- multilateral and bilateral development financial institutions;
- Mutual Funds;
- venture capital fund registered with SEBI;
- pension funds with minimum corpus of ₹25 crore registered with the Pension Fund Regulatory and Development Authority established under Section 3(1) of the Pension Fund Regulatory and Development Authority Act, 2013;
- provident funds with minimum corpus of ₹25 crore;
- public financial institutions as defined under Section 2(72) of the Companies Act, 2013;
- scheduled commercial banks;
- state industrial development corporations;

- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- systemically important non-banking financial companies; and
- accredited investors as defined in Regulation 2(1)(ab) of the SEBI AIF Regulations for the limited purpose of their investment in angel funds registered with SEBI, under the SEBI AIF Regulations.

QIBs who are persons resident outside India and are eligible to invest in India may participate in the Issue through the applicable scheme under the FEMA and the rules and regulations framed thereunder. In this regard, Eligible FPIs are permitted to participate under Schedule II of FEMA Rules in this Issue, subject to compliance with all applicable laws and such that the shareholding of the FPIs do not exceed specified limits as prescribed under applicable laws in this regard. FVCIs are not permitted to participate in the Issue.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding by each FPI or investor group shall be below 10% of the total paid-up Equity Share capital of our Company. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company on a fully diluted basis. In case the holding of an FPI or investor group increases to 10% or more of the total paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the aforementioned prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per the procedure specified by SEBI, and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable.

As per the circular issued by SEBI on November 5, 2019, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as a FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included.

With effect from the April 1, 2020, the aggregate limit shall be the sectoral caps applicable to the Indian company as prescribed in the FEMA Rules with respect to its paid-up equity capital on a fully diluted basis. While the aggregate limit as provided above could have been decreased by the concerned Indian companies to a lower threshold limit of 24%, 49% or 74% as deemed fit, with the approval of its board of directors and its shareholders through a resolution and a special resolution, respectively before March 31, 2020, our Company has not decreased such limit and accordingly the applicable limit with respect to our Company is 100%.

Please note that participation by non-residents in the Issue is restricted to participation by FPIs under Schedule II of the FEMA Rules, in the Issue subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment currently not exceeding 100% (sectoral limit). FVCIs are not permitted to participate in the Issue.

Restriction on Allotment

Under Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any QIB being, or any person related to, our Promoters. QIBs which have all or any of the following rights shall be deemed to be persons related to our Promoters:

- rights under a shareholders' agreement or voting agreement entered into with our Promoters or members of the Promoter Group;

- veto rights; or
- a right to appoint any nominee director on our Board.

Provided, however, that a QIB which does not hold any Equity Shares in our Company and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to our Promoters.

Our Company and the Book Running Lead Managers and any of their respective shareholders, employees, counsels, officers, directors, representatives, agents, advisors or affiliates are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not result in triggering an open offer under the SEBI Takeover Regulations.

A minimum of 10% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

***Note:** Affiliates or associates of the Book Running Lead Managers who are QIBs may participate in the Issue in compliance with applicable laws.*

Bid Process

Application Form

Eligible QIBs shall only use the serially numbered Application Forms (which are specifically addressed to them) supplied by our Company and the Book Running Lead Managers in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Eligible QIB will be deemed to have made the following representations, warranties, acknowledgements and undertakings given or made under “*Notice to Investors*”, “*Representations by Investors*”, “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 2, 6, 611 and 620, respectively:

1. The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, and has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in this Issue;
2. The Eligible QIB confirms that it is not a Promoter and is not a person related to our Promoters, either directly or indirectly and its Application Form does not directly or indirectly represent our Promoter or Promoter Group or persons related to our Promoters;
3. The Eligible QIB confirms that it has no rights under a shareholders’ agreement or voting agreement with the Promoters or members of the Promoter Group, no veto rights or right to appoint any nominee director on our Board other than those acquired in the capacity of a lender which shall not be deemed to be a person related to the Promoters;
4. The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Issue Closing Date;
5. The Bidder confirms that in the event it is resident outside India, it is an Eligible FPI having a valid and existing registration with SEBI under the applicable laws in India, or a multilateral or bilateral development financial institution and is eligible to invest in India under applicable law, including the FEMA Rules and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
6. The Eligible QIB confirms that if Equity Shares are Allotted through this Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchanges;
7. The Eligible QIB confirms that the QIB is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The QIB further confirms that the holding of the QIB, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the QIB;
8. The Eligible QIB confirms that its Bid would not result in triggering an open offer under the SEBI Takeover Regulations;

9. The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Issue Period in terms of provisions of the Companies Act, 2013 and rules made thereunder, our Company reserves the right to Allocate and Allot Equity Shares pursuant to this Issue on a discretionary basis in consultation with the Book Running Lead Managers. The Eligible QIB further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
10. The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names as “proposed Allottees” and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and consents of such disclosure, if any Equity Shares are Allocated to it. However, the Eligible QIB further acknowledges and agrees, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the BRLMs;
11. The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:
 - a. QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Eligible QIB, its subsidiary(ies) or holding company and any other QIB ; and
 - b. ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
12. The Eligible QIB confirms that:
 - a. It will make payment of its Bid Amount along with submission of the Application Form within the Bidding period;
 - b. If it is within the United States, it is a U.S. QIB who is or are acquiring the Equity Shares for its own account or for the account of an institutional investor who also meets the requirement of a U.S. QIB, for investment purposes only and not with a view to, or for resale in connection with, the distribution (within the meaning of any United States securities laws) thereof, in whole or in part and are not our affiliate or a person acting on behalf of such an affiliate;
 - c. If it is outside the United States, it is purchasing the Equity Shares in an “offshore transaction” in reliance on Regulation S under the U.S. Securities Act and in compliance with laws of all applicable jurisdictions, and is not our affiliate or a person acting on behalf of such an affiliate; and
 - d. It has agreed to certain other representations set forth in the “*Representations by Investors*” and “*Transfer Restrictions*” on pages 6 and 620, respectively, and certain other representations made in the Application Form;
13. The Eligible QIBs acknowledge that no Allotment shall be made to them if the price at which they have Bid for in the Issue is lower than the Issue Price;
14. The Eligible QIBs confirm that they shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; and
15. Each Eligible QIB confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.

Further, in accordance with press note no. 3 (2020 Series), dated April 17, 2020, issued by the Department for Promotion of Industry and Internal Trade, Government of India and the FDI Policy, investments where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, can only be made through the Government approval route. Subsequently, *vide* Press Note No. 2 (2026 Series), dated March 15, 2026 issued by the DPIIT, the FDI Policy has been further amended to, *inter alia*, define the expression “beneficial owner” and to provide that prior approval of the Government of India shall be required only where citizen(s) and/or entity(ies) of a country sharing a land border with India hold, directly or indirectly, individually or cumulatively, more than 10% of the shares, capital or profits of the investor entity, or exercise control over such investor entity, or exercise ultimate effective control over the investee entity. The amendments

under Press Note No. 2 (2026 Series) have been brought into effect from the date of publication of FEMA (Non debt Instruments) Rules, 2026 in the official gazette, being, May 2, 2026.

ELIGIBLE QIBS MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN, DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, THE ELIGIBLE QIBS SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE BOOK RUNNING LEAD MANAGERS TO EVIDENCE THEIR STATUS AS A "QIB" AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE BOOK RUNNING LEAD MANAGERS, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER ISSUE CLOSURE, THE ELIGIBLE QIBS SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter. The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Book Running Lead Managers either through electronic form or through physical delivery at either of the following addresses:

Name of Book Running Lead Managers	Address	Contact Person	Email	Contact Number
SBI Capital Markets Limited	1501, 15th floor, A & B Wing, Parinee Crescenzo Building, G Block, Bandra Kurla Complex, Bandra (E), Mumbai 400 051, Maharashtra, India	Aradhy Rajyaguru / Raghavendra Bhat	aesl.qip@sbicaps.com	Tel: +91 22 4006 9807
ICICI Securities Limited	ICICI Venture House Appasaheb Marathe Marg Prabhadevi Mumbai 400 025 Maharashtra, India	Rahul Sharma / Namrata Ravasia	aesl.qip@icicisecurities.com	+91 22 6807 7100
IIFL Capital Services Limited (formerly known as IIFL Securities Limited)	24th Floor, One Lodha Place Senapati Bapat Marg, Lower Parel (West) Mumbai 400 013 Maharashtra, India	Mukesh Garg	aesl.qip@iiflcap.com	+91 22 4646 4728
Jefferies India Private Limited	Level 16, Express Towers Nariman Point Mumbai 400 021 Maharashtra, India	Nidhi Rana / Siddharth Dalmia	adanienergysolutions.qip.2026@jefferies.com	+91 22 4356 6000

The Book Running Lead Managers shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Issue Period.

Payment of Bid Amount

Our Company has opened the Escrow Account in the name of “*ADANI ENERGY SOLUTIONS LIMITED QIP ESCROW ACCOUNT 2026*” with the Escrow Agent, in terms of the arrangement among our Company, the Book Running Lead Managers and the Escrow Agent. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be cancelled.

Pending Allotment, our Company undertakes to utilise the amount deposited in “*ADANI ENERGY SOLUTIONS LIMITED QIP ESCROW ACCOUNT 2026*” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the application form and towards which application amount has been paid by such Bidder, the excess application amount will be refunded to the same bank account from which application amount was remitted, in the form and manner set out in “– *Refunds*” on page 608.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the stock exchange during the two weeks preceding the Relevant Date. However, a discount of not more than 5% of the Floor Price may be offered by our Company in accordance with the resolution of the shareholders of our Company dated July 25, 2026 and in terms of the provisions of the SEBI ICDR Regulations.

The “Relevant Date” referred to above, for Allotment, will be the date of the meeting in which our Board decides to open the Issue and “stock exchange” means any of the recognized stock exchanges in India on which the Equity Shares of our Company of the same class are listed and on which the highest trading volume in such Equity Shares has been recorded during the two weeks immediately preceding the Relevant Date.

Build-up of the Book

The Eligible QIBs shall submit their Bids (including any revision thereof) through the Application Forms within the Issue Period to the Book Running Lead Managers. Such Bids cannot be withdrawn or revised downwards after the Issue Closing Date. The book shall be maintained by the Book Running Lead Managers.

Price Discovery and Allocation

Our Company, in consultation with the Book Running Lead Managers, shall determine the Issue Price, which shall be at or above the Floor Price. However, our Company may offer a discount of not more than 5% on the Floor Price in terms of Regulation 176 of the SEBI ICDR Regulations as approved by our shareholders pursuant to resolution dated July 25, 2026.

After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file the same with the Stock Exchanges as the Placement Document.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Book Running Lead Managers on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Bids received from the Eligible QIBs at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Eligible QIBs will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company in consultation with Book Running Lead Managers has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws. **THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL BIDDERS. BIDDERS MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS AND ELIGIBLE QIBS MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE**

ISSUE PRICE. NEITHER OUR COMPANY NOR THE BOOK RUNNING LEAD MANAGERS IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the Book Running Lead Managers, in its sole and absolute discretion, shall decide the Successful Bidders to whom the serially numbered CAN shall be dispatched, pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board will approve the Allotment of the Equity Shares to the Allottees in consultation with the BRLMs.

QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would have deemed to have made the representations and warranties as specified in "Notice to Investors" on page 2 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the CAN.
2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013 and the Depositories Act. However, no transfer in physical form is permitted as per Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion, reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the successful Bidders' beneficiary accounts, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC.
7. After finalization of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.
8. In the event that we are unable to issue and Allot the Equity Shares offered in the Issue or if the Issue is cancelled within 60 days from the date of receipt of application monies, our Company shall repay the application monies within 15 days from the expiry of 60 days, failing which our Company shall repay that monies with interest at the rate of 12% p.a. from expiry of the sixtieth day. The application monies to be refunded by us shall be refunded to the same bank account from which application monies was remitted by the Bidders, as mentioned in the Application Form.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or Equity Shares are not Allocated to a Bidder for any reasons, or a Bidder withdraws the Bid prior to the Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted (as set out in the Application Form), in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN.

In the event that Equity Shares have been Allocated to Successful Bidders and our Company is unable to issue and Allot the Equity Shares offered in the Issue or on cancellation of the Issue, within 60 days from the date of receipt of the Bid Amount, our Company shall repay the Bid Amount within 15 days from expiry of 60 days, failing which our Company shall repay that money with interest at such rate and in such manner as prescribed under the Companies Act, 2013.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the listing and trading of the Equity Shares issued pursuant to this Issue are received by our Company and our Company files the return of Allotment in connection with the Issue with the RoC. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Other Instructions

Permanent Account Number or PAN

Each Bidder should mention its PAN allotted under the Income-tax Act, 1961. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the Book Running Lead Managers, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Book Running Lead Managers in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder. For details, see “– Bid Process” – “Refunds” on page 608.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in this Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Book Running Lead Managers will not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT

Placement Agreement

The Book Running Lead Managers have entered into the Placement Agreement dated July 27, 2026 with our Company, pursuant to which the Book Running Lead Managers have agreed, subject to certain conditions, to manage the Issue and to act as placement agents in connection with the proposed Issue and procure subscription to Equity Shares on a reasonable efforts basis with Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules, as amended and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations, warranties and indemnities from our Company, and it is subject to satisfaction of certain conditions and subject to termination in accordance with the terms contained therein.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (a) within the United States only to U.S. QIBs in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act, and (b) outside the United States, in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and in each case in compliance with the applicable laws of the jurisdictions where such offers and sales occur. For further information, see “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” on pages 611 and 620, respectively.

This Preliminary Placement Document has not been, and will not be, filed as a prospectus with the RoC and, no Equity Shares issued pursuant to the Issue, will be offered in India or overseas to the public or any members of the public or any other class of prospective investors, other than Eligible QIBs.

In connection with the Issue, the Book Running Lead Managers (or their respective affiliates) may, for its own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and sale of the Equity Shares, or in secondary market transactions. As a result of such transactions, the Book Running Lead Managers may hold long or short positions in such Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Book Running Lead Managers may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. For further details, see “*Offshore Derivative Instruments*” on page 11.

Lock-up

Subject to exceptions set out below, our Company shall not for a period of 60 days from the date of Allotment, without the prior written consent of the Book Running Lead Managers, directly or indirectly, (a) purchase, lend, sell, offer, issue, contract to issue, issue or offer any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, any Equity Shares or any securities convertible into or exercisable for Equity Shares (including, without limitation, securities convertible into or exercisable or exchangeable for Equity Shares which may be deemed to be beneficially owned), or file any registration statement under the U.S. Securities Act, with respect to any of the foregoing; or (b) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, any of the economic consequences associated with the ownership of any of the Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares (regardless of whether any of the transactions described in clause (a) or (b) is to be settled by the delivery of Equity Shares or such other securities, in cash or otherwise), (c) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale, or (d) publicly announce any intention to enter into any transaction falling within (a) to (c) above or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or publicly announce any intention to enter into any transaction falling within (a) to (c) above. Provided that, the foregoing restrictions shall not apply to (a) an issuance of Equity Shares or options pursuant to any employee stock option scheme formulated by our Company; and (b) any Encumbrance created on the Equity Shares or any other securities in the ordinary course of business of our Company.

Further, subject to exceptions set out below, each Promoter and members of the Promoter Group (“**Relevant Member**”) shall not for a period of 60 days from the date of Allotment, without the prior written consent of the Book Running Lead Managers, directly or indirectly: (a) sell, lend, contract to sell any option or contract to sell, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Equity Shares, or any securities convertible into or exercisable or exchangeable for Equity Shares or publicly announce an intention with respect to any of the foregoing; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of

ownership of Equity Shares or any securities convertible into or exercisable or exchangeable for Equity Shares; or (c) publicly announce any intention to enter into any transaction whether any such transaction described in (a) or (b) above is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, or enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue or offer or publicly announce any intention to enter into any transaction falling within (a) to (b) above. Provided that, the foregoing restrictions shall not apply to (a) any Encumbrance created in the ordinary course of business by the Promoters and/or members of the Promoter Group on the respective Equity Shares or securities held by them, as applicable, or (b) inter-se transfers between the Promoters and the members of the Promoter Group and/or between members of the Promoter Group.

DISTRIBUTION AND SOLICITATION RESTRICTIONS

The distribution of this Preliminary Placement Document or any offering material and the offering, sale or delivery of the Equity Shares is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised.

General

No action has been taken or will be taken by our Company or the BRLMs that would permit a public offering of the Equity Shares to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to our Company or the Equity Shares in any jurisdiction where action for such purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions. The Issue will be made in compliance with the applicable SEBI regulations. Each purchaser of the Equity Shares in the Issue will be deemed to have made acknowledgments and agreements as described under “*Transfer Restrictions*”, “*Notice to Investors*” and “*Representations by Investors*” on page 620, 2 and 6, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which the Issue is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public or any other class of investors other than Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, and will not be circulated or distributed to the public in India or any other jurisdiction, and will not constitute a public offer in India or any other jurisdiction.

Abu Dhabi Global Market

The Equity Shares have not been and will not be offered to any persons in the Abu Dhabi Global Market unless such offer is:

- an “Exempt Offer” in accordance with the Market Rulebook of the Financial Services Regulatory Authority (the “**FSRA**”);
- made only to persons who are “Authorised Persons” or “Recognised Bodies” (as such terms are defined in the FSRA’s Financial Services and Markets Regulation 2015, as amended (“**FSMR**”)) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated; and
- made only to persons who meet the Professional Client criteria set out in Rule 2.4.1 of the Conduct of Business Module of the FSRA Rulebook.

Australia

This Preliminary Placement Document:

- does not constitute a product disclosure document or a prospectus under Chapter 6D.2 of the Corporations Act 2001 (Cth) (the “**Corporations Act**”);
- has not been, and will not be, lodged with the Australian Securities and Investments Commission (“**ASIC**”), as a disclosure document for the purposes of the Corporations Act and does not purport to include the information required of a disclosure document under Chapter 6D.2 of the Corporations Act;
- does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a “retail client” (as defined in section 761G of the Corporations Act and applicable regulations) in Australia; and

- may only be provided in Australia to select investors who are able to demonstrate that they fall within one or more of the categories of investors (“**Exempt Investors**”), available under section 708 of the Corporations Act.

The Equity Shares may not be directly or indirectly offered for subscription or purchased or sold, and no invitations to subscribe for or buy the Equity Shares may be issued, and no draft or definitive Preliminary Placement Document, advertisement or other offering material relating to any Equity Shares may be distributed in Australia, except where disclosure to investors is not required under Chapter 6D of the Corporations Act or is otherwise in compliance with all applicable Australian laws and regulations. By submitting an application for the Equity Shares, you represent and warrant to us that you are an Exempt Investor.

As any offer of the Equity Shares under the Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to us that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to investors in Australia except in circumstances where disclosure to investors is not required under Chapter 6D.2 of the Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

The Equity Shares have not been offered or sold, and will not be marketed or sold to any person in the Kingdom of Bahrain, other than as marketing to existing accountholders who are “accredited investors” for an offer outside the Kingdom of Bahrain.

For this purpose, an “accredited investor” means:

- an individual who has a minimum net worth (either singly or jointly with their spouse) of U.S.\$1,000,000, excluding that person’s principal place of residence;
- a company, partnership, trust or other commercial undertaking which has financial assets available for investment of not less than U.S.\$1,000,000;
- a government, supranational organization, central bank or other national monetary authority or a state organization whose main activity is to invest in financial instruments (such as a state pension fund); or
- any other entity which is an “accredited investor” as defined in the Central Bank of Bahrain Rulebook from time to time.

All applications for investment should be received, and any allotments should be made, in each case from outside Bahrain. This Preliminary Placement Document has been prepared for private information purposes of intended investors only who will be high net worth individuals and institutions. Our Company has not made and will not make any invitation to the public in the Kingdom of Bahrain and this Preliminary Placement Document will not be issued, passed to, or made available to the public generally. The Bahrain Monetary Agency (“**BMA**”) has not reviewed, nor has it approved, the Preliminary Placement Document or the marketing of Equity Shares in the Kingdom of Bahrain. Accordingly, the Equity Shares may not be offered or sold in Bahrain or to residents thereof except as permitted by Bahrain law.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on our behalf. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands) (each a “**BVI Company**”), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

This Preliminary Placement Document has not been, and will not be, registered with the Financial Services Commission of the British Virgin Islands. No registered prospectus has been or will be prepared in respect of the Equity Shares for the purposes of the Securities and Investment Business Act, 2010 or the Public Issuers Code of the British Virgin Islands.

Canada

The Equity Shares may be sold only in any province of Canada to purchasers purchasing, or deemed to be purchasing, as principal that are both accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Equity Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Preliminary Placement Document (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Under Canadian securities laws, National Instrument 33-105 *Underwriting Conflicts* (NI 33-105) provides disclosure requirements with respect to potential conflicts of interest between an issuer and underwriters, dealers or placement agents, as the case may be. To the extent any conflict of interest between us and any of the underwriters (or any other placement agent acting in connection with this offering) may exist in respect of this offering, the applicable parties to this offering are relying on the exemption from these disclosure requirements provided to them by section 3A.3 of NI 33-105 (Exemption based on U.S. disclosure).

Upon receipt of this document, each Canadian purchaser hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the securities described herein (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque acheteur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

Cayman Islands

No offer or invitation to subscribe for the Equity Shares may be made to the public in the Cayman Islands.

Dubai International Financial Centre

The Equity Shares have not been offered and will not be offered to any person in the Dubai International Financial Centre unless such offer is:

- (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the Dubai Financial Services Authority (the "DFSA") Rulebook; and
- (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business (COB) Module of the DFSA Rulebook and who are not natural persons.

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules 2012 of the DFSA. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/ or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorized financial advisor. In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a "**Relevant State**"), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Relevant State prior to the publication of a prospectus in relation to the Equity Shares that has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that offers of the Equity Shares may be made to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation), subject to obtaining the prior consent of the Book Running Lead Managers; or
- in any other circumstances falling within an Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall require the Company or any Book Running Lead Manager to publish a prospectus pursuant to the Prospectus Regulation and each person who initially acquires any Equity Shares or to whom any offer is made will be deemed to have represented, acknowledged and agreed to and with each of the Book Running Lead Manager and the Company that it is a “qualified investor” within the meaning of the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each such financial intermediary will be deemed to have represented, acknowledged and agreed that the Equity Shares acquired by it in the Issue have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Member State to qualified investors as so defined or in circumstances in which the prior consent of the representatives has been obtained to each such proposed offer or resale.

For the purposes of this provision, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means the communication in any form and by means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase Equity Shares, the expression “Prospectus Regulation” means Regulation (EU) 2017/1129.

Hong Kong

The Equity Shares may not be offered or sold in Hong Kong, by means of this Preliminary Placement Document or any other document, other than to “professional investors” within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong (Cap. 571) (the “SFO”) and any rules made thereunder; or in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong (Cap. 32) (the “CMO”) or which do not constitute an offer or invitation to the public for the purposes of the CMO or the SFO, and (2) no person shall issue, or possess for the purpose of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Equity Shares which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to such “professional investors” as defined in the SFO and any rules made thereunder.

Indonesia

This Preliminary Placement Document does not constitute a prospectus for a public offering of securities under Indonesian capital market law and regulations. This Preliminary Placement Document may not be distributed or passed on to more than 100 persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia. The Equity Shares may not be sold using this Preliminary Placement Document to more than 50 persons who are citizens of Indonesia (wherever they are domiciled or located) or entities of or residents in Indonesia.

Japan

The Equity Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948 as amended) (the “FIEA”) and disclosure under the FIEA has not been and will not be made with respect to the Equity Shares. No Equity Shares have, directly or indirectly, been offered or sold, and may not, directly or indirectly, be offered or sold in Japan or to, or for the benefit of, any resident of Japan as defined in the first sentence of Article 6, Paragraph 1, Item 5 of the Foreign Exchange and Foreign Trade Contract Act of Japan (Law No. 228 of 1949, as amended) (“**Japanese Resident**”) or to others for re-offering or re-sale, directly or indirectly in Japan or to, or for the benefit of, any Japanese Resident except (i) pursuant to an exemption from the registration requirements of the FIEA and (ii) in compliance with any other relevant laws, regulations and governmental guidelines of Japan.

If an offeree does not fall under a “qualified institutional investor” (*tekikaku kikan toshika*), as defined in Article 10, Paragraph 1 of the Cabinet Office Ordinance Concerning Definition Provided in Article 2 of the Financial Instruments and Exchange Act (Ordinance of the Ministry of Finance No. 14 of 1993, as amended) (the “**Qualified Institutional Investor**”), the Equity Shares will be offered in Japan by a private placement to small number of investors (*shoninzu muke kanyu*), as provided under Article 23-13, Paragraph 4 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made.

If an offeree falls under the Qualified Institutional Investor, the Equity Shares will be offered in Japan by a private placement to the Qualified Institutional Investors (*tekikaku kikan toshikamuke kanyu*), as provided under Article 23-13, Paragraph 1 of the FIEA, and accordingly, the filing of a securities registration statement for a public offering pursuant to Article 4, Paragraph 1 of the FIEA has not been made. To receive the Equity Shares (the “**QII Equity Shares**”), such offeree will be required to agree that it will be prohibited from selling, assigning, pledging or otherwise transferring the QII Equity Shares other than to another Qualified Institutional Investor.

Kuwait

This Preliminary Placement Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait (“**Kuwait Securities Laws**”). No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Mauritius

The Equity Shares may not be offered or sold, directly or indirectly, to the public in Mauritius. Neither this Preliminary Placement Document nor any offering material or information contained herein relating to the offer of the Equity Shares may be released or issued to the public in Mauritius or used in connection with any such offer. This Preliminary Placement Document does not constitute an offer to sell the Equity Shares to the public in Mauritius and is not a prospectus as defined under the Companies Act 2001.

New Zealand

This Preliminary Placement Document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “**FMC Act**”). This Issue is not an offer of financial products that requires disclosure under Part 3 of the FMC Act and no product disclosure statement, register entry or other disclosure document under the FMC Act will be prepared in respect of this Issue. The Equity Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- (i) is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- (ii) meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- (iii) is large within the meaning of clause 39 of Schedule 1 of the FMC Act; or
- (iv) is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act.

If, in the future, any person in New Zealand to whom the Equity Shares are issued or sold elects to sell any Equity Shares, they must not do so in any manner which will, or is likely to, result in this Issue or such sale, being viewed as an offer to which Part 3 of the FMC Act is applicable.

People’s Republic of China (“PRC”)

The Equity Shares may not be offered or sold directly or indirectly to any resident of the PRC, or offered or sold to any person for reoffering or resale directly or indirectly to any resident of the PRC, except pursuant to applicable laws and regulations of the PRC. Neither this Preliminary Placement Document nor any advertisement or other offering material may be distributed or published in the PRC, except under circumstances that will result in compliance with any applicable laws and regulations.

Qatar (excluding Qatar Financial Centre)

The Equity Shares have not been offered, sold or delivered, and will not be offered, sold or delivered at any time, directly or indirectly, in the State of Qatar in a manner that would constitute a public offering. This Preliminary Placement Document has not been reviewed or registered with Qatari Government Authorities, whether under Law No. 25 (2002) concerning investment funds, Central Bank resolution No. 15 (1997), as amended, or any associated regulations. Therefore, this Preliminary Placement Document is strictly private and confidential, and is being issued to a limited number of sophisticated investors, and may not be reproduced or used for any other purposes, nor provided to any person other than the recipient thereof.

The Capital Market Authority does not make any representation as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, 195 any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

This Preliminary Placement Document are strictly private and confidential, and is being sent to a limited number of institutional and/or sophisticated investors (a) upon their request and confirmation that they understand the statements above; and (b) on the condition that it will not be provided to any person other than the original recipient, and is not for general circulation and may not be reproduced or used for any other purpose.

Qatar Financial Centre

This Preliminary Placement Document does not, and is not intended to, constitute an invitation or offer of securities from or within the Qatar Financial Center (“**QFC**”), and accordingly should not be construed as such. This Preliminary Placement Document has not been reviewed or approved by or registered with the Qatar Financial Centre Authority, the Qatar Financial Centre Regulatory Authority or any other competent legal body in the QFC. This Preliminary Placement Document is strictly private and confidential, and may not be reproduced or used for any other purpose, nor provided to any person other than the recipient thereof. The Company has not been approved or licensed by or registered with any licensing authorities within the QFC.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “**FSCMA**”), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “**FETL**”). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the KSA Regulations (as such term is defined below) issued by the Capital Market Authority of the Kingdom of Saudi Arabia (the “**Capital Market Authority**”).

The Capital Market Authority does not make any representations as to the accuracy or completeness of this Preliminary Placement Document, and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If a prospective purchaser does not understand the contents of this Preliminary Placement Document, he or she should consult an authorized financial adviser.

No action has been or will be taken in the Kingdom of Saudi Arabia that would permit a public offering of the Equity Shares and the Equity Shares must not be advertised, offered or sold and no memorandum, information circular, brochure or any similar document has or will be distributed, directly or indirectly, to any person in Saudi Arabia other than (i) investors under the categories of “Institutional Clients” or “Qualified Clients” under Article 8(a)(1) of the “Rules on the Offer of Securities and Continuing Obligations” as issued by the Board of the Capital Market Authority pursuant to its resolution number 3-123-2017 dated 9/4/1439H (corresponding to 27 December 2017), as amended by the Board of the Capital Market Authority resolution number 1-94-2025 dated 9/3/1447H (corresponding to 1 September 2025) (the “**KSA Regulations**”) or (ii) by way of a limited offer under Article 9 of the KSA Regulations, each made through a person authorized by the CMA to carry on the securities activity of arranging and following a notification to the CMA under Article 10 of the KSA Regulations.

The BRLMs have represented and agreed that any offer of Equity Shares will be made in compliance with Article 8(a)(1) or Article 9 and Article 10 of the KSA Regulations.

Each offer of Equity Shares shall not therefore constitute a “public offer”, an “exempt offer” or a “parallel market offer” pursuant to the KSA Regulations. Prospective investors are informed that Article 14 of the KSA Regulations places restrictions on secondary market activity with respect to the Equity Shares. Any resale or other transfer, or attempted resale or other transfer, made other than in compliance with the KSA Regulations shall not be recognised by the Capital Market Authority.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Equity Shares were not offered or sold or caused to be made the subject of an invitation for subscription or purchase and will not be offered or sold or caused to be made the subject of an invitation for subscription or purchase, and this Preliminary Placement Document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of any Equity Shares, has not been circulated or distributed, nor will it be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore as modified and amended from time to time (the “**SFA**”)) pursuant to Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Notification under Section 309B of the SFA: The Company has determined, and hereby notifies all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

South Africa

Due to restrictions under the securities laws of South Africa, the Equity Shares are not offered, and the offer shall not be transferred, sold, renounced or delivered, in South Africa or to a person with an address in South Africa, unless one or other of the following exemptions applies:

- i. the offer, transfer, sale, renunciation or delivery is to:
 - (a) persons whose ordinary business is to deal in securities, as principal or agent;
 - (b) the South African Public Investment Corporation;
 - (c) persons or entities regulated by the Reserve Bank of South Africa;
 - (d) authorised financial service providers under South African law;
 - (e) financial institutions recognised as such under South African law;
 - (f) a wholly-owned subsidiary of any person or entity contemplated in (c), (d) or (e), acting as agent in the capacity of an authorised portfolio manager for a pension fund or collective investment scheme (in each case duly registered as such under South African law); or
 - (g) any combination of the person in (a) to (f); or
- ii. the total contemplated acquisition cost of the securities, for any single addressee acting as principal is equal to or greater than ZAR1,000,000.

No “offer to the public” (as such term is defined in the South African Companies Act, No. 71 of 2008 (as amended or re-enacted) (the “**South African Companies Act**”)) in South Africa is being made in connection with the issue of the Equity Shares. Accordingly, this Preliminary Placement Document does not, nor is it intended to, constitute a “registered prospectus” (as that term is defined in the South African Companies Act) prepared and registered under the South African Companies Act and has not been approved by, and/or filed with, the South African Companies and Intellectual Property Commission or any other regulatory authority in South Africa. Any issue or offering of the Equity Shares in South Africa constitutes an offer of the Equity Shares in South Africa for subscription or sale in South Africa only to persons who fall within the exemption from “offers to the public” set out in section 96(1)(a) of the South African Companies Act. Accordingly, this Preliminary Placement Document must not be acted on or relied on by persons in South Africa who do not fall within section 96(1)(a) of the South African Companies Act (such persons being referred to as “**SA Relevant Persons**”). Any investment or investment activity to which this Preliminary Placement Document relates is available in South Africa only to SA Relevant Persons and will be engaged in South Africa only with SA relevant persons.

Sultanate of Oman

This Preliminary Placement Document and the Equity Shares to which it relates may not be advertised, marketed, distributed or otherwise made available to any person in Oman without the prior consent of the Capital Market Authority (“**CMA**”) and then only in accordance with any terms and conditions of such consent. In connection with the offering of Equity Shares, no prospectus has been filed with the CMA. The offering and sale of Equity Shares described in the Preliminary Placement Document will not take place inside Oman.

The Preliminary Placement Document is strictly private and confidential and is being issued to a limited number of sophisticated investors, and may neither be reproduced, used for any other purpose, nor provided to any other person than the intended recipient hereof. It is being provided on an exclusive basis to a limited number of sophisticated investors solely to enable them to decide whether or not to make an offer to the Company to enter into commitments to invest in the Equity Shares outside of the Sultanate of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Any distribution of this Preliminary Placement Document by the recipient to third parties in the Sultanate of Oman beyond the terms of this Preliminary Placement Document is not authorized and shall be at the liability of such recipient.

Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of the Sultanate of Oman.

The Company is incorporated and existing under the laws of India and is not authorized or licensed by any Omani governmental body to market, offer or sell securities in the Sultanate of Oman. The Capital Market Authority of Oman and the Central Bank of Oman take no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document or for the performance of the Company with respect to the Equity Shares nor shall they have any liability to any person for damage or loss resulting from reliance on any statement or information contained herein. The Preliminary Placement Document has not been and will not be filed with, reviewed or approved by the Capital Market Authority, Central Bank of Oman or any other relevant governmental body or securities exchange in the Sultanate of Oman.

Switzerland

The Equity Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (“SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This Preliminary Placement Document does not constitute a prospectus within the meaning of, and has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Preliminary Placement Document nor any other offering or marketing material relating to the offering, the Company, the Equity Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this Preliminary Placement Document will not be filed with, and the offer of Equity Shares will not be supervised by, the Swiss Financial Market Supervisory Authority and the offer of Equity Shares has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes (“CISA”). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Equity Shares.

Taiwan

The Equity Shares have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Equity Shares in Taiwan.

United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market)

This document does not constitute or contain an offer of securities to the general public in the United Arab Emirates (the “UAE”). No offering, marketing, promotion, advertising or distribution (together, “Promotion”) of this document or the Equity Shares may be made to the general public in the UAE unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “SCA”) and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors’ Chairman Decision no. (3/R.M.) of 2017 (the “**Promotion and Introduction Regulations**”), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to “Qualified Investors” (excluding “**High Net Worth Individuals**”) (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

By receiving this Preliminary Placement Document, the person or entity to whom it has been issued understands, acknowledges and agrees that this Preliminary Placement Document has not been approved by or filed with the UAE Central Bank, the SCA or any other authorities in the UAE, nor have the BRLMs received authorization or licensing from the UAE Central Bank, the SCA or any other authorities in the UAE to market or sell securities or other investments within the UAE. No marketing of any financial products or services has been or will be made from within the UAE other than in compliance with the laws of the UAE and no subscription to any securities or other investments may or will be consummated within the UAE. It should not be assumed that the BRLMs are a licensed broker, dealer or investment adviser under the laws applicable in the UAE, or that any of them advise individuals resident in the UAE as to the appropriateness of investing in or purchasing or selling securities or other financial products. The Equity Shares offered pursuant to this Preliminary Placement Document may not be offered or sold directly or indirectly to the public in the UAE and do not constitute a public offer of securities in the UAE in accordance with Federal Decree No. 32 of 2021 on Commercial Companies (as amended) or otherwise.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- (e) where (i) the offer is conditional on the admission of the Equity Shares to trading on the London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(a) of Schedule 1 of the POATR) or (ii) the Equity Shares being offered are at the time of the offer already admitted to trading on London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(b) of Schedule 1 of the POATR);
- (f) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 of the POATR;
- (g) to fewer than 150 natural or legal persons (other than qualified investors as defined in paragraph 15 of Schedule 1 of the POATR), subject to obtaining the prior consent of the BRLMs for any such offer; or
- (h) in any other circumstances falling within Part 1 of Schedule 1 of the POATR,

For the purposes of this provision, the expression an “offer to the public” in relation to the Equity Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Shares and the expression “**POATR**” means the Public Offers and Admissions to Trading Regulations 2024.

In the United Kingdom, this Preliminary Placement Document is only addressed to and directed to persons (i) who have professional experience in matters relating to investments falling within Article 19 paragraph 5 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (ii) who are high net worth entities falling within Article 49 paragraph 2(a) through (d) of the Order, or (iii) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as “**Relevant Persons**”). The securities described herein are only available in the United Kingdom to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities in the United Kingdom will be engaged in only with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Preliminary Placement Document or any of its contents.

United States

See “*Transfer Restrictions*” on page 620.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Pursuant to Chapter VI of the SEBI ICDR Regulations, purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below. Additionally, Allotments made to Eligible QIBs, including VCFs and AIFs, in the Issue may be subject to lock-in requirements, if any, under the rules and regulations that are applicable to them. For more information, see “*Distribution and Solicitation Restrictions*” on page 611.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction. Until the expiry of 40 days after the commencement of the Issue, an offer or sale of the Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the U.S. Securities Act.

The Equity Shares are only being offered and sold:

- (i) within the United States or to, or for the account or benefit of, to U.S. QIBs in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and
- (ii) outside the United States in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales occur,

and, in each case, to purchasers who are deemed to have made the representations set forth immediately below.

Equity Shares Offered and Sold within the United States

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue within the United States, by its acceptance of this Preliminary Placement Document and of the Equity Shares, will be deemed to have acknowledged, represented to and agreed with our Company and the Book Running Lead Managers that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

- (i). the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Issue in compliance with all applicable laws and regulations;
- (ii). the purchaser acknowledges that the Equity Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (iii). the purchaser (i) is a U.S. QIB, (ii) is aware that the sale to it is being made in a transaction exempt from or not subject to the registration requirements of the U.S. Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a U.S. QIB with respect to which it exercises sole investment discretion;
- (iv). the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
- (v). if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, (iv) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in accordance with all applicable laws, including the securities laws of the states of the United States;
- (vi). the Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resale of any such Equity Shares;

- (vii). the purchaser will not deposit or cause to be deposited such Equity Shares into any unrestricted depositary receipt facility established or maintained by a depositary bank other than a Rule 144A restricted depositary receipt facility, so long as such Equity Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
- (viii). the purchaser agrees, that on behalf of itself and on behalf of any accounts for which it is acting, that it will not reoffer, resell, pledge or otherwise transfer the Equity Shares, except in an offshore transaction on a recognized Indian stock exchange in compliance with Regulation S, or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act.
- (ix). the purchaser is not acquiring the Equity Shares as a result of any form of “general solicitation” or “general advertising” (within the meaning of Rule 502(c) under the U.S. Securities Act) or any “directed selling efforts” (as that term is defined in Regulation S);
- (x). the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

“THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE US SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE US SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALE OF ANY SUCH EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THESE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK”;

- (x). the purchaser acknowledges that our Company, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account; and
- (xi). the purchaser acknowledges that our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions

All Other Equity Shares Offered and Sold in this Issue

Each purchaser that is acquiring the Equity Shares offered pursuant to this Issue outside the United States, by its acceptance of this Preliminary Placement Document and of the Equity Shares offered pursuant to this Issue, will be deemed to have acknowledged, represented to and agreed with our Company and the Book Running Lead Managers that it has received a copy of this Preliminary Placement Document and such other information as it deems necessary to make an informed investment decision and that:

- (i). the purchaser is authorized to consummate the purchase of the Equity Shares offered pursuant to this Issue in compliance with all applicable laws and regulations;
- (ii). the purchaser acknowledges that the Equity Shares offered pursuant to this Issue have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and accordingly may not be offered, resold, pledged or transferred within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act;
- (iii). the purchaser is purchasing the Equity Shares offered pursuant to this Issue from outside the United States in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the U.S. Securities Act;

- (iv). the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares offered pursuant to this Issue, was located outside the United States at the time (i) the offer for such Equity Shares was made to it and (ii) when the buy order for such Equity Shares was originated and continues to be located outside the United States and has not purchased such Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of such Equity Shares or any economic interest therein to any person in the United States;
- (v). the purchaser is not an affiliate of our Company or a person acting on behalf of an affiliate;
- (vi). the purchaser is not acquiring the Equity Shares as a result of any form of “general solicitation” or “general advertising” (within the meaning of Rule 502(c) under the U.S. Securities Act) or any “directed selling efforts” (as that term is defined in Regulation S);
- (vii). if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a U.S. QIB in a transaction meeting the requirements of Rule 144A, (ii) in an “offshore transaction” complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act, (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder, if available, (iv) pursuant to another available exemption from the registration requirements of the U.S. Securities Act, or (v) pursuant to an effective registration statement under the U.S. Securities Act, and (B) in accordance with all applicable laws, including the securities laws of the states of the United States;
- (viii). the purchaser understands that such Equity Shares (to the extent they are in certificated form), unless our Company determines otherwise in accordance with applicable law, will bear a legend substantially to the following effect:

“THE EQUITY SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) TO A PERSON WHOM THE SELLER OR ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE U.S. SECURITIES ACT, OR (2) IN AN “OFFSHORE TRANSACTION” COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, OR (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER, IF AVAILABLE, OR (4) PURSUANT TO ANOTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 FOR RESALE OF ANY SUCH EQUITY SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THESE EQUITY SHARES MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE EQUITY SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITARY BANK”

- (ix). the purchaser acknowledges that our Company, the Book Running Lead Managers, their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of such Equity Shares are no longer accurate, it will promptly notify our Company, and if it is acquiring any of such Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account;
- (x). the purchaser acknowledges that our Company will not recognize any offer, sale, pledge or other transfer of such Equity Shares made other than in compliance with the above-stated restrictions; and
- (xi). the purchaser agrees, that on behalf of itself and on behalf of any accounts for which it is acting, that it will not reoffer, resell, pledge or otherwise transfer the Equity Shares, except in an “offshore transaction” on a recognized Indian stock exchange in compliance with Regulation S, or pursuant to an applicable exemption from the registration requirements of the U.S. Securities Act.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the respective websites of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Book Running Lead Managers or any of their respective affiliates or advisors.

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government acting through the Ministry of Finance, Capital Markets Division, under the SCRA and the SCRR. On October 9, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (the “**SCR (SECC) Rules**”), which regulate, *inter alia*, the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Rules, along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign portfolio investor, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

The NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993.

Listing and delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company's obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange's governing body and withdraw recognition of a recognized stock exchange.

Further, the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 govern the voluntary and compulsory delisting of equity shares from the stock exchanges.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Pursuant to the Securities Contracts (Regulation) Amendment Rules, 2026 (effective March 13, 2026), the minimum public shareholding framework has been revised. For companies already listed, where the public shareholding falls below 25% at any time, such company shall bring its public shareholding back to 25% within a maximum period of 12 months from the date of such fall below the 25% threshold, in the manner specified by SEBI. For listed public sector companies whose public shareholding falls below 25%, the applicable timeline is two years from the date of commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018 or the date of such fall, respectively, in the manner specified by SEBI.

Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Further, SEBI has by way of a circular dated April 7, 2026 granted a one-time relaxation from penal provisions (including freezing of promoter shareholding and other consequential actions) for listed entities whose compliance deadline for minimum public shareholding requirements falls between April 1, 2026 and September 30, 2026, in view of prevailing market conditions.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands of 20% movements either up or down. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI. The NSE became the first exchange to grant approval to its members for providing internet-based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with BSE On-line Trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work.

NSE has introduced a fully automated trading system called National Exchange for Automated Trading (“NEAT”), which operates on strict time/price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies under Indian law are governed by the SEBI Takeover Regulations, which provides for specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company’s shares/voting rights/control. The SEBI Takeover Regulations prescribes certain thresholds or trigger points in the shareholding a person or entity has in the listed Indian company, which give rise to certain obligations on

part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provides for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition.

SEBI Insider Trading Regulations

SEBI had earlier notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 to prohibit and penalise insider trading in India. The regulations, among other things, prohibited an ‘insider’ from dealing in the securities of a listed company when in possession of unpublished price sensitive information (“UPSI”).

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the erstwhile regulations of 1992. The SEBI Insider Trading Regulations, *inter alia*, impose certain restrictions on the communication of information by listed companies. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

The SEBI Insider Trading Regulations make it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders. There are also initial and continuing shareholding disclosure obligations under the SEBI Insider Trading Regulations.

Further, the board of directors or head(s) of the listed entities are required to maintain a structured digital database containing, *inter alia*, the nature of UPSI, the names of such persons who have shared the UPSI and the names of persons with whom such UPSI is shared under the SEBI Insider Trading Regulations.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI framed the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 in relation to the registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of SEBI.

Buy-back

A company may buy-back its shares subject to compliance with the requirements of Section 68 of the Companies Act and the SEBI (Buy-back of Securities) Regulations 2018, as amended. Under Section 68 of the Companies Act, a company may buy-back its shares out of its free reserves or securities premium account or the proceeds of the issue of any shares or other specified securities, other than proceeds of an earlier issue of the same kind of shares or same kind of other specified securities.

DESCRIPTION OF THE EQUITY SHARES

Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. Capitalised terms used in this section have the meaning given to them in the Articles of Association of our Company. Each provision below is numbered as per the corresponding article number in the Articles of Association of our Company. The prospective investors are urged to read the Memorandum of Association and Articles of Association carefully, and consult with their advisers, as the Memorandum of Association and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

Share Capital and Variation of Rights

The authorised share capital of our Company is 15,00,00,00,000 divided into 1,50,00,00,000 Equity Shares of face value of ₹10 each.

Article 2 provides that subject to the provisions of the Act and these Articles, the shares in the capital of our Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at par or at a premium or at consideration otherwise than in cash and at such time as they may from time to time think fit. Our Company may issue equity shares with voting rights and/or with differential rights as to dividend, voting or otherwise in accordance with the Rules and preference shares.

Article 3 provides that every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue provide, (a) one certificate for all his shares without payment of any charges; or (b) several certificates, each for one or more of his shares, upon payment of such sum as may be prescribed for each certificate after the first. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon. In respect of any share or shares held jointly by several persons, our Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.

Article 5 provides that if any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to our Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of our Company and on execution of indemnity or such other documents as may be prescribed by our Board, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by our Board. The provisions of the foregoing article relating to issue of certificates shall *mutatis mutandis* apply to debentures or other securities of our Company.

Article 8 provides that if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided) may, subject to the provisions of the Act, and whether or not our Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate meeting of shareholders of that class. Subject to the provisions of the Act, to every such separate meeting, the provisions of the Articles of our Company relating to meeting shall *mutatis mutandis* apply.

Article 9 provides that the rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

Lien

Article 12 provides that our Company have a first and paramount lie on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to our Company. The Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

Our Company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Article 13 provides that our Company may sell, in such manner as our Board thinks fit, any shares on which our Company has a lien. Provided that no sale shall be made—

- a) Unless a sum in respect of which the lien exists is presently payable;

- b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

Article 14 provides that to give effect to any such sale, our Board may authorise some person to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Article 15 provides that the proceeds of the sale shall be received by our Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale. The provisions of these Articles relating to lien shall *mutatis mutandis* apply to any other securities including debentures of our Company.

Transfer of Shares

Article 24 provides that:

- (a) The Board may decline to recognize any instrument of transfer unless:
- (i) the instrument of transfer is in the form prescribed under the Companies Act;
 - (ii) the instrument of transfer is accompanied by the certificate of shares to which it relates, and such other evidence as our Board may reasonably require to show the right of the transferor to make the transfer; and
 - (iii) the instrument of transfer is in respect of only one class of shares.

Article 25 provides that on giving not less than seven days' previous notice in accordance with the Companies Act and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as our Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty-five days in the aggregate in any year.

Article 26 provides that the provisions of the Articles relating to transfer of shares, shall, *mutatis mutandis*, apply to any other securities including debentures of our Company.

Transmission of Shares

Article 27 provides that on the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by our Company as having any title to his interest in the shares. Nothing in the earlier clause shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

Article 28 provides that any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by our Board and subject as hereinafter provided, elect, either (a) to be registered himself as holder of the share; (b) to make such transfer of the share as the deceased or insolvent member could have made. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Article 29 provides that if the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to our Company a notice in writing signed by him stating that he so elects. If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share. All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Article 30 provides that a person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share, except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of our Company: Provided that our Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with, within ninety days, our Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

Article 31 provides that our Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that our Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer and may have entered such notice referred thereto in any book of our Company and our Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of our Company, but our Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Directors shall so think fit.

Forfeiture of Shares

Article 32 provides that if a member fails to pay any call, or instalment of a call or any money due in respect of any share on the day appointed for payment thereof, our Board may, at any time thereafter during such time as any part of the call or instalment remains unpaid, serve a notice on him requiring payment of so much of the call or instalment as is unpaid, together with any interest which may have accrued.

Article 33 provides that the notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) state that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made shall be liable to be forfeited.

Article 34 provides that if the requirements of any such notice as aforesaid are not complied with, any share in respect of which the notice has been given may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of our Board to that effect.

Article 35 provides that a forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

Article 37 provides that a person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares, but shall, notwithstanding the forfeiture, remain liable to pay to our Company all monies which, at the date of forfeiture, were presently payable by him to our Company in respect of the shares.

Article 38 provides that a duly verified declaration in writing that the declarant is a Director, the Manager or the Secretary, of our Company, and that a share in our Company has been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Our Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of. The transferee shall thereupon be registered as the holder of the share, and the transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the share.

Article 39 provides that the provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

Alteration of Share Capital

Article 40 provides that our Company may, from time to time, increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Article 41 provides that subject to the provisions of the Act, our Company may, from time to time,—

- (a) Consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) Convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
- (c) Sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
- (d) Cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by

any person.

Article 42 provides that where shares are converted into stock, the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit. Provided that our Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.

The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of our Company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of our Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage. Regulations of our Company as are applicable to paid-up shares shall apply to stock and the words “share” and “shareholder” in those regulations shall include “stock” and “stock-holder” respectively.

Voting Rights

Article 55 provides that subject to any rights or restrictions for the time being attached to any class or classes of shares, on a show of hands every Member present in person shall have one vote and on a poll or through voting by electronic means, the voting rights of members shall be in proportion to his share in the paid-up equity share capital.

Article 56 provides that a Member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.

Article 57 provides that in case of joint holders the vote of first named of such joint holders in the Register of Members who tender a vote whether in person or by proxy shall be accepted, to the exclusion of the votes of other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

Article 58 provides that a member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll or through voting by electronic means, by his nominee or other legal guardian, and any such nominee or guardian may, on a poll, vote by proxy.

Article 60 provides that no Member shall be entitled to vote at any General Meeting unless all calls or other sums presently payable in respect of shares by such Member have been paid.

Article 61 provides that no objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy Meetings

Article 62 provides that the instrument appointing a proxy and power of attorney or other authority (if any) under which it is signed or a notarized copy of that power or authority shall be deposited at the registered office of our Company not less than forty eight hours prior to the time fixed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in case of a poll, not less than twenty four hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Article 63 provides that an instrument appointing a proxy shall be in the form as prescribed in the rules made under the Act.

Article 64 provides that a vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given: Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by our Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Directors

Article 65 provides that unless otherwise determined by General Meeting, the number of Directors shall not be less than three and not more than fifteen .

Article 66 provides that subject to provisions of the Companies Act, our Board shall have the power to determine the Directors whose period of office is or is not liable to determination by retirement of directors by rotation.

Article 67 provides that the same individual may, at the same time, be appointed as Chairman as well as Managing Director or Chief Executive Officer of our Company.

Article 69 provides that our Company may exercise the powers conferred on it by the Companies Act with regard to the keeping of a foreign register; and our Board may (subject to the provisions under the Companies Act) make and vary such regulations as it may think fit respecting the keeping of any such register.

Article 72 provides that our Board shall have power at any time, and from time to time, to appoint a person as an Additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for our Board by the Articles. Such person shall hold office only up to the date of the next Annual General Meeting of our Company but shall be eligible for appointment by our Company as a Director at that meeting subject to the provisions of the Companies Act.

Article 73 provides that our Board may appoint an Alternate Director to act for a Director (herein after in this Article called “the Original Director”) during his absence for a period not less than three months from India. No person shall be appointed as an Alternate Director for an Independent Director unless he is qualified to be appointed as an Independent Director under the provisions of the Act.

- a) An Alternate Director shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate the office if and when Original Director returns to India.
- b) If the term of office of the Original Director is determined before he returns to India the automatic reappointment of retiring directors in default of another appointment shall apply to the Original Director and not the Alternate Director.

Article 74 provides that if the office of any director appointed by our Company in General Meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, be filled by our Board of Directors at a meeting of our Board. The Director so appointed shall hold office only upto the date till which the Director in whose place he is appointed would have held office if it had not been vacated.

Proceedings of our Board of Directors and Committees

Article 80 provides that our Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the Directors present may choose one of their number to be Chairperson of the meeting.

Article 81 provides that our Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by our Board.

Article 81 provides that:

- a) A Committee may elect a Chairperson of its meetings.
- b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

Article 83 provides that a Committee may meet and adjourn as it thinks fit. Questions arising at any meeting of a Committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

Article 84 provides that all acts done in any meeting of our Board or of a Committee thereof or by any person acting as a Director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such Director or such person had been duly appointed and was qualified to be a Director.

Article 85 provides that save as otherwise expressly provided in the Companies Act, a resolution in writing, signed by all the members of our Board or of a Committee thereof, whether manually or electronically, for the time being entitled to receive notice of a meeting of our Board or Committee, shall be valid and effective as if it had been passed at a meeting of our Board or Committee, duly convened and held.

Managing Directors/Whole Time Directors

Article 86 provides that:

- (a) Subject to the provisions of the Companies Act and of the Articles, our Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Whole Time Directors of our Company for a fixed term not exceeding five years at a time and upon such terms and conditions, including liability to retire by rotation, as our Board thinks fit, and our Board may by resolution vest in such Managing Director or Managing Directors/Whole-time Director(s), such of the power hereby vested in our Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such Directors may be by way of monthly remuneration and/ or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.
- (b) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as “Joint Managing Director” or “Joint Managing Directors” or “Deputy Managing Directors” as the case may be.
- (c) Subject to the provisions of the Companies Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in the General Meeting and of the Central Government, if required.

Chief Executive Officer, Manager, Company Secretary and Chief Financial Officer

Article 87 provides that subject to the provisions of the Act:

- (a) A Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer may be appointed by our Board for such term, at such remuneration and upon such conditions as it may think fit; and any Chief Executive Officer, Manager, Company Secretary or Chief Financial officer so appointed may be removed by means of a resolution of the Board;
- (b) A Director may be appointed as Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer.

A provision of the Companies Act or these regulations requiring or authorizing a thing to be done by or to a Director and Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer shall not be satisfied by its being done by or to the same person acting both as Director and as, or in place of, Chief Executive officer, Manager, Company Secretary or Chief Financial Officer.

Dividend

Article 89 provides that our Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board, but our Company in a General Meeting may declare a lesser dividend.

Article 90 provides that our Board may from time to time pay to the members such interim dividends of such amount on such class of shares as appear to it to be justified by the profits of our Company.

Article 91 provides that our Board may, before recommending any dividend, set aside out of the profits of our Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of our Board, be applicable for any purpose to which the profits of our Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of our Company or be invested in such investments (other than shares of our Company) as our Board may, from time to time, think fit. Our Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.

Article 92 provides that subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in our Company, dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this Article as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.

Article 93 provides that our Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to our Company on account of calls or otherwise in relation to the shares of our Company.

Article 94 provides that:

- a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by electronic mode or by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
- b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- c) Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. Our Company will not be responsible for any payment which is lost or delayed. Our Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.

Article 98 provides that no dividend shall bear interest against our Company.

Winding Up

Article 101 provides that subject to the applicable provisions of the Companies Act and rules made thereunder:

- a) If our Company shall be wound up, the liquidator may, with the sanction of a special resolution of our Company and any other sanction required by the Companies Act, divide amongst the members, in specie or kind, the whole or any part of the assets of our Company, whether they shall consist of property of the same kind or not.
- b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.
- c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

Indemnity

Article 102 provides that every officer of our Company shall be indemnified out of the assets of our Company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the tribunal.

TAXATION

STATEMENT OF POSSIBLE SPECIAL DIRECT TAX BENEFITS AVAILABLE TO THE COMPANY, ITS SHAREHOLDERS AND ITS MATERIAL SUBSIDIARIES

I. Special Direct tax benefits available to the Company & its Material Subsidiaries

The statement of tax benefits enumerated below is as per the Income-tax Act, 1961 (corresponding provisions of the Income-tax Act, 2025) “Act”, as amended from time to time and applicable for financial year 2025-26 relevant to assessment year 2026-27.

1. Deduction under Section 80-IA of the Income-tax Act, 1961 (corresponding to Section 138 of the Income-tax Act, 2025):

According to Section 80-IA of the Income-tax Act, 1961 (corresponding to Section 138 of the Income-tax Act, 2025) a deduction is available to the Company in respect of the profits and gains derived by an undertaking from any eligible business being the business of generation of power or transmission or distribution of power. Material Subsidiaries of the Company namely Adani Transmission (India) Limited, Maharashtra Eastern Grid Power Transmission Company Limited and Adani Electricity Mumbai Limited are eligible to claim the deduction in accordance with the provisions of Section 80-IA(4)(iv) of the Income-tax Act, 1961 (corresponding to Section 138 of the Income-tax Act, 2025) for a period of 10 consecutive Assessment Years (“AY”) out of 15 years beginning from the year in which the undertaking has commenced generation of power or transmission or distribution of power, subject to fulfilment of the prescribed conditions under the Act.

2. Lower corporate tax rate under Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025):

A new Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025) has been inserted by the Taxation Laws (Amendment) Act, 2019 (“the Amendment Act, 2019”) w.e.f. April 1, 2020 (A.Y. 2020-21). Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025) grants an option to a domestic company to be governed by the section from a particular assessment year. If a company opts for Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025), it can pay corporate tax at a reduced rate of 25.168% (22% plus surcharge of 10% and education cess of 4%). Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025) of the Act further provides that domestic companies availing the option will not be required to pay Minimum Alternate Tax (MAT) on their ‘book profits’ under section 115JB of the Income Tax Act, 1961 (corresponding to Section 206 of the Income-tax Act, 2025).

However, such a company will no longer be eligible to avail specified exemptions / incentives under the Act and will also need to comply with the other conditions specified in Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025). Also, if a company opts for Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025), the tax credit under section 115JAA of the income tax act, 1961 (corresponding to section 206 of the Income Tax Act, 2025) if any, which it is entitled to on account of MAT paid in earlier years, will no longer be available. Further, it shall not be allowed to claim set-off of any brought forward loss arising to it on account of additional depreciation and other specified incentives.

The Company have opted for the lower corporate tax rate of 25.168% prescribed under Section 115BAA of the Income-tax Act, 1961 (corresponding to Section 200 of the Income-tax Act, 2025). However, Material Subsidiaries of the Company have continued under Old Tax Regime since the same is more beneficial due to tax holiday under Section 80-IA of the Income-tax Act, 1961 (corresponding to Section 138 of the Income-tax Act, 2025) as stated above.

3. Deductions from Gross Total Income

Deduction in respect of employment of new employees

Subject to the fulfilment of prescribed conditions, the Company is entitled to claim deduction of an amount equal to thirty per cent of additional employee cost (relating to specified category of employees) incurred in the course of business in the previous year, for three assessment years including the assessment year relevant to the previous year in which such employment is provided under section 80JJAA of the Income-tax Act, 1961 (corresponding to Section 146 of the Income-tax Act, 2025).

Deduction in respect of inter-corporate dividends – Section 80M of the Income-tax Act, 1961 (corresponding to Section 148 of the Income-tax Act, 2025)

Subject to the fulfilment of prescribed conditions, dividend received by the Company from any other domestic company, or a foreign company or a business trust shall be eligible for deduction while computing its total income for

the relevant year. The amount of such deduction would be restricted to the amount of dividend distributed by the Company up to one month prior to the due date for furnishing the return of income under sub-section (1) of section 139 of the Income Tax Act, 1961 (corresponding to Section 349 of the Income Tax Act, 2025). Where the Company has investments in Indian subsidiaries and other companies, if any, it can avail of the above-mentioned benefit under Section 80M of the Income-tax Act, 1961 (corresponding to Section 148 of the Income-tax Act, 2025) of the Act.

II. Special Direct tax benefits available to the Shareholders

1. Dividend income earned by the shareholders:

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of domestic corporate shareholders, deduction under Section 80M of the Income-tax Act, 1961 (corresponding to Section 148 of the Income-tax Act, 2025) would be available on fulfilling the conditions (as discussed above). Further, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not, surcharge would be restricted to 15%, irrespective of the amount of dividend.

2. Long-term capital gains arising in the hands of the shareholders:

As per section 112A of the Income Tax Act, 1961 (corresponding to Section 198 of the Income Tax Act, 2025) long-term capital gains exceeding Rs.1,00,000 arising on the transfer of an equity share in a company or a unit of an equity-oriented fund or a unit of a business trust, transacted through a recognized stock exchange on which Securities Transaction Tax ("STT") has been paid, shall be chargeable to tax in the hands of the shareholder at concessional tax rate of 10% (plus applicable surcharge and cess) without applying the benefit of indexation under the first and second provisos to section 48 of the Income Tax Act, 1961 (corresponding to section 72 of the Income Tax Act, 2025).

3. Short-term capital gains arising in the hands of the shareholders:

Section 111A of the Income Tax Act, 1961 (corresponding to section 196 of the Income Tax Act, 2025) provides concessional tax rate of 15% (plus applicable surcharge and cess) in respect of short-term capital gains (provided the short-term capital gains exceed the basic threshold limit of exemption, where applicable) arising from the transfer of a short term capital asset (i.e. capital asset held for the period of less than 12 months) being an equity share in a company or a unit of an equity oriented fund wherein STT is paid on both acquisition and transfer.

4. Tax benefits for non-resident shareholders

In respect of non-residents, the tax rates and the consequent taxation shall be further subject to any benefits available under the applicable Double Taxation Avoidance Agreement, if any, between India and the country in which the non-resident has fiscal domicile.

Further, any income by way of capital gains or dividend accruing to non-residents may be subject to withholding tax per the provisions of the Act or under the relevant DTAA, whichever is beneficial to such non-resident. However, where such non-resident has obtained a lower withholding tax certificate from the tax authorities, the withholding tax rate would be as per the said certificate. The non-resident shareholders can also avail credit of any taxes paid by them, subject to local laws of the country in which such shareholder is resident.

III. Special Indirect tax benefit available to the Company & its Material Subsidiaries

There are no special Indirect Tax benefits available to the Company. The Material Subsidiaries of the Company are engaged in Transmission or distribution of electricity. Under the Goods and Services Tax legislation, absolute exemption has been granted to an electricity transmission or distribution utility in relation to transmission or distribution of electricity by way of Notification No. 12/2017 – Central Tax (Rate) dated June 28, 2017. To mean, no GST is levied at the time of providing services of transmission or distribution of electricity.

IV. Special indirect tax benefits available to the Shareholders

There are no special Indirect Tax benefits available to the shareholders of the Company.

Notes:

1. We have not considered the general tax benefits available to the Company, its Material Subsidiaries or shareholders of the Company.
2. These special tax benefits stated above are dependent on the Company, its Material Subsidiaries or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its

shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company or its shareholders may or may not choose to fulfil.

3. The above views are based on the existing provisions of laws and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.
4. The above Statement of possible special tax benefits sets out the provisions of Tax Laws in a summary manner only and is not a complete analysis or listing of all the existing and potential tax consequences of the purchase, ownership and disposal of equity shares.
5. This Annexure is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her tax advisor with respect to specific taxes arising out of the shares allotted.
6. This statement does not discuss any tax consequences in a country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible income tax consequences that apply to them.
7. The Statement is prepared on the basis of information available with the Management of the Company and there is no assurance that:
 - a. the Company or its shareholders will continue to obtain these benefits in future;
 - b. the conditions prescribed for availing the benefits have been/ would be met with; and
 - c. the revenue authorities/courts will concur with the view expressed herein.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

There may be certain material Indian tax consequences to a U.S. holder (as defined below) of ownership of Equity Shares which are based upon laws, regulations, decrees, rulings, income tax conventions (treaties), administrative practice and judicial decisions in effect at the date of this Preliminary Placement Document. Legislative, judicial or administrative changes or interpretations may, however, be forthcoming that could alter or modify the statements and conclusions set forth herein. Any such changes or interpretations may be retroactive and could affect the tax consequences to holders of the Equity Shares. For information on Indian taxation, please refer to “*Statement of Tax Benefits*” of this Preliminary Placement Document.

Certain U.S. Federal Income Tax Considerations

The following discussion describes certain U.S. federal income tax consequences to U.S. Holders (as defined below) under present law of an investment in the Equity Shares. This summary applies only to U.S. Holders that acquire Equity Shares in exchange for cash in the Issue, hold Equity Shares as capital assets within the meaning of Section 1221 of the Code (as defined below) and have the U.S. dollar as their functional currency.

This discussion is based on the tax laws of the United States as in effect on the date of this Preliminary Placement Document, including the Internal Revenue Code of 1986, as amended (the “**Code**”), its legislative history and U.S. Treasury Regulations in effect or, in some cases, proposed, as of the date of this Preliminary Placement Document, as well as judicial and administrative interpretations thereof available on or before such date. All of the foregoing authorities are subject to change, and any such change could apply retroactively and could affect the U.S. federal income tax consequences described below. The statements in this Preliminary Placement Document are not binding on the U.S. Internal Revenue Service (the “**IRS**”) or any court, and thus there can be no assurance that the U.S. federal income tax consequences discussed below will not be challenged by the IRS or will be sustained by a court if challenged by the IRS. Furthermore, this summary does not address any estate or gift tax consequences, any state, local or non-U.S. tax consequences or any other tax consequences other than U.S. federal income tax consequences.

The following discussion does not describe all the tax consequences that may be relevant to any particular investor or to persons in special tax situations such as:

1. banks and certain other financial institutions;
2. regulated investment companies;
3. real estate investment trusts;
4. insurance companies;
5. individual retirement accounts and other tax-deferred accounts;
6. broker-dealers;
7. traders that elect to mark to market;
8. tax-exempt entities;
9. persons liable for any alternative minimum tax or the Medicare contribution tax on net investment income;
10. U.S. expatriates;
11. persons holding Equity Shares as part of a straddle, hedging, constructive sale, conversion or integrated transaction;
12. persons that actually or constructively own 10 percent or more of the Company’s stock (by vote or value);
13. persons subject to special tax accounting rules as a result of any item of gross income with respect to Equity Shares being taken into account in an applicable financial statement;
14. persons that are resident or ordinarily resident in or have a permanent establishment in a jurisdiction outside the United States;
15. persons who acquired Equity Shares pursuant to the exercise of any employee share option or otherwise as compensation;
or
16. persons holding Equity Shares through partnerships or other pass-through entities or arrangements.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. PROSPECTIVE PURCHASERS ARE URGED TO CONSULT THEIR TAX ADVISORS ABOUT THE APPLICATION OF THE U.S. FEDERAL TAX RULES TO THEIR PARTICULAR CIRCUMSTANCES AS WELL AS THE STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF EQUITY SHARES.

As used herein, the term “**U.S. Holder**” means a beneficial owner of Equity Shares that, for U.S. federal income tax purposes, is or is treated as:

- (i) an individual who is a citizen or resident of the United States;
- (ii) a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- (iv) a trust that (1) is subject to the supervision of a court within the United States and the control of one or more U.S. persons or (2) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

The tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Equity Shares generally will depend on such partner’s status, the activities of the partnership and certain determinations made at the partner level. Prospective investors that are partners in entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisors concerning the U.S. federal income tax consequences to them and their partners of the purchase, ownership and disposition of Equity Shares by the partnership.

Escrowed Funds

Under the terms of the Issue, the application amount with respect to Bids for Equity Shares will be placed into the Escrow Account (such amount, the “**Escrowed Funds**”) and, subject to satisfaction of certain conditions, will be released to the Company upon completion of the Issue. The U.S. federal income tax treatment of the Escrowed Funds is not clear. To the extent relevant for U.S. federal income tax purposes, the Company intends to treat the holding period of the Equity Shares received by a U.S. Holder as commencing only upon the release of the Escrowed Funds to the Company. Alternatively, it is possible that release of the Escrowed Funds to a U.S. Holder could result in a taxable exchange of the Equity Shares. Furthermore, a U.S. Holder may be required to recognize foreign exchange gain or loss in respect of such Escrowed Funds upon the release of the Escrowed Funds and could be subject to other adverse U.S. federal income tax consequences not discussed herein. Prospective investors should consult their tax advisors concerning the U.S. federal income tax consequences relating to the Escrow Account and the Escrowed Funds.

Dividends and Other Distributions on the Equity Shares

Subject to the passive foreign investment company (“**PFIC**”) considerations discussed below, the gross amount of distributions made by the Company with respect to the Equity Shares (including the amount of any non-U.S. taxes withheld therefrom, if any) generally will be includible as dividend income in a U.S. Holder’s gross income, to the extent such distributions are paid out of the Company’s current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the U.S. Holder’s basis in the Equity Shares and thereafter as capital gain. Because the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, a U.S. Holder should expect all cash distributions will be reported as dividends for U.S. federal income tax purposes. Such dividends will not be eligible for the dividends-received deduction allowed to U.S. corporations with respect to dividends received from other U.S. corporations. Dividends received by non-corporate U.S. Holders may be eligible for “qualified dividend income” treatment, which is taxed at the lower applicable capital gains rate, provided that (1) the Company is eligible for the benefits of the tax treaty between the United States and India, (2) the Company is not a PFIC (as discussed below) for either the taxable year in which the dividend was paid or the preceding taxable year, (3) the U.S. Holder satisfies certain holding period requirements and (4) the U.S. Holder is not under an obligation to make related payments with respect to positions in substantially similar or related property. U.S. Holders should consult their tax advisors regarding the availability of the lower rate for dividends paid with respect to the Equity Shares.

The amount of any distribution paid in foreign currency will be equal to the U.S. dollar value of such currency, translated at the spot rate of exchange on the date such distribution is received, regardless of whether the payment is in fact converted into U.S. dollars at that time.

Dividends on the Equity Shares generally will constitute foreign source income for U.S. foreign tax credit limitation purposes. Subject to certain complex conditions and limitations, Indian taxes withheld on any distributions on the Equity Shares may be eligible for credit against a U.S. Holder's federal income tax liability, or at such holder's election, may be eligible as a deduction in computing such holder's U.S. federal taxable income. If a refund of the tax withheld is available under the laws of India, the amount of tax withheld that is refundable will not be eligible for such credit against a U.S. Holder's U.S. federal income tax liability (and will not be eligible for the deduction against U.S. federal taxable income). If the dividends constitute qualified dividend income as discussed above, the amount of the dividend taken into account for purposes of calculating the U.S. foreign tax credit limitation will generally be limited to the gross amount of the dividend, multiplied by the reduced rate applicable to the qualified dividend income, divided by the highest rate of tax normally applicable to dividends. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. For this purpose, dividends distributed by the Company with respect to the Equity Shares will generally be treated as foreign-source income and constitute "passive category income". Recently issued U.S. Treasury Regulations further restrict the availability of foreign tax credits. However, pursuant to subsequent guidance from the IRS which indicates that the U.S. Department of the Treasury and the IRS are considering proposing amendments to such Treasury Regulations, taxpayers may, subject to certain conditions, defer the application of many aspects of such Treasury Regulations for taxable years beginning on or after December 28, 2021 and ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). The rules relating to the determination of the U.S. foreign tax credit are complex, and U.S. Holders should consult their tax advisors regarding the availability of a U.S. foreign tax credit in their particular circumstances and the possibility of claiming a deduction (in lieu of the U.S. foreign tax credit) for any foreign taxes paid or withheld.

Sale or Other Taxable Disposition of Equity Shares

Subject to the PFIC rules discussed below, upon a sale or other taxable disposition of Equity Shares, a U.S. Holder generally will recognize capital gain or loss in an amount equal to the difference between the amount realized and the U.S. Holder's adjusted tax basis in such Equity Shares. Any such gain or loss generally will be treated as long term capital gain or loss if the U.S. Holder's holding period in the Equity Shares exceeds one year. Non-corporate U.S. Holders (including individuals) generally are subject to U.S. federal income tax on long-term capital gain at preferential rates. The deductibility of capital losses is subject to significant limitations. Gain or loss, if any, realized by a U.S. Holder on the sale or other disposition of Equity Shares generally will be treated as U.S. source gain or loss for U.S. foreign tax credit limitation purposes. As a result, the use of U.S. foreign tax credits relating to any Indian income tax imposed upon gains in respect of Equity Shares may be limited. Recently issued U.S. Treasury regulations further restrict the availability of foreign tax credits. However, pursuant to subsequent guidance from the IRS which indicates that the U.S. Department of the Treasury and the IRS are considering proposing amendments to such Treasury Regulations, taxpayers may, subject to certain conditions, defer the application of many aspects of such Treasury Regulations for taxable years beginning on or after December 28, 2021 and ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). Any Indian securities transaction tax will likely not be treated as a creditable foreign tax for U.S. federal income tax purposes. U.S. Holders should consult their tax advisors regarding the tax consequences if Indian taxes are imposed on a taxable disposition of Equity Shares and their ability to credit any Indian tax against their U.S. federal income tax liability.

If the consideration received upon the sale or other disposition of Equity Shares is paid in foreign currency, the amount realized will be the U.S. dollar value of the payment received, translated at the spot rate of exchange on the date of the sale or other taxable disposition. The Equity Shares are listed on the BSE Limited and the National Stock Exchange of India Limited. If the Equity Shares are treated as traded on an established securities market for U.S. federal income tax purposes and the relevant U.S. Holder is either a cash basis taxpayer or an accrual basis taxpayer who has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), such holder will determine the U.S. dollar value of the amount realized in foreign currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. If the Equity Shares are not treated as traded on an established securities market, or the relevant U.S. Holder is an accrual basis taxpayer that does not elect to determine the amount realized using the spot rate on the settlement date, such U.S. Holder will recognize foreign currency gain or loss to the extent of any difference between the U.S. dollar amount realized on the date of sale or disposition (as determined above) and the U.S. dollar value of the currency received translated at the spot rate of exchange on the settlement date, and such gain or loss generally will constitute U.S. source ordinary income or loss.

A U.S. Holder's initial tax basis in Equity Shares generally will equal the cost of such Equity Shares. If a U.S. Holder used foreign currency to purchase the Equity Shares, the cost of the Equity Shares will be the U.S. dollar value of the foreign currency purchase price on the date of purchase, translated at the spot rate of exchange on that date. If the Equity Shares are treated as traded on an established securities market for U.S. federal income tax purposes and the relevant U.S. Holder is either a cash basis taxpayer or an accrual basis taxpayer who has made the special election described above, such holder will determine the U.S. dollar value of the cost of such Equity Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase.

Passive Foreign Investment Company Considerations

The Company will be classified as a PFIC for any taxable year if either: (a) at least 75% of its gross income is “passive income” for purposes of the PFIC rules or (b) at least 50% of the value of its assets (determined on the basis of a quarterly average) is attributable to assets that produce or are held for the production of passive income. For this purpose, passive income includes interest, dividends and other investment income, with certain exceptions. Additionally, gains from commodities transactions may be considered passive income unless the active commodities income exception applies. The PFIC rules also contain a look-through rule whereby the Company will be treated as owning its proportionate share of the assets and earning its proportionate share of the income of any other corporation in which it owns, directly or indirectly, 25 percent or more (by value) of the stock.

Under the PFIC rules, if the Company were considered a PFIC at any time that a U.S. Holder holds the Equity Shares, the Company would continue to be treated as a PFIC with respect to such investment unless (i) the Company ceases to be a PFIC and (ii) the U.S. Holder has made a “deemed sale” election under the PFIC rules.

Based on the ownership and current and anticipated composition of the income, assets (including their expected value) and operations of the Company and its subsidiaries and the expected price of the Equity Shares in this Issue, although not free from doubt, the Company does not believe it was a PFIC for the year ended March 31, 2026 or will be a PFIC for the current taxable year. However, the Company’s PFIC status depends, in part, on the expected value of its goodwill, which could fluctuate significantly. Whether the Company is treated as a PFIC is a factual determination that is made on an annual basis after the close of each taxable year. This determination will depend on, among other things, the ownership and composition of the income and assets, as well as the value of the assets (which may fluctuate with the Company’s market capitalization) of the Company and its subsidiaries from time to time. Moreover, the application of the PFIC rules is unclear in certain respects. The IRS or a court may disagree with the Company’s determinations, including the manner in which the Company applies the active commodities income exception, and determines the value of its assets and the percentage of its assets that are passive assets under the PFIC rules. Therefore, there can be no assurance that the Company will not be classified as a PFIC in any taxable year.

If the Company were a PFIC for any taxable year during which a U.S. Holder held Equity Shares, gain recognized by a U.S. Holder on a sale or other disposition (including certain pledges) of the Equity Shares, as well as the amount of any “excess distribution” (defined below) received by the U.S. Holder, would be allocated ratably over the U.S. Holder’s holding period for the Equity Shares. The amounts allocated to the taxable year of the sale or other disposition (or the taxable year of receipt, in the case of an excess distribution) and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or corporations, as appropriate, for that taxable year, and an interest charge would be imposed on the tax on such amount. For purposes of these rules, an excess distribution is the amount by which any distribution received by a U.S. Holder on its Equity Shares exceeds 125 percent of the average of the annual distributions on the Equity Shares received during the preceding three years or the U.S. Holder’s holding period, whichever is shorter. In addition, if the Company is a PFIC and it owns equity in one or more foreign entities that is also a PFIC, a U.S. Holder may also be subject to the adverse tax consequences described above with respect to any gain or “excess distribution” realized or deemed realized in respect of such lower-tier PFIC. If the Company is considered a PFIC, a U.S. Holder will also be subject to annual information reporting requirements. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment) of the Equity Shares if the Company is considered a PFIC. U.S. Holders should consult their tax advisors about the potential application of the PFIC rules to an investment in the Equity Shares.

Information Reporting and Backup Withholding

Distributions with respect to Equity Shares and proceeds from the sale, exchange or redemption of Equity Shares may be subject to information reporting to the IRS and U.S. backup withholding. A U.S. Holder may be eligible for an exemption from backup withholding if the U.S. Holder furnishes a correct taxpayer identification number and makes any other required certification or is otherwise exempt from backup withholding. U.S. Holders who are required to establish their exempt status may be required to provide such certification on IRS Form W-9. U.S. Holders should consult their tax advisors regarding the application of the U.S. information reporting and backup withholding rules.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Holder’s U.S. federal income tax liability, and such U.S. Holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing an appropriate claim for refund with the IRS and furnishing any required information.

Additional Information Reporting Requirements

Certain U.S. Holders who are individuals (and certain entities) that hold an interest in “specified foreign financial assets” (which may include the Equity Shares) are required to report information relating to such assets, subject to certain exceptions (including an exception for Equity Shares held in accounts maintained by certain financial institutions). Penalties can apply if U.S. Holders fail to satisfy such reporting requirements. U.S. Holders should consult their tax advisors regarding the applicability of these requirements to their acquisition and ownership of Equity Shares.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE IMPORTANT TO YOU. EACH PROSPECTIVE PURCHASER SHOULD CONSULT ITS TAX ADVISOR ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN EQUITY SHARES UNDER THE INVESTOR'S OWN CIRCUMSTANCES

LEGAL PROCEEDINGS

Our Company is, from time to time, involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of, amongst others, civil suits, criminal proceedings, writ petitions and tax proceedings. These legal proceedings may have been initiated by us or by customers, business partners, regulators, or other parties, and are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals.

*Except as disclosed in this section, there are no outstanding legal proceedings which have been considered material in accordance with our Company's "Material Events Policy", framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated September 2, 2023. However, solely for the purpose of this Issue, our Company has disclosed in this section, to the extent applicable: (i) all outstanding criminal proceedings involving our Company and Material Subsidiaries (together with the Company, the "**Entity(ies)**"), (ii) any outstanding action taken by regulatory and statutory authorities against the Entities (a) which are quantifiable matters and involve an amount equivalent to or above ₹ 75.17 crores; and (b) where such actions have been initiated against the Entities by either of the Securities and Exchange Board of India, Reserve Bank of India, Directorate of Revenue Intelligence, Central Bureau of Investigation and Directorate of Enforcement, (iii) all outstanding proceedings involving economic offences against the Company, (iv) any outstanding civil / arbitration proceedings or tax proceedings involving the Entities, where the amount involved is ₹75.17 crores (being 5% of the average of the absolute value of the audited consolidated profit or loss after tax for Fiscal 2026, Fiscal 2025 and Fiscal 2024 of our Company) or above, (v) all outstanding litigation involving the Entities, which are non-quantifiable and may have a material adverse effect on our Company or which may otherwise be material for our Company and/or has been intimated to the Stock Exchanges by the Company in accordance with the materiality policy framed under the SEBI Listing Regulations, (vi) any other outstanding proceeding involving the non-material subsidiaries which has been intimated to the Stock Exchanges by the Company in accordance with the materiality policy framed under the SEBI Listing Regulations, and (vii) any proceedings involving our Directors and the non-material subsidiaries which are considered material by our Company on a consolidated basis.*

This Preliminary Placement Document also discloses (i) any inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company or its Subsidiaries, and any prosecutions filed (whether pending or not) fines imposed or compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company or Subsidiaries; (ii) any material fraud committed against our Company in the last three years, and if so, the action taken by our Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of our Company or its future operations; (iv) any default by our Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of our Company under the Companies Act or the rules made thereunder; (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against our Promoters of our Company during the last three years and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the above purposes, pre-litigation notices received by any of our Company, our Subsidiaries, our Directors and / or our Promoters (excluding notices issued by statutory or regulatory or taxation authorities), have not been considered as litigation until such time that any of our Company, our Subsidiaries, our Directors and / or our Promoters are not impleaded as a defendant in the litigation proceedings before any judicial, quasi-judicial or arbitral forum.

Litigation involving our Company

Criminal litigation involving our Company

Criminal litigation against our Company

1. A criminal writ petition has been filed by Shankar ("**Petitioner**") against our Company and others, before the High Court of Bombay, under Article 226 of the Constitution of India ("**Petition**"). The Petitioner challenges the order passed by the Sub-Divisional Officer, Hinganghat, which directed the removal of 1,100 trees standing on land which were obstructing the transmission line constructed by our Company and assessed the compensation of approximately ₹0.03 crore to the Petitioner ("**Impugned Order**"). Further, the Petitioner has prayed for quashing and setting aside the Impugned Order and to pay a compensation of approximately ₹0.38 crore. Our Company has filed its reply opposing the Petition. The matter is currently pending.

Criminal litigation by our Company

Nil

Other pending material litigation involving our Company

Material civil matters against our Company

1. A suit has been filed by Sumotek Innovation Private Limited (“**Plaintiff**”) against our Company, Rural Electrification Corporation Power Development and Consultancy Limited and another (“**Defendants**”), before the High Court of Bombay (“**High Court**”) alleging infringement of patent rights under, *inter alia*, Sections 48, 104, 108, 109 of the Patents Act, 1970 (the “**Suit**”). In terms of the Suit, the Plaintiff alleged, *inter alia*, that Rural Electrification Corporation Power Development and Consultancy Limited (a public sector undertaking) floated a tender for appointment of advanced metering infrastructure (AMI) service provider which was secured by our Company. The Plaintiff alleges that the tender was floated and allotted to our Company in violation of the Plaintiff’s patent rights. The Plaintiff has prayed for, *inter alia*, a permanent injunction on the tender and a decree directing the Defendants to pay an amount of approximately ₹129.13 crore plus interest, or such other amount as the High Court may deem fit and proper towards royalty of the patent granted to the Plaintiff and damages for infringement of patent. Additionally, the Plaintiff has filed an interim application against the Defendants before the High Court, praying for, *inter alia*, a temporary injunction on the tender and a decree directing our Company to pay damages for the meters already installed. The matter is currently pending.
2. A suit has been filed by Sumotek Innovation Private Limited (“**Plaintiff**”) against our Company, Assam Power Distribution Company Limited and others (“**Defendants**”) before the Court of District and Sessions Judge, Kamrup (M) at Guwahati (“**District Court**”), alleging infringement of patent rights under Section 104 of the Patents Act, 1970 (the “**Suit**”). The Suit was filed by the Plaintiff for, *inter alia*, seeking a decree of declaration of the Plaintiff’s right, title and interest over the invention of the Plaintiff, recovery of royalty or account of profit and/ or damages and a permanent injunction restraining the Defendants from using the technology covered under the Plaintiff’s patent, without obtaining prior consent/ no objection certificate from the Plaintiff. Additionally, the Plaintiff prayed for a decree directing our Company to pay an amount of ₹75.77 crore, or such other amount as the District Court may deem fit and proper towards royalty of the patent granted to the Plaintiff and to pay the Plaintiff 10% of the actual profits earned from operations of the said patent. The matter is currently pending.

Material civil matters by our Company

1. An arbitration petition was filed by our Company before the Gujarat Public Works Contracts Disputes Arbitration Tribunal (“**Tribunal**”) against Gujarat Energy Transmission Corporation Limited (“**GETCO**”) in relation to the dispute between our Company and GETCO pertaining to the supply and erection of a 400kV D/C Mundra-Zerda transmission line on a turnkey basis. Our Company claimed additional expenditure of approximately ₹99.76 crore, along with interest at 18% per annum, towards cost escalations, right of way compensation, insurance, bank guarantee charges, idling of manpower and opportunity cost of capital, arising from delays in payments from GETCO and in project execution timeline alleged to be attributable to GETCO. The Tribunal by way of its order rejected the claim of our Company (“**Impugned Order**”). Subsequently, our Company filed a civil revision application under Section 12 of the Gujarat Public Works Contracts Disputes Arbitration Tribunal Act, 1992 read with Section 115 of the CPC, before the High Court of Gujarat at Ahmedabad, challenging the Impugned Order. The matter is currently pending.

Material tax litigation involving our Company

Nil

Outstanding actions by statutory or regulatory authorities against our Company

1. Our Company has received a show cause notice relating to alleged violation of certain provisions of the SEBI Listing Regulations and the erstwhile equity listing agreement with respect to validity of the peer review certificates of the statutory auditors of our Company, during certain previous financial year. Our Company has responded to such notice and/ or is taking other necessary legal recourse, as applicable. The matter is currently pending.

Further, a show cause notice has been issued to our Company, the Promoters, members of the Promoter Group, Anil Sardana and others in relation to, *inter alia*, alleged non-compliance of certain provisions of the SCRA, the SCRR, the SEBI Act and regulations thereunder and the erstwhile Equity Listing Agreement regarding alleged wrongful categorisation of shareholding of certain entities in our Company, violation of related disclosure requirements and consequences therefrom. Our Company and Promoters have responded to such notice and/ or are taking other necessary legal recourse, as applicable. The matter is currently pending.

Economic offences where proceedings have been initiated against our Company

Nil

Litigation involving our Material Subsidiaries

Criminal litigation involving our Material Subsidiaries

Criminal litigation against our Material Subsidiaries

AEML

1. A complaint was filed by Sohail Hamid Shaikh against Baban Nivrutti Bhambure (“**Accused**”), a retired officer of AEML, under the provisions of the Prevention of Corruption Act, 1988 (“**PC Act**”) for demanding bribes (the “**Complaint**”). At the time when the Complaint was filed, AEML was incorporated as B. S. E. S. Limited and had no affiliation with our Company. Pursuant to the Complaint, the Accused was arrested but later released by the special court under the PC Act as he did not qualify as a “public servant” under the provisions of the PC Act. Subsequently, a charge sheet was filed against the Accused for the offence of extortion under Section 384 of the IPC before the Court of the Metropolitan Magistrate, Andheri, Mumbai (“**Magistrate Court**”). The Accused filed an application for discharge before the Magistrate Court. The matter is currently pending.
2. A first information report (“**FIR**”) was lodged by Bhadant Shilbodhi against five personnel of AEML (“**Accused**”) at the Powai police station, under, *inter alia*, Sections 143, 147 and 149 of the IPC, on account of an altercation. At the time when the FIR was lodged, AEML was incorporated as Reliance Infrastructure Limited and had no affiliation with our Company. Subsequently, a charge sheet was filed against the Accused before the Court of the Metropolitan Magistrate, Andheri, Mumbai. The matter is currently pending.
3. A criminal complaint was filed by Arumadurai T. Nadar against K. C. Vaidya (“**Accused**”), a retired employee of AEML and others, before the Court of the Metropolitan Magistrate, Andheri, Mumbai, under Sections 406, 465, 467, 468, 471 and 420 read with Section 34 of the IPC, alleging, *inter alia*, that the Accused had illegally installed a new electricity meter on the basis of forged documents. The matter is currently pending.
4. A criminal complaint was filed by Shitala Prasad G. Pandey (“**Complainant**”) against two officers of AEML and others (“**Accused**”), before the Court of Additional Metropolitan Magistrate, Bandra, Mumbai, under Sections 427, 192, 200, 504 and 506 read with Section 34 of the IPC, alleging that the Accused installed an electricity meter at the property in which the Complainant was interested. The Complainant had also filed a written complaint with the Vakola Police Station in relation to this matter. The matter is currently pending.
5. A first information report (“**FIR**”) was lodged by Khandu Vinchu against personnel of AEML, at the Kandivali Police Station. A woman had suffered electrocution at one of the construction sites being operated by AEML and consequently lost her life. At the time when the FIR was lodged, AEML was incorporated as RIL and had no affiliation with our Company. Pursuant to the FIR, a charge sheet was filed against the accused before the Court of the Metropolitan Magistrate, Borivali for allegedly committing the offence under Sections 304-A and 114 of the IPC. The matter is currently pending.
6. A first information report (“**FIR**”) was lodged by Mohammad Yusuf Shaikh (“**Complainant**”) against Dhananjay Purav, an employee of AEML (now deceased) at the Deonar Police Station, Mumbai, under Section 304-A of the IPC, alleging that the Complainant’s son suffered electrocution by a wire installed and operated by AEML and consequently lost his life. At the time when the FIR was lodged, AEML was incorporated as Reliance Energy Limited and had no affiliation with our Company. Pursuant to the FIR, a charge sheet was filed against the accused before the Court of the Additional Chief Metropolitan Magistrate, Kurla, Mumbai in relation to the matter. The matter is currently pending.
7. A first information report (“**FIR**”) was lodged by Najmunisa against Pramod Tayade and Shashikant Birud, officers of AEML, at the Sakinaka Police Station, Mumbai, under Section 304-A of the IPC, alleging that a minor suffered electrocution by a wire installed and operated by AEML and consequently lost his life. At the time when the FIR was lodged, AEML was incorporated as Reliance Energy Limited and had no affiliation with our Company. Pursuant to the FIR, a charge sheet was filed against the accused before the Court of the Metropolitan Magistrate, Andheri, Mumbai. The matter is currently pending.

8. A first information report (“**FIR**”) was lodged by Surendrakumar Gautam against Yulumlai Muniyan, an employee of AEML and others (“**Accused**”), the personnel of AEML at the V. B. Nagar Police Station, Mumbai, under Sections 304-A and 34 of the IPC, alleging that a person had died by drowning due to the negligence of the Accused. At the time when the FIR was lodged, AEML was incorporated as Reliance Energy Limited and had no affiliation with our Company. Pursuant to the FIR, a charge sheet was filed against the Accused before the Court of the Additional Metropolitan Magistrate, Kurla, Mumbai. The matter is currently pending.
9. A criminal miscellaneous application was filed by Shyamsher Ramharak Yadav (“**Complainant**”) under Section 154(5) of the Electricity Act, 2003, before the Court of Session, Dindoshi (“**Session Court**”) for determination of civil liability in relation to theft of electricity wherein AEML detected the theft of electricity and assessed the loss of electricity charges of approximately ₹0.05 crore. The Session Court directed the Complainant to pay approximately ₹0.03 crore (“**Impugned Order**”). Subsequently, AEML has challenged the Impugned Order, by way of a criminal revision application, before the High Court of Bombay, *inter alia*, on the grounds that the Sessions Court erroneously assessed the civil liability at a preliminary stage without allowing AEML to lead evidence. The matter is currently pending.
10. A criminal complaint was filed by Chandrakant Sadashiv Bhalekar (“**Complainant**”) against Archana Narayan Bhalekar, AEML and others (“**Accused**”), before the Court of the Judicial Magistrate, Borivali, Mumbai, under Sections 318, 316 and 61 of the Bhartiya Nyay Sanhita, alleging, *inter alia*, cheating, criminal breach of trust and criminal conspiracy. The Complainant alleges that the AEML in conspiracy with Archana Narayan Bhalekar, repeatedly transferred the electricity meter back to the name of Archana Narayan Bhalekar without authorisation and despite the Complainant’s ownership documents being on record with AEML. The matter is currently pending.
11. A criminal miscellaneous application was filed by Firdos Kamal Ahmed Khan and Kamal Ahmed Khan (“**Complainants**”) against AEML and others (“**Respondents**”), before the Court of the Special Judge, Dindoshi, Mumbai (“**Court**”), under Section 154(5) of the Electricity Act, 2003, for determination of civil liability of the Complainants pertaining to alleged theft of electricity. AEML’s officers had conducted an inspection at the Complainants’ premises and detected theft of electricity by the Complainants. AEML thereafter issued theft bills aggregating to approximately ₹0.16 crore. The Complainants have challenged the theft bills as excessive and not calculated in accordance with the MERC guidelines, and have prayed for, *inter alia*, the theft bills to be quashed and set aside, determination of civil liability by the Court, and restoration of electricity supply to the Complainants’ premises. The matter is currently pending.
12. A criminal complaint was filed by Ikhlaq Ismile Modak (“**Complainant**”) against AEML and other office bearers/members of Rose Co-operative Housing Society Limited (“**Accused**”), before the Court of the Judicial Magistrate First Class, Thane. The Complainant, alleges, *inter alia*, that the Accused, acting in conspiracy, forged documents in the Complainant’s name to obtain an electricity meter connection from AEML without his consent or any written application, and further alleges that the Accused illegally authorised AEML to install a power substation on the ground floor of the society building without the requisite permissions from the Municipal Corporation and the Fire Department. The matter is currently pending.
13. A criminal writ petition was filed by Saira Bano (“**Petitioner**”) against the State of Maharashtra, one of the officials of AEML and others (“**Respondents**”), before the High Court of Bombay, under Article 226 of the Constitution of India. The Petitioner alleges that her husband suffered electrocution from an iron ladder at a neighbouring premises and subsequently died due to faulty electrical wiring and an unsafe meter box maintained by AEML, and that the police authorities failed to register an FIR against AEML and the occupier of the premises. The Petitioner has prayed for, *inter alia*, (i) a writ of mandamus directing the police to register an FIR against AEML and the room occupier and (ii) a direction to AEML to pay compensation of ₹0.50 crore to the Petitioner. The matter is currently pending.

MEGPTCL

1. A first information report (“**FIR**”) was lodged by Pyarelal Madhavprasad Agrawal (“**Complainant**”) against Abdul Hakim Abdul Matin Kadechur, an employee of MEGPTCL, and others (“**Accused**”), at Police Station Kelwad, Nagpur, under Sections 448, 426, 506 read with Section 34 of the IPC, alleging that the Accused entered into the Complainant’s agricultural land without permission and caused damage to cotton crops while erecting a transmission tower for the 765 KV Tiroda-Koradi transmission line. The Accused filed an application for discharge under Section 239 of the Code of Criminal Procedure, 1973. Additionally, the Accused filed a criminal application under Section 528 of the Bhartiya Nagarik Suraksha Sanhita before the High Court of Bombay for quashing of the proceedings. The Accused also filed an

application for compounding of offences before the Court of Judicial Magistrate First Class, Kalmeshwar. The matter is currently pending.

2. A complaint was filed by Rajabhau Sukhdeo Gavane (“**Complainant**”) against Kalpataru Power Transmission Limited, MEGPTCL and others (“**Accused**”), before the Court of the Judicial Magistrate First Class, Chikhli, under Section 138 of the Negotiable Instruments Act, 1881. The Complainant alleged that the Accused erected a four-leg transmission tower on the Complainant’s agricultural land for the 765 KV Akola-Aurangabad transmission line, and that a cheque of ₹75,000 issued by Kalpataru Power Transmission Limited towards part-payment of compensation was dishonoured. The complaint was dismissed on November 11, 2022. Subsequently, the Complainant filed a criminal revision petition (“**Petition**”) along with an application for condonation of delay (“**Application**”) under Section 5 of the Limitation Act, 1963, before the Court of Sessions Judge, Buldana. MEGPTCL by way of a reply has prayed for the Petition and the Application to be set aside. The matter is currently pending.

Criminal litigation by our Material Subsidiaries

AEML

1. A first information report was lodged by an authorised representative of AEML, at the Tilak Nagar Police Station, Mumbai, under Sections 406, 420, 464, 465, 467, 468, 471, 120(B) read with Section 34 of the IPC, against Anil Dubba, Shashikant Vilas Patil, Saidalu Masala and others (“**Accused**”), alleging that the Accused conspired and inflated the number of contract labourers and overtime details in the Contract Labour Payroll System of AEML’s East Division office at Tilak Nagar, Chembur, Mumbai, during the period from March 1, 2015 to May 30, 2016, by entering false and fabricated data into the electronic records, thereby defrauding AEML of an amount of approximately ₹0.72 crore. The matter is currently pending.
2. AEML has filed 3 criminal complaints/ first information reports against various individuals before different courts/ police stations under Sections 135 and 138 of the Electricity Act, 2003, in relation to theft of electricity. The matters are currently pending.
3. AEML has filed 5 criminal complaints against various individuals/ entities before various courts in Mumbai under Section 138 of the Negotiable Instruments Act, 1881, in relation to dishonour of cheques issued towards discharge of electricity dues. The matters are currently pending. The aggregate amount involved in these proceedings is approximately ₹13.48 crore.

Other pending material litigation involving our Material Subsidiaries

Material civil matters against our Material Subsidiaries

AEML

1. A complaint was filed by some employees of one of our contractors (“**Complainants**”) against AEML (“**Defendant**”), before the 6th Labour Court, Mumbai, alleging that they are permanent employees of the Defendant. At the time when the complaint was filed, AEML was incorporated as Reliance Energy Limited and had no affiliation with our Company. The Complainant’s claim is disputed by our Company since the Complainants work under the supervision and control of the contractor and not our Company. The Complainants have sought, *inter alia*, to be given all the benefits available to the permanent employees of the Defendant such as basic pay, dearness allowance and leave facilities, and the aggregate amount involved in the proceeding is approximately ₹191.29 crore. The complaint was dismissed by the 6th Labour Court, Mumbai. Thereafter, aggrieved by the dismissal order, the Complainants filed an appeal and an application for interim relief before the Industrial Court, Mumbai under the provisions of The Bombay Industrial Relations Act, 1946. The matter is currently pending.
2. Vidarbha Industries Power Limited (“**VIPL**”) filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for final true-up of Fiscal 2015, provisional true-up of Fiscal 2016 and determination of the aggregate revenue requirement for Fiscal 2016 and multiyear tariff for Fiscal 2017 and Fiscal 2020 under Sections 61 and 62 of the Electricity Act. MERC disallowed, *inter alia*, fuel cost for Fiscal 2015 and Fiscal 2016, ash utilization and disposal expenses for Fiscal 2016 and additional operation and maintenance expenses towards a reverse osmosis plant (“**Tariff Order**”). Aggrieved by the Tariff Order, VIPL filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act. ATEPL decided in favour of VIPL, in relation to the issue of reclaiming fuel costs incurred by it due to a delay in the execution of the fuel supply agreement with Coal India Limited (“**Impugned Order**”). Thereafter, aggrieved by the Impugned Order, MERC filed an appeal before the Supreme Court of India under the provisions of the Electricity Act. The matter is currently pending.

AEML

1. Our Subsidiary, AEML, filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up for Fiscal 2009 and determination of tariff for Fiscal 2011 in the year 2009. MERC disallowed certain costs incurred by AEML in the calculation of the tariff amount (“**Tariff Order**”). Aggrieved by the Tariff Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act, wherein APTEL overturned the Tariff Order in AEML’s favour (“**Impugned Order**”). Thereafter, aggrieved by the Impugned Order, MERC filed an appeal against the Impugned Order before the Supreme Court of India under Section 125 of the Electricity Act. The matter is currently pending.
2. Our Subsidiary, AEML filed petitions before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for final truing up for Fiscal 2010 and annual performance review for Fiscal 2011 in the year 2011. MERC disallowed, *inter alia*, certain costs claimed by AEML including power purchase costs and surplus solar costs (“**Tariff Orders**”). Aggrieved by the Tariff Orders, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act. APTEL decided in favour of MERC in relation to certain issues, *inter alia*, disallowance of power purchase cost (“**Impugned Order**”). Thereafter, aggrieved by the Impugned Order, AEML filed an appeal before the Supreme Court of India under Section 125 of the Electricity Act. The matters are currently pending.
3. Our Subsidiary, AEML, filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up for Fiscal 2013 and 2014, annual performance review of Fiscal 2015 and approval of aggregate revenue requirement and tariff for Fiscal 2016. MERC disallowed, *inter alia*, certain costs claimed by AEML including carrying cost on income tax and compounded interest, and power purchase cost (“**Tariff Order**”). Thereafter, aggrieved by the Tariff Order, AEML filed appeals before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matters are currently pending.
4. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of annual revenue requirement for Fiscal 2015, provisional truing up of annual revenue requirement for Fiscal 2016 and approval of annual revenue requirement and tariff for the multi-year tariff third control period from Fiscal 2017 to Fiscal 2020. MERC disallowed, *inter alia*, rates claimed by AEML in respect of the solar power purchase in excess of the renewal purchase obligations of AEML, operation and maintenance expenses in respect of the wage agreements for Fiscal 2015 and carrying cost on the excess rent reversal of the old corporate office located in Santacruz Land (“**Tariff Order**”). Thereafter, aggrieved by the Tariff Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
5. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for approval of the multi-year tariff midterm review petition for third control period including truing up of annual review performance for Fiscal 2016 and Fiscal 2017, provisional truing up of Fiscal 2018 and approval of revised annual review performance for Fiscal 2019 and Fiscal 2020. MERC disallowed, *inter alia*, depreciation relating to consumer contribution from Fiscal 2013 to Fiscal 2016 and rates of power purchase by AEML from Dhursar Solar Power Private Limited (“**Tariff Order**”). Thereafter, aggrieved by the Tariff Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
6. Our Subsidiary, AEML filed two petitions before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement of Fiscal 2018 and Fiscal 2019, provisional truing up of Fiscal 2020 and for determination of aggregate revenue requirement for fourth control period from Fiscal 2021 to Fiscal 2025. MERC disallowed, *inter alia*, carrying cost on fuel adjustment clauses for Fiscal 2018, Fiscal 2019 and for six months of Fiscal 2020 and impact of GST on operation and maintenance expenses from Fiscal 2018 onwards (“**Tariff Orders**”). Pursuant to the petitions, AEML filed two review petitions before the MERC seeking review of certain aspects of the Tariff Orders. MERC passed review orders of each of the review petitions, respectively, wherein the relief sought by AEML was partially allowed (“**Review Orders**”). Thereafter, aggrieved by the Tariff Orders and the Review Orders, AEML filed two appeals before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matters are currently pending.
7. Our Subsidiary, AEML filed two petitions before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement for Fiscal 2020 to Fiscal 2022, provisional truing up of aggregate revenue requirement for Fiscal 2023 and for approval of revised aggregate revenue requirement for Fiscal 2024 and Fiscal 2025. MERC disallowed, *inter alia*, a portion of the corporate expenses for Fiscal 2020 and Fiscal 2022 and impact of GST in operation and maintenance expenses for Fiscal 2020, Fiscal 2021 and Fiscal 2022 (“**Tariff Orders**”). Thereafter, aggrieved by the Tariff Orders, AEML filed appeals against the Tariff Orders, before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matters are currently pending.

8. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement for Fiscal 2023 and Fiscal 2024, provisional truing up for Fiscal 2025 and determination of aggregate revenue requirement and tariff for the fifth control period from Fiscal 2026 to Fiscal 2030. MERC disallowed, *inter alia*, corporate expenses for Fiscal 2023 and Fiscal 2024, a portion of foreign exchange rate variation loss, depreciation from Fiscal 2020 onwards on account of higher cumulative consumer contribution and the impact of goods and services tax on operation and maintenance expenses from Fiscal 2020 onwards (“**Tariff Orders**”). AEML also filed a limited review petition before MERC, which was disposed of by MERC, wherein certain additional components sought under review were disallowed (“**Review Order**”). Thereafter, aggrieved by the Tariff Order and the Review Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
9. Our Subsidiary, AEML, in its capacity as a Transmission System User, filed a review petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) under Section 94(1)(f) of the Electricity Act, seeking review of the Intra-State Transmission System (“**InSTS**”) tariff order passed by MERC (“**InSTS Tariff Order**”). The InSTS Tariff Order was passed on a petition filed by the State Transmission Utility for truing up of InSTS tariff for Fiscal 2023 and Fiscal 2024 and determination of multi-year tariff for InSTS for the fifth control period from Fiscal 2026 to Fiscal 2030. AEML sought review of the InSTS Tariff Order on the grounds that, *inter alia*, (a) MERC had inadvertently not considered approved true-up credits for Fiscal 2021 and Fiscal 2022 while approving the final true-up of the share of AEML in the Total Transmission System Cost for Fiscal 2024; and (b) MERC had adopted a methodology for adjustment of higher short-term transmission charges payable by AEML that was contrary to the Maharashtra Electricity Regulatory Commission (Multi Year Tariff) Regulations, 2019. MERC, by way of its order (“**Review Order**”), rejected the review petition. Thereafter, aggrieved by the InSTS Tariff Order and the Review Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
10. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement for Fiscal 2023 and Fiscal 2024, provisional truing up for Fiscal 2025 and approval of aggregate revenue requirement for the fifth control period from Fiscal 2026 to Fiscal 2030. MERC disallowed, *inter alia*, normative operation and maintenance expenses for Fiscal 2023 to Fiscal 2030, shared service expenses for Fiscal 2026 onwards, a portion of foreign exchange rate variation loss in proportion to regulatory debt and minimum alternate tax rate considered as effective tax rate for grossing up return on equity instead of corporate tax rate (“**Tariff Order**”). Thereafter, aggrieved by the Tariff Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act. The matter is currently pending.
11. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement for Fiscal 2020 to Fiscal 2022, provisional truing up for Fiscal 2023 and approval of revised aggregate revenue requirement for Fiscal 2024 and Fiscal 2025. MERC disallowed, *inter alia*, normative operation and maintenance expenses on unutilised 33 kV bays from Fiscal 2020 to Fiscal 2025, a portion of corporate expenses for Fiscal 2020 to Fiscal 2022, expenses shifted from capitalisation to operation and maintenance expenses for Fiscal 2020 to Fiscal 2022 and the actual interest on working capital for Fiscal 2021 affected by the COVID-19 pandemic (“**MTR Order**”). Thereafter, aggrieved by the MTR Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
12. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for truing up of aggregate revenue requirement for Fiscal 2018 and Fiscal 2019, provisional truing up for Fiscal 2020 and determination of aggregate revenue requirement for the fourth control period from Fiscal 2021 to Fiscal 2025. MERC disallowed, *inter alia*, the distribution loss trajectory from Fiscal 2021 to Fiscal 2025, additional rate of return for computing return on equity from Fiscal 2021 to Fiscal 2025, corporate expenses for Fiscal 2019, impact of goods and services tax on operation and maintenance expenses from Fiscal 2018 onwards and weighted average preferential rate for solar power procured from Dhursar Solar Private Limited for Fiscal 2019 onwards (“**Tariff Order**”). AEML also filed a review petition before MERC, which was partially allowed (“**Review Order**”). Thereafter, aggrieved by the Tariff Order and the Review Order, AEML filed an appeal before the Appellate Tribunal for Electricity, New Delhi under Section 111 of the Electricity Act. The matter is currently pending.
13. Our Subsidiary, AEML filed a petition before the Maharashtra Electricity Regulatory Commission, Mumbai (“**MERC**”) for approval of aggregate revenue requirement and tariff for the fourth control period. MERC in its order included an amount of approximately ₹88.28 crore in the aggregate revenue requirement of AEML for Fiscal 2021 towards standby charges payable to Tata Power Company Limited - Generation Business (“**TPC-G**”) for the period from Fiscal 2000 to Fiscal 2004. Aggrieved by this, AEML filed a petition before MERC seeking correction of the standby charges findings. MERC, by way of its order, directed TPC-G not to recover the component of standby charges from distribution licensees, including AEML in the balance instalments (“**MERC Order**”). Aggrieved by the MERC Order, TPC-G filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act (“**Appeal**”).

APTEL, by way of its order dismissed the Appeal of TPC-G (“**APTEL Order**”). Thereafter, TPC-G filed a civil appeal before the Supreme Court of India challenging the APTEL Order. The matter is currently pending.

ATIL

1. Our Subsidiary, ATIL, had filed a petition before the CERC for truing-up of transmission tariff for the period from Fiscal 2015 to Fiscal 2019 and determination of transmission tariff for the period from Fiscal 2020 to Fiscal 2024. CERC made a final determination on the amount of transmission tariff (“**Tariff Order**”) but disallowed certain operating and capital costs incurred by ATIL in the calculation of the tariff amount. Aggrieved by the Tariff Order, ATIL filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act. The matter is currently pending.
2. Our Subsidiary, ATIL, had filed a petition before the CERC for determination of transmission tariff for the 500 kilo watt Mundra-Mohindergarh high voltage direct current transmission line and the 400 kilo watt direct current Mundra-Dehgam transmission line. CERC, *inter alia*, clipped the excess capital cost of the sub-stations of ATIL and reduced loan outstanding by cumulative depreciation of the transmission assets till the date of commencement of the tariff (“**Tariff Order**”). Aggrieved by the Tariff Order, ATIL filed an appeal before the Appellate Tribunal for Electricity, New Delhi (“**APTEL**”) under Section 111 of the Electricity Act. APTEL disallowed, *inter alia*, capital cost reduction for the alternating current substation portion of the licensed asset and reduction of loan outstanding by cumulative depreciation till the date of the grant of the license (“**Impugned Order**”). Thereafter, aggrieved by the Impugned Order, ATIL filed a review petition before the APTEL under Section 120 (2) (f) of the Electricity Act and a civil appeal under Section 125 of the Electricity Act before the Supreme Court of India for review of the impugned order. The matters are currently pending.

MEGPTCL

1. Our Subsidiary, MEGPTCL, had filed a petition before the MERC for determination of transmission tariff. MERC made a final determination on the amount of transmission tariff (“**Tariff Order**”) but disallowed various components of tariff which led to reduction in the aggregate revenue requirement claimed by MEGPTCL. The Tariff Order resulted in total financial impact of ₹1074.97 crore on MEGPTCL. Aggrieved by the Tariff Order, MEGPTCL filed an appeal before the Appellate Tribunal for Electricity, New Delhi, under Section 111 of the Electricity Act. The Tariff Order was set aside by APTEL and remanded back to MERC for passing of a consequential order (“**APTEL Order**”). In lieu of the APTEL Order, MERC took *suo moto* cognizance of the matter and impleaded the Maharashtra State Electricity Distribution Company Limited (“**MSEDCL**”) as well. MERC passed its order in terms of the directions given by APTEL through the APTEL Order and permitted MEGPTCL to recover dues from MSEDCL (“**MERC Order**”). Thereafter, aggrieved by the MERC Order, MSEDCL filed an appeal before APTEL and impleaded MEGPTCL as a respondent as well. The matter is currently pending.
2. Our Subsidiary, MEGPTCL, had filed a petition before MERC for determination of transmission tariff. MERC made a final determination on the amount of transmission tariff (“**Tariff Order**”) but disallowed certain components of tariff such as operation and maintenance expenses, interest on long-term loan and interest on working capital. Thereafter, aggrieved by the Tariff Order, MEGPTCL filed an appeal before APTEL under Section 111 of the Electricity Act. The matter is currently pending.

Outstanding actions by statutory or regulatory authorities against our Material Subsidiaries

Nil

Outstanding proceedings involving our Directors and the non-material subsidiaries, which are considered material by the Company on a consolidated basis

Legal proceedings involving our Directors

Except as disclosed under “- *Litigation involving our Company - Outstanding actions by statutory or regulatory authorities against our Company*” on page 642 and below, there is no legal proceeding involving our Directors which has been considered material by our Company.

1. The Special Director, Enforcement Directorate (“**ED**”) issued a show cause notice to AEL and our Promoter and Managing Director Rajesh S. Adani (“**Respondents**”) in relation to a complaint filed before it by the Assistant Director, Enforcement Directorate for contravention of certain provisions of Section 6(3)(a) of the Foreign Exchange Management Act, 1999 on account of setting up a wholly-owned subsidiary and in relation to proceeds from the liquidation of a step-down subsidiary. Thereafter, the Special Director of Enforcement, Ministry of Finance passed an order (“**ED Order**”) imposing a consolidated penalty of ₹4.00 crore on AEL and a penalty of ₹1.00 crore on our Promoter and Managing Director, Rajesh S. Adani and a consolidated penalty of ₹0.10 crore on AEL and ₹0.03 crore on Rajesh S. Adani in relation to the accrual of

proceeds of the liquidation of a step-down subsidiary of AEL. AEL and Rajesh S. Adani filed separate appeals before the Appellate Tribunal for Foreign Exchange (“ATFE”) praying, amongst other things, to set aside the ED Order. The ATFE, by way of an order, (“ATFE Order No. 1”) quashed the ED Order. The Union of India (through the Director, Enforcement Directorate) filed an appeal before the High Court of Bombay (“High Court”) challenging the ATFE Order No. 1. Thereafter, the High Court by way of an order set aside the ATFE Order No. 1 and remitted the proceedings back to the ATFE. The ATFE passed an order (“ATFE Order No. 2”) upholding the penalties imposed by the ED Order. AEL and Rajesh S. Adani filed an appeal before the High Court of Gujarat to set aside the ATFE Order No. 2. The High Court of Gujarat has, by way of its interim orders, stayed the implementation of ATFE Order No. 2. Thereafter, the High Court of Gujarat passed an order whereby the above interim orders were made absolute till the disposal of the appeals. The matter is currently pending.

2. A criminal indictment has been filed before the United States District Court for the Eastern District of New York by the United States Department of Justice in the case of *United States v. Gautam S. Adani, et al.* (Cr. No. 24-CR-433), against one of our Promoters, namely, Gautam S. Adani and seven others (“Defendants”). Under this indictment, Gautam S. Adani and two others have been charged with alleged securities fraud conspiracy, alleged wire fraud conspiracy and alleged securities fraud, but have not been charged with any violation of the United States Foreign Corrupt Practices Act. There are no charges against any Adani portfolio entities, including our Company, in the abovementioned criminal indictment. The United States Department of Justice has since filed a motion seeking dismissal with prejudice of the charges in the abovementioned criminal indictment. The United States Department of Justice has decided in its prosecutorial discretion, to dismiss the charges under the indictment against all the Defendants (i.e. a complete dismissal that bars any prosecution against the Defendants for the same allegations and the case cannot be re-opened). The final order of the United States District Court for the Eastern District of New York is awaited in this regard. The matter is currently pending.
3. Separately, a civil complaint has been filed before the United States District Court for the Eastern District of New York by the United States Securities and Exchange Commission against Gautam S. Adani and another (1:24 Civ. 8080). In this civil complaint, Gautam S. Adani and another have been alleged (i) to have violated certain sections of the Securities Act of 1933 and the Securities Exchange Act of 1934, and (ii) to have aided and abetted Adani Green Energy Limited’s violation of the Securities Act of 1933 and the Securities Exchange Act of 1934. The complaint does not make any claims for relief for any alleged violation of the United States Foreign Corrupt Practices Act. Further, no claims for relief are sought against any Adani portfolio entities, including our Company, in the civil complaint. The United States Securities and Exchange Commission, Gautam Adani and another have since filed their request for entry of final judgment along with the proposed final judgment, on consent, before the United States District Court for the Eastern District of New York. Gautam Adani and another have consented to *inter alia* entry of the final judgment without admitting or denying the allegations made in the civil complaint and payment of a civil penalty of USD 6.00 million and USD 12.00 million, respectively by Gautam Adani and another. Further, the United States District Court for the Eastern District of New York had raised queries to certain parties including Gautam S. Adani, and such parties have submitted their responses to such queries. The final judgment of the United States District Court for the Eastern District of New York is awaited. The matter is currently pending.
4. Rajesh S. Adani, one of our Promoters, has received a notice issued by Registrar of Companies, Gujarat directing Adani Power Limited, a member of our Promoter Group, and its officers to compound certain alleged violations of Companies Act, 2013. Rajesh S. Adani filed a compounding petition before the NCLT, Ahmedabad (“NCLT”) under Section 441 read with Sections 129 and 133 of the Companies Act, 2013. The NCLT, *vide* its order dated April 10, 2026, noted that the default appears to be interpretational and not deliberate, and accordingly compounded the alleged offences imposing a total compounding fee of ₹0.65 million, which has been duly paid by Rajesh S. Adani.

Inquiries, inspections or investigations initiated or conducted under the Companies Act in the last three years immediately preceding the year of this Preliminary Placement Document involving our Company and its Subsidiaries, and prosecutions filed, fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act in the last three years preceding the year of this Preliminary Placement Document involving our Company and its Subsidiaries, and prosecutions filed, fines imposed, compounding of offences in the last three years immediately preceding the year of this Preliminary Placement Document for our Company and its Subsidiaries.

Material frauds committed against our Company in the last three years immediately preceding the year of this Preliminary Placement Document and actions taken by our Company

As on the date of this Preliminary Placement Document, there are no material frauds that have been committed against our Company in the last three years immediately preceding the year of this Preliminary Placement Document.

Significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations

As on the date of this Preliminary Placement Document, there are no significant and material orders that have been passed by the regulators, courts and tribunals impacting the going concern status of our Company and its future operations.

Defaults by our Company in repayment of statutory dues, dues payable to holders of any debentures and interest thereon, dues payable in respect of deposits and interests thereon, or in repayment of any loan obtained from any bank or financial institution and interest thereon

As on the date of this Preliminary Placement Document, our Company has no outstanding defaults in relation to repayment of statutory dues, dues payable to holders of any debentures and interest thereon, or in respect of deposits and interest thereon, or in repayment of loans obtained from any bank or financial institution and interest thereon.

Defaults in the annual filings of our Company under the Companies Act, 2013

As on the date of this Preliminary Placement Document, our Company has not defaulted in annual filings under the Companies Act.

Litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of this Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action

Except for as disclosed under “- Outstanding proceedings involving our Directors and the non-material subsidiaries, which are considered material by the Company on a consolidated basis - Legal proceedings involving our Directors” and “- Litigation involving our Company - Outstanding actions by statutory or regulatory authorities against our Company” on pages 648 and 642, respectively, there are no litigation or legal action pending or taken by any Ministry or Department of the Government or a statutory authority against our Promoters during the last three years immediately preceding the year of this Preliminary Placement Document and directions issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action.

Outstanding litigation involving the Entities which are non-quantifiable and may have a material adverse effect on the Company or which may otherwise be material for the Company and/or has been intimated to the Stock Exchanges by the Company in accordance with the materiality policy framed under the SEBI Listing Regulations

Nil

Outstanding proceeding involving the non-material subsidiaries which has been intimated to the Stock Exchanges by the Company in accordance with the materiality policy framed under the SEBI Listing Regulations

Nil

Summary of outstanding litigation involving our Company and our Material Subsidiaries

Brief details of material outstanding litigation that have been initiated by and against us, and our Material Subsidiaries which, if they result in an adverse outcome, would materially and adversely affect our operations or the financial position of our Company, are set forth below:

Particulars	Criminal proceedings	Proceedings involving economic offences	Material statutory or regulatory proceedings	Material civil litigation	Aggregate amount involved (₹ in crores)*
Company					
By the Company	Nil	NA	NA	1	99.76
Against the Company	1	Nil	2	2	205.28
Material Subsidiaries					
By the Material Subsidiaries	9	NA	NA	17	5,551.08
Against the Material Subsidiaries	15	NA	Nil	2	2,191.29

NA: Not applicable.

* To the extent quantifiable.

INDEPENDENT AUDITORS

Our Company's Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants, are independent auditors with respect to our Company as required by the Companies Act, 2013 and in accordance with the guidelines prescribed by ICAI and have been appointed as the statutory auditors of our Company, pursuant to the approval of the shareholders of our Company at the AGM held on July 19, 2023.

Our Statutory Auditors have audited the Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements, included in this Preliminary Placement Document.

The peer review certificate of our Statutory Auditors, Walker Chandiok & Co LLP, Chartered Accountants is valid till May 31, 2028.

GENERAL INFORMATION

- Our Company was incorporated on December 9, 2013, as a public limited company under the Companies Act, 1956 as amended pursuant to a certificate of incorporation issued by the RoC. Our Company received the certificate of commencement of business from the RoC on December 17, 2013. Pursuant to the approval accorded by our Shareholders on July 19, 2023, the name of our Company was changed to “Adani Energy Solutions Limited” and a fresh certificate of incorporation consequent upon change of name was issued to our Company by the RoC on July 19, 2023.
- Our Registered and Corporate Office is located at Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India.
- The CIN of our Company is L40300GJ2013PLC077803.
- The Equity Shares are listed on BSE and NSE.
- The Issue was authorised and approved by our Board pursuant to a resolution dated July 1, 2026 and by the shareholders of our Company pursuant to a special resolution dated July 25, 2026.
- Our Company has received in-principle approvals under Regulation 28(1) of the SEBI Listing Regulations to list the Equity Shares to be issued pursuant to the Issue, on BSE and NSE, each dated July 27, 2026.
- Copies of our Memorandum of Association and Articles of Association will be available for inspection between 10:00 am to 5:00 pm on any weekday (except Saturdays and public holidays) at our Registered and Corporate Office.
- Our Company has obtained all necessary consents, approvals and authorisations as may be required in connection with the Issue.
- There has been no material change in the financial or trading position of our Company since June 30, 2026, the date of the Consolidated Unaudited Quarterly Financial Results, prepared in accordance with applicable accounting standards included in this Preliminary Placement Document, except as disclosed herein.
- Except as disclosed in this Preliminary Placement Document, there are no litigation or arbitration proceedings against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which are or might be material in the context of this Issue. For further details, see “*Legal Proceedings*” on page 641.
- In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CARE Ratings Limited as the Monitoring Agency, for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.
- The Floor Price is ₹1,698.15 per Equity Share, calculated in accordance with the provisions of Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with Regulation 176(1) of the SEBI ICDR Regulations.
- Jaladhi Atulchandra Shukla is the Company Secretary and Compliance Officer of our Company. His details are as follows:

Jaladhi Atulchandra Shukla

Adani Energy Solutions Limited
Adani Corporate House
Shantigram, Near Vaishno Devi Circle
S. G. Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India
Tel: +91 (079) 2555 5366
E-mail: Jaladhi.Shukla@adani.com

- Our Company and the Book Running Lead Managers accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including our website, would be doing it at his or her own risk.

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment shall be made by our Company, in consultation with the Book Running Lead Managers, to Eligible QIBs only, on a discretionary basis.

The names of the proposed Allottees and the percentage of post-Issue capital that may be held by them is set forth below. These details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottees	Percentage of the post-Issue share capital held (%) [^] #
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]

[^] Based on beneficiary position as on [●] (adjusted for Equity Shares Allocated in the Issue).

[#] The post-Issue shareholding (in percentage terms) of the proposed Allottees will be disclosed on the basis of their respective PAN, except in case of Mutual Funds, insurance companies, and Eligible FPIs (investing through different sub accounts having common PAN across such sub accounts) wherein their respective DP ID and Client ID has been considered.

Notes:

Subject to receipt of funds and Allotment in the Issue, the details of the proposed Allottees have been intentionally left blank and will be filled in before filing of the Placement Document with the Stock Exchanges.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

For and on behalf of the Board, signed by:

Anil Sardana (DIN – 00006867)
Managing Director – Adani Energy Solutions Limited

Date: July 27, 2026

Place: Ahmedabad

DECLARATION

We, the Board of the Company, certify that:

- (i) Our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

For and on behalf of the Board, signed by:

Anil Sardana (DIN – 00006867)
Managing Director – Adani Energy Solutions Limited

I am authorized by the Board of Directors, *vide* resolution dated July 27, 2026 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Anil Sardana (DIN – 00006867)
Managing Director – Adani Energy Solutions Limited

Date: July 27, 2026

Place: Ahmedabad

ADANI ENERGY SOLUTIONS LIMITED

Registered and Corporate Office:

Adani Corporate House
Shantigram, Near Vaishno Devi Circle
S G Highway, Khodiyar
Ahmedabad 382 421
Gujarat, India

Tel: +91 079 2555 5366

Email: Jaladhi.Shukla@adani.com | **Website:** www.adanienergysolutions.com

CIN: L40300GJ2013PLC077803

Contact Person:

Jaladhi Atulchandra Shukla

Designation: Company Secretary and Compliance Officer

Tel: +91 079 2555 5366

E-mail: Jaladhi.Shukla@adani.com

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

BOOK RUNNING LEAD MANAGERS

SBI Capital Markets Limited

1501, 15th floor, A & B Wing
Parinee Crescenzo Building, G
Block
Bandra Kurla Complex, Bandra
(E)
Mumbai 400 051, Maharashtra,
India

ICICI Securities Limited

ICICI Venture House
Appasaheb Marathe Marg
Prabhadevi
Mumbai 400 025
Maharashtra, India

IIFL Capital Services Limited

*(Formerly known as IIFL
Securities Limited)*

24th Floor, One Lodha Place
Senapati Bapat Marg, Lower
Parel (West)
Mumbai 400 013
Maharashtra, India

Jefferies India Private Limited

Level 16, Express Towers
Nariman Point
Mumbai 400 021
Maharashtra, India

STATUTORY AUDITORS OF OUR COMPANY

Walker Chandiok & Co LLP, Chartered Accountants

RE 11, 1st floor, Near Vikramnagar
Iscon, Ambli Road, Ambli
Ahmedabad 380 058, Gujarat, India

LEGAL COUNSEL TO OUR COMPANY

As to Indian law

Cyril Amarchand Mangaldas

Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013

LEGAL COUNSEL TO THE BOOK RUNNING LEAD MANAGERS

As to Indian Law

Trilegal

One World Centre
10th Floor, Tower 2A and 2B
Senapati Bapat Marg
Lower Parel (West), Mumbai 400 013
Maharashtra, India

As to international law

Allen Overy Shearman Sterling LLP

2 Central Boulevard
#45-01 West Tower, IOI Central Boulevard Towers |
Singapore 018916

SAMPLE APPLICATION FORM

An indicative format of the Application Form is set forth below.

(Note: The format of the Application Form included herein above is indicative and for illustrative purposes only and no Bids in this Issue can be made through the sample Application Form. The Company, in consultation with the BRLMs, shall identify Eligible QIBs and circulate serially numbered copies of this Preliminary Placement Document and the Application Form, specifically addressed to such Eligible QIBs. Any application to be made in the Issue should be made only upon receipt of serially numbered copies of this Preliminary Placement Document and the Application Form and not on the basis of the indicative format below.)



ADANI ENERGY SOLUTIONS LIMITED

APPLICATION FORM

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

Registered & Corporate Office: Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India | **Telephone:** +91 079 2555 7555

Company Secretary and Compliance Officer: Jaladhi Atulchandra Shukla

E-mail address: Jaladhi.Shukla@adani.com | **Website:** www.adanienergysolutions.com

CIN: L40300GJ2013PLC077803 | **LEI:** 549300PLH866JQ6LXE52

ISIN: INE931S01010

Name of Bidder: _____

Form No: _____

Date: _____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE ₹10 EACH (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (“ISSUE PRICE”), INCLUDING A PREMIUM OF ₹[●] PER EQUITY SHARE, AGGREGATING TO ₹ [●] CRORES UNDER CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED (THE “SEBI ICDR REGULATIONS”) AND SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED (THE “COMPANIES ACT”), READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT AND THE RULES MADE THEREUNDER BY ADANI ENERGY SOLUTIONS LIMITED (THE “ISSUER” OR THE “COMPANY”) (HEREINAFTER REFERRED TO AS THE “ISSUE”). THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹1,698.15 PER EQUITY SHARE AND THE COMPANY MAY OFFER A DISCOUNT OF UPTO 5% ON THE FLOOR PRICE, AS APPROVED BY THE SHAREHOLDERS.

Only Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (a) are not, excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or foreign exchange laws; or other applicable laws, or (b) are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); (d) are eligible to invest in the Issue and submit this Application Form, and (e) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) are not permitted to participate in the Issue. The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and, unless so registered, may not be offered, sold or delivered within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (a) within the United States only to qualified institutional buyers (as defined in Regulation 144A under the U.S. Securities Act) (“U.S. QIBs”) in transactions exempt from or not subject to the registration requirements of the U.S. Securities Act; and (b) outside the United States, in “offshore transactions” in reliance on Regulation S under the U.S. Securities Act (“Regulation S”) and in each case in compliance with the applicable laws of the jurisdictions where such offers and sales occur. You should note and observe the distribution and solicitation and transfer restrictions contained in the sections entitled “Distribution and Solicitation Restrictions” and “Transfer Restrictions” in the accompanying preliminary placement document dated July 27, 2026 (the “PPD”).

ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE IN THIS ISSUE UNDER SCHEDULE II OF THE FEMA RULES, READ WITH THE RESTRICTIONS SPECIFIED IN THE “ISSUE PROCEDURE” SECTION OF THE PRELIMINARY PLACEMENT DOCUMENT AND SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs IN THE COMPANY DOES NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS AND THE PRELIMINARY PLACEMENT DOCUMENT IN THIS REGARD. ALLOTMENTS MADE TO AIFs AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. PURSUANT TO FDI POLICY READ ALONG WITH PRESS NOTE NO. 3 (2020 SERIES), DATED APRIL 17, 2020, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, READ WITH PRESS NOTE NO. 2 (2026 SERIES), DATED MARCH 15, 2026 ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE, AS PRESCRIBED IN THE FEMA RULES AND SHALL HAVE TO BE IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCI ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,

The Board of Directors

Adani Energy Solutions Limited

Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382 421, Gujarat, India

Dear All,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, at the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoters of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the promoter or promoter group or persons related to the promoter. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoters or persons related to promoters of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either an Eligible QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules or a multilateral or bilateral development financial institution eligible to invest in India under applicable law. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant approvals for applying in the Issue.

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the PPD and this Application Form. We confirm that, in relation to our application, each foreign portfolio investor ("**FPI**") as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended (other than individuals, corporate bodies and family offices), and including persons who have been registered under these regulations (such FPIs, "**Eligible FPIs**"), have submitted a separate Application Form, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorized to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with SBI Capital Markets Limited, ICICI Securities Limited, IIFL Capital Services Limited (*formerly known as IIFL Securities Limited*) and Jefferies India Private Limited (the "**BRLMs**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the confirmation of allocation note ("**CAN**"), subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the Preliminary Placement Document, Placement Document, and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The amount payable by us as Bid Amount for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name and in case we are joint holders, from the bank account of the person whose name appears first in the Application Form. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the BRLMs; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue, or if we withdraw the Bid before Issue Closing date, or if there is a cancellation of the Issue, or in case of rejection of Bids or non-allocation of Equity Shares or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand and agree that (i) our names, address, contact details, PAN, bank account details and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies, Gujarat at Ahmedabad (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of the National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections "**Notice to Investors**", "**Representations by Investors**", "**Issue Procedure**", "**Distribution and Solicitation Restrictions**" and "**Transfer Restrictions**" sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the BRLMs, each of whom is entitled to rely on, and is relying on, these representations and warranties in consummating the Issue.

STATUS (Please ☐)			
FI	Scheduled Commercial Banks and Public Financial Institutions	AIF	Alternative Investment Fund
MF	Mutual Funds	IF	Insurance Funds
FPI	Eligible Foreign Portfolio Investors*	NIF	National Investment Fund
VCF	Venture Capital Funds	SI-NBFC	Systemically Important Non-Banking Financial Companies
IC	Insurance Companies	OTH	Others (Please specify)
Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.			
* Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, as amended, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue			

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD along with the Application Form, and have read it in its entirety including in particular, the section titled “*Risk Factors*” therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, the BRLMs or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the BRLMs, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the BRLMs; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the BRLMs. For the purposes of this representation: The expression ‘belong to the same group’ shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office; and (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form, whether signed or not, is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorized to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

We acknowledge that the Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States, and unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are either (i) located within the United States and are “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act), or (ii) located outside the United States and purchasing the Equity Shares in an “offshore transaction” in reliance on Regulation S under the U.S. Securities Act and in compliance with the applicable laws of the jurisdictions where such offers and sales occur. We confirm that we have read the representations, warranties and agreements contained in the sections entitled “*Distribution and Solicitation Restrictions*” and “*Transfer Restrictions*” in the PPD.

BIDDER DETAILS (in Block Letters)		
NAME OF BIDDER*		
NATIONALITY		
REGISTERED ADDRESS		
CITY AND CODE		
COUNTRY		
TELEPHONE NO.		FAX.
EMAIL ID		MOBILE No.
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NO:	
FOR MFs	SEBI MF REGISTRATION NO:	
FOR AIFs***	SEBI AIF REGISTRATION NO:	
FOR VCFs***	SEBI VCF REGISTRATION NO:	
FOR SI-NBFC	RBI REGISTRATION DETAILS:	
FOR INSURANCE COMPANIES	IRDAI REGISTRATION DETAILS:	
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS:	
* Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Issuer and the BRLMs. ** In case you are an FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number. *** Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.		

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the BRLMs will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS														
Depository Name	National Securities Depository Limited										Central Depository Services (India) Limited			
Depository Participant Name														
DP – ID	I	N												
Beneficiary Account Number											(16-digit beneficiary account. No. to be mentioned above)			
The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.														

ESCROW ACCOUNT - BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3.00 PM (IST), [day], [date]	
Name of the Account	ADANI ENERGY SOLUTIONS LIMITED QIP ESCROW ACCOUNT 2026
Name of the Bank	State Bank of India
Address of the Branch of the Bank	3rd Floor, Mumbai Main Branch, Mumbai Samachar Marg, Fort, Mumbai, Mumbai-400023
Legal Entity Identifier Code of Company	549300PLH866JQ6LXE52
Account Type	Current Account
Account Number	45407064866
IFSC	SBIN0011777
Tel No.	022-2271 9117/ 2271 9115/ 114/ 113/ 112
E-mail	nib.11777@sbi.co.in

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of “ADANI ENERGY SOLUTIONS LIMITED QIP ESCROW ACCOUNT 2026”. Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/Issue Period, i.e., prior to the Bid/Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds if, any, shall be dependent on the accuracy of the bank account details provided by you. The Company and the BRLMs shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		PRICE PER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)
BID AMOUNT (RUPEES)			
(In Figures)		(In Words)	

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		FAX NO.	
EMAIL		MOBILE NO.	

OTHER DETAILS		ENCLOSURES ATTACHED*
PAN*		Attested / certified true copy of the following: ☐ Copy of PAN Card or PAN allotment letter** ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank ☐ Copy of notification as a public financial institution ☐ FIRC ☐ Copy of IRDAI registration certificate ☐ Intimation of being part of the same group ☐ Certified true copy of power of attorney ☐ Other, please specify _____
Legal Entity Identifier Code ("LEI")		
Date of Application		
Signature of Authorised Signatory (may be signed either physically or digitally)**		

- * It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 2025.
- ** A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.

Note:

- Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and the Placement Document, unless specifically defined herein.
- The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the BRLMs.
- This Application Form, the PPD and the Placement Document sent to you/ be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.

- (4) *The duly filed Application Form along with all enclosures shall be submitted to the BRLMs either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.*