Ref: AESSEL/UPERC/25-26/01 January 19, 2026

To,
**The Secretary,**
**Uttar Pradesh Electricity Regulatory Commission (UPERC)**
Vidyut Niyamak Bhawan, Vibhuti Khand,
Gomti Nagar,
Luckow-226010, Uttar Pradesh - India

**Sub.: Data gap/ deficiencies in the Petition for the grant of Distribution License to Adani Energy Solutions Step Eleven Limited (AESSEL)**

Ref: UPERC/Secy/L&L/2025/90/1221 dated 01.01.2026

Dear Sir,

This is with reference to the letter dated 01.01.2026 vide which the Hon'ble Commission sought certain clarifications from the Applicant i.e., Adani Energy Solutions Step Eleven Limited (AESSEL) with respect to the Petition filed for the grant of Distribution License for undertaking supply and distribution of power in the Data Centre Park being developed by DC Development Noida Limited.

Accordingly, we hereby submit our responses to the data gaps / deficiencies in accordance with the directive of the Hon'ble Commission. The response is annexed as Annexure-1.

Thanking You,

Yours sincerely,
**For Adani Energy Solutions Step Eleven Limited**

**Miss. Saloni Sunil Fulmali**
**Authorized Signatory**

Adani Energy Solutions Step Eleven Limited
Adani Corporate House, Shantigram,
Nr. Vaishno Devi Circle, S. G. Highway,
Khodiyar, Ahmedabad - 382421
Gujarat, India

## Annexure-1

1. Para 6 of the Petition: The Petitioner submits "DCDNL vide contract dated 05.12.2025 has engaged its associate company of the same group viz. the Petitioner No. 1 / AEESEL". The Petitioner to clarify how AESSEL is a associate company of DCDNL.

   AESSEL's Response:

   The Petitioner respectfully submits that AESSEL & DCDNL are part of Adani Group and are controlled under common umbrella. The ownership structure of the said companies, which is annexed as **Annexure-A**, demonstrates that the management and control of both AESSEL and DCDNL are under a common umbrella.

2. Para 11 of the Petition: The Petitioner, AESSEL, has stated that it is seeking a distribution license for the area covering the Data Centre Park being developed by DCDNL, located at Plot No. 20, Block-C, Sector-62, Noida, Uttar Pradesh. As per the submission, the plot encompasses a total of three plots including plot C-20/1A/10 and two other plots contiguous to plot no. 20/1A/10. In this regard, the Petitioner is required to clarify the precise address for which the license is sought. The Petitioner is further required to submit the visible map of the area for the Grant of License. The submitted map at Page 660 of the petition is not legible.

   AESSEL's Response:
   The Petitioner respectfully clarifies that the address for proposed license area is as mentioned in the Petition. i.e. Plot No. 20, Block-C, Sector-62, Noida, Uttar Pradesh.

   The visible map of the proposed license area is annexed as **Annexure - B**.

3. Para 12 of the Petition: The Petitioner mentions that the proposed license area falls within the distribution area of NPCL and PVVNL. The said assertion appears to be factually incorrect.

   AESSEL's Response:
   The Petitioner respectfully submits that, due to an inadvertent and unintentional error, it was stated in the Petition that the proposed license area falls within the distribution area of NPCL and PVVNL. The Petitioner hereby clarifies that the proposed license area falls exclusively within the distribution area of PVVNL. The said error is purely inadvertent and unintentional, and the Petitioner prays that the same may kindly be taken on record.

4. Para 17 of the Petition: The Petitioner on Page Nos. 526 and 528 of the Petition has submitted CA certificate of net worth and internal resource generation of promoter's business. However, whether the figures are after excluding other committed investment has not been mentioned in the certificate. Petitioner to clarify the same.

   AESSEL's Response:
   The Petitioner respectfully submits that the present Petition has been filed by the AESSEL for Licence in the Data Centre Park being developed by DC Development Noida Limited, in conjunction with its parent company AESL, under DC Policy of the Govt. of UP. The requirements of Capital Adequacy and Creditworthiness as per the Distribution of Electricity License (Additional Requirements of Capital Adequacy, Creditworthiness and Code of Conduct) Rules, 2005 (Rules, 2005) of the Central Government are demonstrated in following submissions using the credentials of AESL. It is further submitted that the size of the proposed area is decided only after factoring in the capital adequacy and creditworthiness requirement as per the Rules 2005 of the Central government and existing regulatory framework based on Hon'ble ATE judgements.

   **Capital Adequacy requirement:**

AESSEL submits that, as per the Business Plan submitted in the petition, AESSEL requires a capital investment requirement of Rs. 211.10 Crore. Considering the norm of 30% equity, the total equity infusion required is Rs. 63.33 Crore. It is reasonable to expect that the company shall invest at least 26% of the total equity from its own resources to have sufficient control in terms of controlling stake and voting rights in the said licensed business. Therefore, for the purpose of satisfying the capital adequacy requirement, AESL/AESSEL needs to invest a minimum equity capital of Rs. 16.47 Crore. It is submitted that the balance equity will be obtained through any other mode and may include diluting AESL's ownership in the distribution business/es to raise equity from outside sources.

The Hon'ble Maharashtra Electricity Regulatory Commission (MERC) had adopted this principle for determining the minimum equity investment required by the Applicant for Distribution License in the Order dated 11.08.2011 in Case No. 65 of 2011 (Application of Reliance Infrastructure Limited (now AEML) for grant of Distribution Licence in and around suburbs of Mumbai inclusive of area covered under Chene and Varsova which are contiguous with Applicant/s existing area of Licence). AESL/AESSEL has followed the same principle for determination of minimum equity commitment by AESL/AESSEL for the aforesaid license application.

According to the Rules, 2005 of the Central Government, Capital Adequacy has to be assessed based on Networth and Internal Resource Generation of preceding three years. The Networth and IRG have been determined as per applicable Indian Accounting Standards (IndAS) and the same are used to work out Capital Adequacy.

Also, the Hon'ble ATE in Appeal No. 7 of 2010 has held the following:

> *"In order to meet the obligation to supply as per Section 43 of the Electricity Act, 2003, the Applicant is required to satisfy the Capital Adequacy and creditworthiness norms and the same should be based on the total capital investments for the distribution network. It should be on*

*the norms of 30% equity on the total investments to be determined by the State Commission."*

(Emphasis Added)

The certificate of Net worth submitted as Exhibit-VII to the Petition is annexed herewith as **Annexure-C**.

The certificate of Internal Resource Generation (IRG) which is submitted as Exhibit-VIII to the Petition is annexed herewith as **Annexure-D**.

For assessing the capital adequacy of AESL/AESSEL, the following two conditions needs to be satisfied.

**Test 1: Is the maximum of (NW1, NW2, NW3) – CE ≥ CIC**
AND
**Test 2: Is five (5) times the maximum of (IRG1, IRG2, IRG3) – CE ≥ CIC**

Where:
**IRG1:** Internal Resource Generation for the last audited financial year

**IRG2:** Internal Resource Generation for the year before the last audited financial year

**IRG3:** Internal Resource Generation for two years before the last audited financial year

**CE:** 26% of the Committed Equity investments elsewhere

**CIC:** 26% of (30% of Capital Investment Criteria) as estimated from capital expenditure requirement.

**NW1:** Net worth for the last audited financial year

**NW2:** Net worth for the year before the last audited financial year

**NW3:** Net worth for two years before the last audited financial year

The multiplying factor for Internal Resource Generation (IRG) is taken as “five (5)”, which reflects the minimum number of years required to setup the distribution system in the applied Licence area.

The above two conditions were used by the Hon’ble MERC while approving the Distribution License of Reliance Infrastructure Limited in the Order dated 11.08.2011 in Case No. 65 of 2011. Accordingly, AESL/AESSEL has used the two conditions to demonstrate the capital adequacy of AESL/AESSEL for aforesaid License application. The Net worth and Internal Resource Generation (IRG) for AESL for the last three financial years are as under:

| Year (Rs. Cr.) | Reference | FY 2022-23 | FY 2023-24 | FY 2024-25 |
|---|---|---|---|---|
| Net worth | Annexure-B | 12,759.99 | 13,703.13 | 23,011.26 |
| IRG | Annexure-C | 919.81 | 2,323.39 | 4,996.76 |

As regards the committed equity investment elsewhere (other than the proposed License area), it submitted that ATL has a committed investment of Rs. 1,00,711 Crore in other geographies in the country. Considering a norm of 30% equity, the committed equity investment elsewhere is Rs. 30,213 Crore. As stated above, the entity needs minimum 26% share in equity in order to retain management control over the company and hence for the purpose of determining committed equity investment elsewhere in the above two conditions, AESL/AESSEL has considered 26% of Rs. 30,213 Crore (i.e., Rs. 7,855 Crore). This method of determining committed equity investment elsewhere has been used by the Hon’ble MERC in the Order dated 11.08.2011 in Case No. 65 of 2011. Hence the same method has been used by AESL/AESSEL to determine committed equity investment elsewhere for the present License application.

Therefore, according to the first test, the Net worth, adjusted for the committed equity investments elsewhere, is computed to be Rs.10,109.50 Crore, as shown in table below:

| **Particulars (Rs. Cr)** | **Maximum of (NW1, NW2, NW3)** | **CE** | **Maximum of (NW1, NW2, NW3) – CE** |
|---|---|---|---|
| Test 1 | 23,011.26 | 7,855.46 | 15,155.80 |

Whereas as explained above, AESL/ AESSEL are required to have minimum equity investment of Rs. 16.47 Crore only. Since, the adjusted Net worth (Rs. 15,155.80 Crore) is far greater than the minimum equity requirement (Rs. 16.47 Crore), AESL/ AESSEL satisfy the Net worth criteria.

Without prejudice to the above even if 100% equity is to be assumed from AESL, the adjusted Net worth is far more than Rs. 63.33 Crore equity component in the total Capex projections of Rs. 211.10 Crore.

Also, the Internal Resource Generation (IRG), adjusted for the equity investments committed elsewhere, was computed to be Rs. 17,128 Crore, as shown in table below:

| **Particulars (Rs. Cr.)** | **5 times the maximum of (IRG1, IRG2, IRG3)** | **CE** | **5 times the maximum of (IRG1, IRG2, IRG3) - CE** |
|---|---|---|---|
| Test 2 | 24,983.80 | 7,855.46 | 17,128.34 |

Whereas as explained above, AESL/ AESSEL are required to have minimum equity investment of Rs. 16.47 Crore. Since the adjusted IRG (Rs. 17,128 Crore) is far greater than the equity requirement (Rs. 16.47 crore). AESL/ AESSEL satisfy the IRG criteria.

Without prejudice to the above even if 100% equity is to be assumed from AESL, the IRG adjusted for other committed investment is far more than Rs 63.33 Crore equity component in the total Capex projections of Rs. 211.10 Crore.

**Creditworthiness requirement:**

The Rules 2005 of the Central Government do not elaborate on the method of Creditworthiness assessment. The Hon'ble MERC in the Order dated 11.08.2011 in Case No. 65 of 2011 relied on a Judgment by the Hon'ble ATE in Appeal No. 7 of 2010, which is reproduced below:

*"The Capital Adequacy is determined on the above basis; and on the basis of the Capital Adequacy so determined the ability of the Applicant to raise finances and funds has to be determined. The creditworthiness of the Applicant will have to be tested by considering whether external borrowings from Banks or Financial institutions will be available to the Applicant based on the fulfilment of the Capital Adequacy norms"*

(Underline Supplied)

AESL/AESSEL has followed the same criteria, as followed by the Hon'ble MERC in the Order dated 11.08.2011 for assessing the Creditworthiness criteria. A certificate from Axis Bank, certifying that AESL is financially solvent to the extent of Rs 2,000 Crore is annexed herewith as **Annexure-E**. Since, Rs. 2,000 Crore is significantly more than the normative debt requirement of Rs. 147.77 Cr (70% of capex requirement of Rs. 211.10 Crore), it can be concluded that AESL/ AESSEL satisfies the Creditworthiness criteria.

Further, the Hon'ble MERC, in the Order dated 11.08.2011 had accessed the Creditworthiness criteria of the Applicant using Credit rating report explained above. The Credit report of AESL as per India Ratings and Research is annexed herewith as **Annexure-F**. According to the report, the long-term debt instruments of AESL are rated IND A1+ for Commercial paper Instrument and IND AA+/Stable for Working Capital Instrument, which indicates that the company has strong financial flexibility and has comfortable liquidity.

Therefore, based on the credit rating report also, it can be concluded that AESL/ AESSEL satisfy the Creditworthiness criteria.

5. Para 23 of the Petition: The Petitioner proposes the downstream to be distributed across at either 33 kV level or 11 kV level. However, at page 669 of the Petition, the Petitioner has not included any element for the development of downstream network of 11 kV required for supplying power to the Data Centre.

   AESSEL's Response:
   The Petitioner respectfully submits that the reference to the 33 kV level or 11 kV level is only for the purpose of indicating possible future development. However, at present, the Petitioner has envisaged consumption at 33 kV voltage level. The Petitioner will submit a Business Plan within three months from the date the Distribution Licence comes into force, for the relevant period and the same shall be updated annually in accordance with clause 7.9 of the UP Electricity Regulatory Commission (General Conditions of Distribution Licence) Regulations, 2004.

6. Page No. 454 of the Petition: The Petitioner has proposed the estimated demand, sales, and procurement of electricity to meet the power requirements of the Data Centre. In this regard, the Petitioner is required to clarify whether appropriate transmission and distribution losses have been duly factored into the said estimates.

   AESSEL's Response:
   The Petitioner respectfully submit that the Purchase in MUs mentioned at Page no. 454 of the Petition pertains to T<>D interface point, The sales numbers provided in the same page have been derived after accounting for the distribution loss of 0.5%. The power purchase quantum and rate considered at T<>D interface point factors in the Inter and Intra-state transmission charges and losses. Thus, it may be noted that the combined transmission (inter & intra) losses & distribution losses along with transmission charges have been considered while deriving the power

purchase cost in the aggregate revenue requirement. The same has been provided in the Key assumptions section of Query 9.

7. Page Nos. 541 and 542 of the Petition: As per the provisions of Rule 4 of the Distribution of Electricity Licence (Additional Requirements of Capital Adequacy, Creditworthiness and Code of Conduct) Rules, 2005, the Petitioner is required to submit an undertaking affirming compliance. However, the undertaking submitted does not cover all the requirements prescribed.

   AESSEL's Response:
   The undertaking in accordance with the provisions of Rule 4 of the Distribution of Electricity Licence (Additional Requirements of Capital Adequacy, Creditworthiness and Code of Conduct) Rules 2005 is annexed as **Annexure-G**.

8. Page Nos. 664, 665 and 666 of the Petition: The schematic diagrams of the network are not legible. The Petitioner is directed to submit clear diagrams detailing the distribution network for supplying electricity to the Data Centre Park.

   AESSEL's Response:
   A legible copy of the proposed indicative schematic diagram of the distribution network for supplying electricity to the Data Center Park is annexed as **Annexure-H**.

9. Page No. 670 of the Petition: The values taken by the Petitioner for depreciation and receivables are not as per the notified UPERC MYT Regulations, 2025. Accordingly, the Petitioner is required to revise its assumptions.

   AESSEL's Response:
   The Petitioner respectfully submits the revised key assumptions including depreciation and receivables in accordance with the UPERC MYT

Regulations, 2025. Accordingly, the Petitioner submits the revised business plan details as follows:

**Key Assumptions**

| **Operating & Financial Assumptions** | | |
|---|---|---|
| Name of License area | Noida DC | UoM |
| - Billing Efficiency across categories | 99.5% | |
| - Collection Efficiency | 100% | |
| - Power cost - G<>T interface | 4.50 | Rs. / Unit |
| - Transmission losses (Inerstate-3.18%; Intrastate -4.08%) | 0.32 | |
| - Transmission Charges (Interstate – 21p & Interstate -51p) | 0.72 | Rs/Unit |
| - O&M Cost per Unit | 0.3 | Rs/Unit of sales |
| - Yearly Escalation in O&M | 5% | |
| | | |
| - Debt | 70% | |
| - Interest on Debt | 9% | |
| - RoE | 15.0% | RoE |
| Repayment has been considered equivalent to depreciation claimed for the respective year | | |
| **Working Capital** | | |
| - O&M Exp. | 1 | Month |
| - Receivables | 1.5 | Month |
| - Maintenance Spares | 0 | |
| - Power Purchase Cost | 1 | Month |
| - Interest on working capital | 9% | |
| - | | |
| - Depreciation UPERC norms (Till Mar 2025) | **5.28%** | |
| - Depreciation UPERC norms (After Mar 2025) | **4.22%** | |
| - Max. Dep. Allowed | 90% | |
| - Yearly Increase in ABR due to increase in tariff | 3% | |

**Aggregate Revenue Requirement**

The aggregate revenue requirement based on the above assumptions works out as below.

| Revenue required (Rs. Cr) | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| Power Purchase Cost | 84.3 | 270.4 | 316.1 | 368.1 | 512.8 | 660.1 | 712.1 | 731.0 | 752.9 | 775.5 |
| Transmission Charges | 12.6 | 40.5 | 47.4 | 55.2 | 76.9 | 98.9 | 106.7 | 109.6 | 112.9 | 116.2 |
| O&M Cost | 5.3 | 17.4 | 20.7 | 24.6 | 35.0 | 45.9 | 50.4 | 52.8 | 55.4 | 58.2 |
| Depreciation | 2.5 | 4.9 | 4.9 | 4.9 | 7.4 | 9.8 | 9.8 | 9.8 | 9.8 | 9.8 |
| Interest Charges on Debt | 2.9 | 5.6 | 5.2 | 4.8 | 7.9 | 10.9 | 10.0 | 9.1 | 8.2 | 7.3 |
| Interest on Working Capital | 0.7 | 2.0 | 2.2 | 2.4 | 3.1 | 3.7 | 3.7 | 3.5 | 3.3 | 3.1 |
| RoE | 2.1 | 4.2 | 4.2 | 4.2 | 6.8 | 9.5 | 9.5 | 9.5 | 9.5 | 9.5 |
| Bad debt @0.84% of revenue billed | | | | | | | | | | |
| **Total cost of supply (Rs. Cr)** | **110.4** | **345.0** | **400.6** | **464.1** | **649.9** | **838.8** | **902.3** | **925.3** | **952.1** | **979.8** |

## Average cost of supply

The same on a per unit basis works out as below

| Average Cost of Supply | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| Power Purchase Cost | 4.97 | 5.11 | 5.27 | 5.43 | 5.59 | 5.76 | 5.93 | 6.11 | 6.29 | 6.48 |
| Transmission Charges | 0.74 | 0.77 | 0.79 | 0.81 | 0.84 | 0.86 | 0.89 | 0.92 | 0.94 | 0.97 |
| Adjustment for dist. losses | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.04 | 0.04 | 0.04 |
| O&M Cost | 0.32 | 0.33 | 0.35 | 0.36 | 0.38 | 0.40 | 0.42 | 0.44 | 0.47 | 0.49 |
| Depreciation | 0.15 | 0.09 | 0.08 | 0.07 | 0.08 | 0.09 | 0.08 | 0.08 | 0.08 | 0.08 |
| Interest Charges on Debt | 0.17 | 0.1 | 0.09 | 0.07 | 0.09 | 0.10 | 0.08 | 0.08 | 0.07 | 0.06 |
| Interest on Working Capital | 0.04 | 0.04 | 0.04 | 0.04 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 | 0.03 |
| RoE | 0.12 | 0.08 | 0.07 | 0.06 | 0.08 | 0.08 | 0.08 | 0.08 | 0.08 | 0.08 |
| Bad debt @0.84% of the billed revenue | | | | | | | | | | |
| Less non-tariff income | | | | | | | | | | |
| **ACOS** | **6.53** | **6.56** | **6.71** | **6.88** | **7.12** | **7.35** | **7.55** | **7.77** | **7.99** | **8.23** |

**Financials for the first 10 years of the business as below:**

**Profit & Loss Statement:**

| P&L | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |
| Revenue | 110 | 345 | 401 | 464 | 650 | 839 | 902 | 925 | 952 | 980 |
| Operating Expenses | 102 | 328 | 384 | 448 | 625 | 805 | 869 | 893 | 921 | 950 |

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| EBIDTA | 8 | 17 | 16 | 16 | 25 | 34 | 33 | 32 | 31 | 30 |
| | | | | | | | | | | |
| Depreciation | 2 | 5 | 5 | 5 | 7 | 10 | 10 | 10 | 10 | 10 |
| Interest | 4 | 8 | 7 | 7 | 11 | 15 | 14 | 13 | 12 | 10 |
| | | | | | | | | | | |
| PBT | 2.1 | 4 | 4 | 4 | 7 | 10 | 10 | 10 | 10 | 10 |
| | | | | | | | | | | |
| PAT | 2.1 | 4.2 | 4.2 | 4.2 | 6.8 | 9.5 | 9.5 | 9.5 | 9.5 | 9.5 |
| | | | | | | | | | | |
| Actual RoE achieved | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% |

## Cashflow Statement

| Cashflow Statement (Rs. Cr) | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|
| Revenues | 110 | 345 | 401 | 464 | 650 | 839 | 902 | 925 | 952 | 980 |
| [-] Cash Expenses | 102 | 328 | 384 | 448 | 625 | 805 | 869 | 893 | 921 | 950 |
| [+] Other income | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| [-] Interest | 4 | 8 | 7 | 7 | 11 | 15 | 14 | 13 | 12 | 10 |
| [-] Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| [-] Capex | 93 | 0 | 0 | 0 | 118 | 0 | 0 | 0 | 0 | 0 |
| [-] Increase in working capital | 4 | 11 | 13 | 15 | 21 | 28 | 30 | 30 | 31 | 32 |
| [+] Net Debt Drawdown | 69 | 6 | 8 | 10 | 97 | 18 | 20 | 21 | 22 | 22 |
| [+] Equity infusion | 28 | 0 | 0 | 0 | 36 | 0 | 0 | 0 | 0 | 0 |
| Cash | 5 | 4 | 4 | 4 | 7 | 10 | 10 | 10 | 10 | 10 |

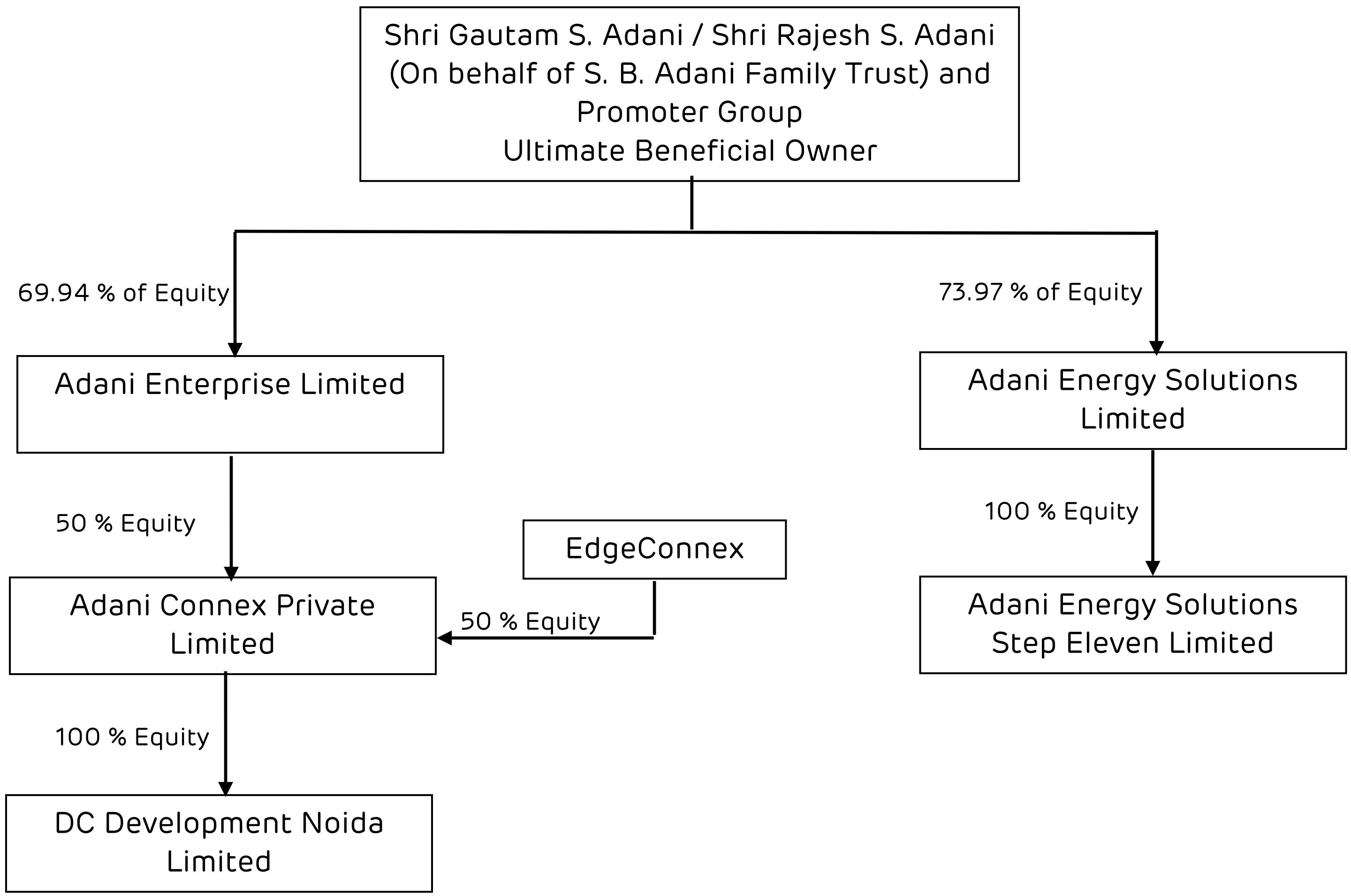
## Balance Sheet

| Balance Sheet (Rs. Cr.) | 2027 | 2028 | 2029 | 2030 | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Liabilities** | | | | | | | | | | |
| **Equity** | 28 | 28 | 28 | 28 | 63 | 63 | 63 | 63 | 63 | 63 |
| **Reserves & Surplus** | 2 | 6 | 10 | 15 | 21 | 31 | 41 | 50 | 60 | 69 |
| **Non-Current Liabilities** | | | | | | | | | | |
| Long term Borrowings | 65 | 60 | 55 | 50 | 126 | 116 | 106 | 96 | 87 | 77 |
| Short term Borrowings | 4 | 11 | 13 | 15 | 21 | 28 | 30 | 30 | 31 | 32 |
| **Current Liabilities** | | | | | | | | | | |
| Sundry Payables | 7 | 23 | 26 | 31 | 43 | 55 | 59 | 61 | 63 | 65 |
| **Total liabilities** | **106** | **128** | **133** | **139** | **275** | **293** | **299** | **301** | **304** | **306** |
| | | | | | | | | | | |
| **Assets** | | | | | | | | | | |

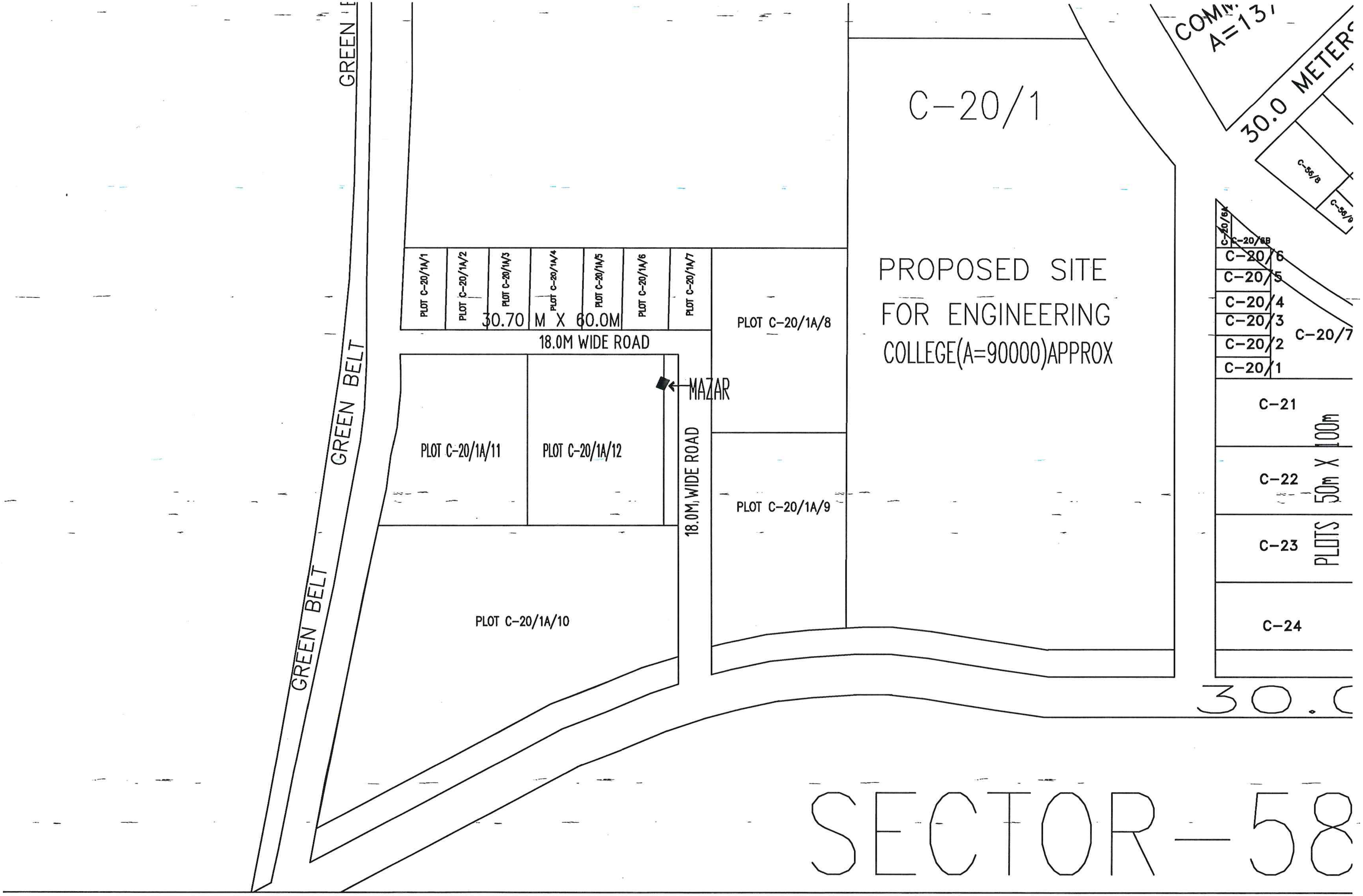
| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Non-current Asset** | | | | | | | | | | |
| Gross Assets | 93 | 93 | 93 | 93 | 211 | 211 | 211 | 211 | 211 | 211 |
| Less Accumulated depreciation | 2 | 7 | 12 | 17 | 25 | 34 | 44 | 54 | 64 | 74 |
| Net assets | 91 | 86 | 81 | 76 | 187 | 177 | 167 | 157 | 148 | 138 |
| **Current Asset** | | | | | | | | | | |
| Cash Balance | 5 | 9 | 13 | 17 | 24 | 33 | 43 | 52 | 62 | 72 |
| Receivables | 11 | 34 | 40 | 46 | 64 | 83 | 89 | 91 | 94 | 97 |
| **Total assets** | **106** | **128** | **133** | **139** | **275** | **293** | **299** | **301** | **304** | **306** |

# Annexure-A

As on 31.03.2025 as per Form MGT-7



**Annexure-B**


GREEN BELT
GREEN BELT
GREEN BELT
PLOT C-20/1A/1
PLOT C-20/1A/2
PLOT C-20/1A/3
PLOT C-20/1A/4
PLOT C-20/1A/5
PLOT C-20/1A/6
PLOT C-20/1A/7
30.70 M X 60.0M
18.0M WIDE ROAD
PLOT C-20/1A/8
PLOT C-20/1A/9
PLOT C-20/1A/11
PLOT C-20/1A/12
MAZAR
18.0M WIDE ROAD
PLOT C-20/1A/10
C-20/1
PROPOSED SITE
FOR ENGINEERING
COLLEGE(A=90000)APPROX
30.0 METERS
C-56/8
C-56/9
C-20/6B
C-20/6
C-20/5
C-20/4
C-20/3
C-20/2
C-20/1
C-20/7
C-21
C-22
C-23
C-24
PLOTS 50m X 100m
SECTOR-58

## Annexure - C

# EXHIBIT-VII



**DHARMESH PARIKH & CO LLP**
CHARTERED ACCOUNTANTS
[LLPIN – 6517]

INDIA

Networth Certificate

To

UP Electricity Regulatory Commission

Lucknow

We hereby certify that the Net Worth of (Adani Energy Solutions Limited (formerly known as Adani Transmission Limited) at the close of the below mentioned financial years / period is as under: -

(Rs. Crore)

| Name of the Company | FY 20224-25 | FY 2023-24 | FY 2022-23 | FY 2021-22 | FY 202021 |
|---|---|---|---|---|---|
| AESL | 23,011.26 | 13,703.13 | 12,759.99 | 11,006.50 | 10,022.86 |

The Net worth has been calculated in accordance with Indian Accounting Standards (IndAS) and detailed as per attached **Appendix**.

This certificate is issued on the basis of books of accounts and other information and explanation provided to us and document submitted to us, which we have relied upon. The Management is also responsible for ensuring that the Company complies with the requirements of UP Electricity Regulatory Commission.

This certificate is issued on the request of AESL and addressed to UP Electricity Regulatory Commission. we owe no liability either financial or otherwise to anyone in respect of this certificate expect our client.

Place : Ahmedabad
Date : 02.06.2025

For. **DHARMESH PARIKH & CO LLP**
Chartered Accountants
FRN : 112054W/W100725

Shah Chirag Jitendra
Digitally signed by Shah Chirag Jitendra
Date: 2025.06.02 18:05:33 +05'30'

CA. Chirag Shah
Partner
M. No. 122510
**UDIN : 25122510BMGHNP2915**



303/304, "Milestone", Nr. Drive-in-Cinema, Opp T.V. Tower, Thaltej, Ahmedabad – 380054
Phone : 91-79-27474466, Email : info@dharmeshparikh.net, Website : www.dharmeshparikh.net

Adani Energy Solutions Limited

ELEVEN LIMITED

**DHARMESH PARIKH & CO LLP**
CHARTERED ACCOUNTANTS
[LLPIN – 6517]

INDIA

## Appendix

Statement of Computation of Net Worth of Adani Energy Solutions Limited (AESL) (formerly known as Adani Transmission Limited)

Rs in Crore

| Particulars | As at 31 March, 2025 | As at 31 March, 2024 | As at 31 March, 2023 | As at 31 March, 2022 | As at 31 March, 2021 |
|---|---|---|---|---|---|
| Assets - Non-Current | 57,285.98 | 48,960.69 | 45,024.09 | 41,986.37 | 38,234.14 |
| Assets - Current | 13,586.51 | 8,046.76 | 6,943.03 | 4,353.72 | 4559.99 |
| Regulatory Deferral Account - Assets | 3,087.61 | 1,571.36 | 1,963.83 | 1,124.02 | 439.45 |
| **Total Assets (A)** | **73,960.10** | **58,578.81** | **53,931.75** | **47,464.11** | **43,233.58** |
| Liabilities - Non-Current | 40,932.44 | 36,859.00 | 34,154.47 | 30,529.37 | 26,522.09 |
| Liabilities - Current | 9,922.68 | 7,962.85 | 7,017.29 | 5,656.68 | 6,417.07 |
| Regulatory Deferral Account – Liability | 93.72 | 53.83 | 0 | 271.56 | 271.56 |
| **Total Liabilities (B)** | **50,948.84** | **44,875.68** | **41,171.76** | **36,457.61** | 33,210.72 |
| **Total Net worth (C = A-B)** | **23,011.26** | **13,703.13** | **12,759.99** | **11,006.50** | **10,022.86** |



303/304, "Milestone", Nr. Drive-in-Cinema, Opp T.V. Tower, Thaltej, Ahmedabad - 380054
Phone : 91-79-27474466, Email : info@dharmeshparikh.net, Website : www.dharmeshparikh.net

Adani Energy Solutions Limited

Adani Energy Solutions Step-Eleven Limited

# Annexure - D

## EXHIBIT-VIII



**DHARMESH PARIKH & CO LLP**
CHARTERED ACCOUNTANTS
[LLPIN – 6517]

INDIA

### Certificate

To
UP Electricity Regulatory Commission (UERC)
Lucknow.

This is to certify that **Adani Energy Solutions Limited** (AESL) (formerly known as Adani Transmission Limited) having registered office at Adani Corporate House, Shantigram, S G Highway, Ahmedabad is in Power transmission business, distribution of power, smart metering and cooling solutions.

AESL consolidated internal resource generation for the last five financials years:

| Sr. No. | Financial Year | Amount (Rs. Crore) |
|---|---|---|
| 1 | 2024-25 | 4,996.76 |
| 2 | 2023-24 | 2,323.39 |
| 3 | 2022-23 | 919.81 |
| 4 | 2021-22 | 1,786.30 |
| 5 | 2020-21 | 1,847.11 |

This certificate is issued on the basis of books of accounts, audited financial statements and other information and explanation provided to us and documents submitted to us, which we have relied upon.

The Management is also responsible for ensuring that the Company complies with the requirements of UP Electricity Regulatory Commission.



303/304, "Milestone", Nr. Drive-in-Cinema, Opp T.V. Tower, Thaltej, Ahmedabad – 380054
Phone : 91-79-27474466, Email : info@dharmeshparikh.net, Website : www.dharmeshparikh.net

Adani Energy Solutions Limited

Adani Energy Solutions Step Eleven Limited

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**DHARMESH PARIKH & CO LLP**
CHARTERED ACCOUNTANTS
[LLPIN – 6517]

INDIA

This certificate is issued on the request of AESL and addressed to UP Electricity Regulatory Commission. we owe no liability either financial or otherwise to anyone in respect of this certificate expect our client.

Place : Ahmedabad
Date : 07.06.2025

For, **DHARMESH PARIKH & CO LLP**
Chartered Accountants
FRN : 112054W/W100725

Shah Chirag Jitendra
Digitally signed by Shah Chirag Jitendra
Date: 2025.06.07 11:44:36 +05'30'

CA. Chirag Shah
Partner.
M. No. 122510
**UDIN : 25122510BMGHOS1255**



303/304, "Milestone", Nr. Drive-in-Cinema, Opp T.V. Tower, Thaltej, Ahmedabad – 380054
Phone : 91-79-27474466, Email : info@dharmeshparikh.net, Website : www.dharmeshparikh.net

Adani Energy Solutions Limited

Step Eleven Limited

**DHARMESH PARIKH & CO LLP**
CHARTERED ACCOUNTANTS
[LLPIN – 6517]

INDIA

Statement of Computation of Internal Resource Generation of Adani Energy Solutions Limited (AESL) (formerly known as Adani Transmission Limited)

(Rs. Crore)

| Particulars | 2024-25 | 2023-24 | 2022-23 | 2021-22 | 2020-21 |
|---|---|---|---|---|---|
| Profit before tax (A) | 1,074.85 | 1,779.56 | 1,711.72 | 1,700.49 | 1,619.90 |
| *Add:* | | | | | |
| Depreciation & Amortisation expense | 1,905.95 | 1,776.08 | 1,607.74 | 1,427.15 | 1,328.88 |
| Decrease in working capital (excluding Cash and Bank balance) | 1,846.32 | 593.85 | - | - | - |
| Any other Non cash expenditure | 1,522.66 | 17.09 | 33.79 | 18.31 | 27.14 |
| **Total (B)** | **5,274.93** | **2,387.02** | **1,641.53** | **1,445.46** | **1,356.02** |
| *Less:* | | | | | |
| Any other Non cash Income | 45.32 | 8.39 | 2.95 | 58.21 | 2.11 |
| Increase in working capital (excluding Cash and Bank balance) | | - | 1,578.84 | 564.18 | 531.77 |
| Taxes paid | 228.70 | 300.08 | 245.56 | 266.86 | 252.53 |
| Schedule Loan Payment | 1,079.00 | 1,534.72 | 606.09 | 470.40 | 342.40 |
| **Total (C)** | **1,353.02** | **1,843.19** | **2,433.44** | **1,359.65** | **1,128.81** |
| **Internal Resource Generation** | **4,996.76** | **2,323.39** | **919.81** | **1,786.30** | **1,847.11** |

Place : Ahmedabad
Date : 07.06.2025

For, **DHARMESH PARIKH & CO LLP**
Chartered Accountants
FRN : 112054W/W100725

Shah Chirag Jitendra
Digitally signed by Shah Chirag Jitendra
Date: 2025.06.07 11:44:57 +05'30'

CA. Chirag Shah
Partner
M. No. 122510



303/304, "Milestone", Nr. Drive-in Cinema, Opp T.V. Tower, Thaltej, Ahmedabad – 380054
Phone : 91-79-27474466, Email : info@dharmeshparikh.net, Website : www.dharmeshparikh.net

Adani Energy Solutions Limited

Adani Energy Solutions Step-Eleven Limited

# Annexure - E

## EXHIBIT-IX



AXIS BANK

Sr. No : SC 223766

Ref: AXISB/CBB AHMEDABAD/2024-25/

Date: 19/06/2025

**Solvency certificate**

To,

Uttar Pradesh Electricity Regulatory Commission (UPERC)
VIDYUT NIYAMAK BHAWAN, VIBHUTI KHAND, GOMTI NAGAR
lucknow-226010

This is to certify that to the best of our knowledge and information, **M/s. Adani Energy solutions Limited, incorporated under the Companies Act, 1956 with Corporate Identification No. L40300GJ2013PLC077803** and having its registered office at Adani Corporate House, Shantigram Near Vaishno Devi Circle, S. G. Highway, Khodiyar Ahmedabad Ahmedabad - 382421Gujarat, is respectable and can be treated as good and solvent for any engagement up to a limit of **RS. 20,00,00,00,000.00/-** (Rupees Two Thousand Crores Only) as on date.

It is certified that this information is furnished without any risk and responsibility on our part as a Bank or its officials in any respect whatsoever, more particularly either as guarantor or otherwise. This certificate is issued on the request of **ADANI ENERGY SOLUTIONS LIMITED.**

For Axis Bank Limited

Authorised Signatory

KEYURSINH RATHOD
Operations Head
S.S. No. : 7532

RAVI SHARMA
SS NO.: 6989

AXIS BANK LTD.
CORPORATE BANKING BRANCH
2ND FLOOR, ... ONE,
NR. PANCHVATI CIRCLE, C.G. ROAD,
AHMEDABAD - 380009

Adani Energy Solutions Limited



ADANI ENERGY SOLUTIONS STEP ELEVEN LIMITED

## Annexure - F

EXHIBIT-X



India Ratings & Research

**India Ratings Assigns Adani Energy Solutions's Additional Bank Facilities 'IND AA+'/Stable; Affirms Existing Ratings**

Dec 24, 2024 | Integrated Power Utilities

India Ratings and Research (Ind-Ra) has taken the following rating actions on Adani Energy Solutions Limited (AESL) and its debt:

### Details of Instruments

| Instrument Type | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating Assigned along with Outlook/Watch | Rating Action |
|---|---|---|---|---|---|---|
| Long-Term Issuer Rating | - | - | - | - | IND AA+/Stable | Affirmed |
| Non-convertible debentures (NCDs) | - | - | - | INR15,000* | IND AA+/Stable | Affirmed |
| Commercial paper | - | - | Up to 12 months | INR10,000 | IND A1+ | Affirmed |
| Working capital facility | - | - | - | INR4,000 | IND AA+/Stable | Affirmed |
| Bank guarantee | - | - | - | INR12500 ** | IND AA+/Stable | Affirmed |
| Proposed non-fund based working capital facility | - | - | - | INR2,500 | IND AA+/Stable | Affirmed |
| Working capital facility | - | - | - | INR11,000 | IND AA+/Stable | Assigned |
| Capex letter of credit | - | - | - | INR30,000 | IND AA+/Stable | Assigned |
| Cash credit facility | - | - | - | INR1,000 | IND AA+/Stable | Assigned |
| Bank overdraft facility | - | - | - | INR100 | IND AA+/Stable | Assigned |
| Proposed working capital facility | - | - | - | INR2,900 | IND AA+/Stable | Assigned |

*AESL has raised INR3.75 billion within total NCDs limit of INR15,000 million. Details in annexure.

** INR5,000 million of proposed non-fund based working capital facility has been transferred to bank guarantee.

### Analytical Approach

To arrive at the ratings, Ind-Ra continues to consolidate AESL's transmission and distribution business excluding Adani Electricity Mumbai Limited (AEML; debt rated at 'IND AA+'/Stable; holds 74.9%). Any equity requirement for AEML and dividend distribution from AEML have been considered in the analysis. AESL invests in transmission assets, smart meter projects and distribution utilities.

### Detailed Rationale of the Rating Action

Adani Energy Solutions Limited

ADANI ENERGY SOLUTIONS STEP ELEVEN LIMITED

The ratings reflect AESL's stable business and financial profile, the raising of INR83.73 billion through a qualified institutional placement (QIP), demonstrated debt tie-up for majority of the under-construction transmission and smart meter assets, which were awarded in FY24. While its internal accruals from operating transmission assets remained stable, a ramp-up of the internal accruals through free cash generation from smart meter projects over FY26-FY27 is critical for meeting equity requirements, given that AESL has won five transmission projects with a total cost of about INR390 billion year to date FY25. There are 12 transmission and nine smart meter projects in the construction phase which are to be completed in FY25-FY27, except for the Rajasthan Part I HVDC project, which has been bagged recently and envisaged to be completed by 1HFY30, as per the management. AESL has commissioned 19 transmission assets over FY19-8MFY25, providing significant comfort on its execution capabilities.

In FY25, AESL and its subsidiaries tied up NCD and bank facilities of more than INR60 billion. The company has to tie up INR273 billion debt for five new transmission projects. Refinancing of USD185 million will be due in October 2025, providing sufficient time to complete the same. The debt tie-up for the projects under construction and the visibility of refinancing are rating monitorable.

On 20 November 2024, an indictment and civil complaint was filed by the US Department of Justice (DoJ) and the US Securities and Exchange Commission (SEC), respectively, against Gautam Adani, Sagar Adani and other senior officials of Adani Green Energy Limited ('IND AA-'/Rating Watch with Negative Implications). Ind-Ra will continue to monitor the ongoing developments around their impact on AESL's ability to access funding from international and domestic markets including tenures, interest rates, timeliness of disbursements for the tied-up under-construction projects and governance. According to the management, disbursements from domestic banks and financial institutions are continuing across the group companies including AESL and the disbursement for one of its subsidiaries from foreign banks is under process.

The large under-construction portfolio of INR680 billion has intrinsic uncertainties regarding the construction period. The timely equity and debt financing is critical for the timely physical progress. Ind-Ra will monitor the equity/internal accruals at AESL and the absence of adequate equity visibility could lead to a rating review.

## List of Key Rating Drivers

**Strengths**

- Stable revenue potential
- Comfortable credit metrics
- Minimal operating risks

**Weaknesses**

- Counterparty risk diversified through smart meter business; demonstrated payments critical
- Moderate debt structure with refinancing risks in FY26 and FY27
- Expansion risk related to debt tie-up and equity infusion for under-construction projects

## Detailed Description of Key Rating Drivers

**Stable Revenue Potential:** AESL's transmission business continues to have a strong revenue profile, with the revenue being governed by a predictable regulatory regime or contracts signed under a tariff-based competitive bidding. Its revenue is availability based and does not depend on the quantum of energy flowing through the transmission network. The company won five new transmission projects in FY25 which are part of the inter-state transmission system.

The smart meter business also has a fixed revenue throughout the contract period (27-30 months construction and 90-93 months operations period) and payments depend on the availability and meeting the performance standards. The company will receive a part of the revenue during the construction period as lumpsum payments based on the progress in the number of meters installed and this will partly fund the project cost. Given the low complexity of technology involved in the smart meter projects, Ind-Ra does not expect any significant risk in revenue except some fluctuation during the ramp-up stage. Also, the revenue on installed meters will accrue after a minimum of 5% of meters under the contract or 25,000 meters start operations. AESL has completed one transmission project and achieved go-live in four out of nine smart meter projects in FY25.



**Comfortable Credit Metrics**: In 1HFY25, the consolidated net leverage (net debt/EBITDA) decreased to 4.48x (FY24: 5.05x; FY23: 5.1x; FY22: 5.18x) on account higher cash balance from the QIP proceeds. In FY24, the interest coverage (EBITDA/ interest expenses) decreased to 2.3x (FY23: 2.8x; FY22: 2.8x). The agency believes the leverage is likely to increase during FY26-FY27, on account of the funding requirements for its 21 under-construction transmission and smart meter assets. Ind-Ra expects the leverage to be below 5.5x except interim increases due to high proportion of the under-construction assets.

**Minimal Operating Risks:** Demonstrated operations of transmission assets with minimal disruptions and revenue loss support the rating. Also, smart meter projects have a low operating risk. AESL's experience in installing and operating smart meters in AEML is positive. Any deductions for underperformance compared to the service level required will be monitorable.

AESL has opted for the concept of self-insurance reserve for transmission lines for 24 operational assets under the tariff-based competitive bidding. This reserve has been created at AESL's level and only for the transmission lines, while sub-stations, associated cable connectivity and other capital equipment have been covered comprehensively under third-party insurance policies. AESL created a reserve of INR730.7 million, equivalent to 0.40% of replacement value of transmission lines covered as on 30 September 2024 (31 March 2023: INR676 million). This shall be increased ultimately to create a reserve equivalent to 0.50% of the replacement value of transmission lines covered.

In case the self-insurance reserve is dipped into, AESL has to replenish the same. The transmission assets get the benefit of the deemed availability in case affected by force majeure events, thus allowing for a continuous revenue recovery as long as the damaged assets are restored in a reasonable time. Historically, there has not been major incidents in AESL's transmission lines requiring substantial capex. Ind-Ra will monitor any addition of assets in a difficult or vulnerable terrain, which could lead to any significant adhoc expenditure.

**Counterparty Risk Diversified Through Smart Meter Business; Demonstrated Payments Critical:** While there has been a demonstrated payment track record for AESL's transmission business, timely payments under the smart meter business have yet to be demonstrated. The share of revenue from transmission and smart meters is likely to be 70%-80% and 20-30%, respectively, in FY26-FY28. Intrastate transmission counterparties are majorly distribution companies in Maharashtra, Rajasthan and Uttar Pradesh, which create counterparty concentration. Ind-Ra will review the impact of any sustained deterioration in the payment profile or financial profile of the counterparties that account for over 25% of the revenue. Its receivable days were about 99 at end-1HFY25 (FYE24: 90; FYE23: 97).

The company has signed contracts for smart meters with diverse counterparties and (except the one signed with Brihanmumbai Electric Supply and Transport) envisages the direct debit facility (DDF) as the payment security mechanism, wherein an agreement has been signed among discom, project company, DDF agent (a bank) and gateway service provider. The DDF will ensure inflow of at least 5.0x of the monthly estimated payment (based on average collection of last six months) in the chosen payment gateway and daily inflow of $1/10^{th}$ of the approved invoice amount. These payments shall have priority over all other payment obligations of respective discoms. DDF is a revenue collection mechanism for both lumpsum and monthly charges to be received by project company from discoms. Operationalisation of the mechanism and the timely receipt of the lumpsum payments by AESL's smart meter project companies will be a key monitorable.

**Moderate Debt Structure with Refinancing Risks in FY26 and FY27:** AESL's transmission business and smart meter business had long-term debt of about INR247 billion as on 30 September 2024 (end-March 2024: INR211.4 billion). The USD and EUR-denominated debt of INR132.6 billion is predominantly hedged for currency risk for various tenors. AESL has significant refinancing requirement in FY26 (USD185 million); FY27 (USD729 million) and FY28 (USD669 million), consisting of a USD1.1 billion construction financing facility (maturity in four years from drawl) and USD500 million bonds. The debt structure in AESL and its subsidiaries excluding AEML generally feature a debt/interest service reserve, dividend lock-up covenant and a waterfall mechanism. Its debt service reserve was INR9.04 billion as on 30 September 2024.

The project life coverage ratio and average debt service coverage ratio (DSCR; consolidated) seem comfortable for FYE25, given the proposed increase in the regulated asset base by implementing the high voltage direct current project.

Adani Energy Solutions Limited

Adani Energy Solutions Step Eleven Limited

The principal of entire foreign currency is fully hedged, and interest payments are hedged for various tenors. The timely refinancing of the USD-denominated debt remains a key monitorable for the ratings. AESL has availed related-party debt to partly fund the under-construction projects. The management has stated that the same will be repaid if equity capital is raised. Any further increase in related-party debt may lead to a rating review.

**Expansion-related Risk Related to Debt Tie-up and Equity Infusion for Under-construction Projects:** AESL has adequate visibility of financing equity through internal accruals for the under-construction projects and the management stated that any significant additional capex will be committed after ensuring availability of adequate equity. AESL has 21 under-construction projects including 12 transmission and nine smart meter projects. It continues to participate in competitive bidding for transmission and smart meter projects and explore opportunities in the distribution business.

Out of 12 transmission projects, the entire project cost of two are being funded through internal accruals, five have tied-up debt and the balance five require a debt tie-up. AESL plans to use a short-tenor deployment facility to fund the smart meter projects and refinance the same using a long-term debt to be availed for the commissioned meters as the project progresses. The management stated that the refinancing of the deployment facility of smart meter projects will be done in a timely manner and maturity dates for such facilities will be 2-5 years. According to the management, no equity support is required for AEML, and no dividends are expected from AEML in the near term, and the same has been assumed in Ind-Ra's analysis.

AESL has acquired regulatory assets under approval pertaining to AEML from Reliance Infrastructure Limited (R-Infra, debt rated at 'IND D') for consideration of INR28 billion. AESL expects the rulings on regulatory claims and actual realisation to materialise in next five years. The management stated that arbitration claims of R-Infra is no more there as part of the agreement with R-Infra.

## Liquidity

**Adequate:** The company's total liquidity was about INR70 billion (including debt service reserve) as on 30 September 2024. Ind-Ra believes the overall equity requirement would be about INR160 billion for capex/acquisition during FY25-FY30, of which INR110 billion will be required in FY25-FY27. The ramp up of the cashflows from smart meter projects and the upsizing of debt in operational projects are crucial to comfortably meet the equity requirement, given the five new transmission projects won. A timely long-term debt tie-up for under construction projects is critical to avoid any pressure on cash flows. Any considerable decline in the liquidity and significantly higher-than-envisaged equity requirement without any equity visibility could have a negative impact on the overall rating of AESL.

AESL is not planning to use commercial papers in the near term and even when accessed, they will be backed by working capital limits. At AESL's standalone level, its working capital facilities (excluding letter of credit) were increased to INR38.6 billion as on 30 September 2024 (31 March 2024: INR37.39 billion) on account of the bank guarantees required for providing performance, bid bond guarantees for under-execution transmission and smart meter projects. The overall fund and non-fund-based utilisation of working capital limits was 86% as on 30 September 2024 (31 March 2024: 81%).

## Rating Sensitivities

**Positive**: Significantly reduced leverage for a sustained period, a strong business profile and limited growth/expansion related risks could lead to a rating upgrade.

**Negative**: One or more of the following events could lead to a negative rating action:

- delays in financing for the untied under-construction projects
- AESL's net leverage exceeding 5.5x on a sustained basis
- significant deterioration in AESL's consolidated credit profile due to any acquisition and delays/cost overrun in under-construction projects
- the DSCR falling below 1.25x
- a project life coverage ratio below 1.25x for the transmission assets

## ESG Issues

Adani Energy Solutions Limited

Adani Energy Solutions Step Eleven Limited

**ESG Factors Minimally Relevant to Rating:** Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on AESL, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

## About the Company

AESL is the transmission and distribution business arm of the Adani Group, one of India's largest business conglomerates. It is the country's largest private transmission company holding an operational portfolio of 29 projects and under implementation portfolio of 12 transmission and nine smart meter projects with a cumulative transmission network of more than 23,269 circuit km (ckm), out of which 19,444 ckm is operational (85%) and around 3,825ckm is in various stages of construction, as on 30 September 2024. Additionally, the company handles a total transformation capacity of 70,686 mega volt ampere in operational and construction phase.

## Key Financial Indicators

**AESL (Consolidated)**

| Particulars (INR billion) | 1HFY25 | FY24 | FY23 |
|---|---|---|---|
| Operating income | 115.6 | 155.8 | 125.37 |
| Total income | 118.4 | 172.2 | 138.4 |
| EBITDA | 43.18 | 67.82 | 50.65 |
| EBITDA margin (%) | 36 | 39 | 37 |
| Interest coverage (EBITDA/interest, x) | 2.6 | 2.5 | 1.8 |
| Net leverage (net debt/EBITDA, x) | 3.9 | 4.6 | 5.4 |
| Cash and cash equivalents | 60.6 | 46 | 41.5 |
| Source: Ind-Ra, Company financials | | | |

**AESL (excluding AEML)**

| Particulars (INR billion) | 1HFY25 | FY24 | FY23 |
|---|---|---|---|
| Operating income | 26.24 | 44.67 | 41.81 |
| Total income^ | 55.82 | 70.83 | 51.48 |
| Operating EBITDA | 21.90 | 37.53 | 35.04 |
| Total EBITDA | 24.91 | 40.2 | 37.2 |
| Operating EBITDA margin (%) | 83 | 84 | 84 |
| Total EBITDA margin (%) | 45 | 57 | 71 |
| Interest coverage (Total EBITDA/Interest, x) | 2.29 | 2.4 | 2.8 |
| Net leverage (net debt/Total EBITDA, x) | 3.83 | 5.05 | 5.1 |
| ^Includes construction income relating to service concession arrangements and revenue from traded goods | | | |
| Source: Ind-Ra, Company financials | | | |

## Status of Non-Cooperation with previous rating agency

Not applicable

## Rating History

Adani Energy Solutions Limited

Adani Energy Solutions Step Eleven Limited

| Instrument Type | Current Rating/Outlook | | | Historical Rating/Outlook | | | | |
|---|---|---|---|---|---|---|---|---|
| | Rating Type | Rated Limits (million) | Rating | 22 May 2024 | 8 August 2023 | 30 March 2023 | 25 November 2022 | 1 [illegible] 538 |
| Issuer rating | Long-term | - | IND AA+/Stable | IND AA+/Stable | IND AA+/Negative | IND AA+/Negative | IND AA+/Stable | IND AA+/Stable |
| Non-convertible debentures | Long-term | INR15,000 | IND AA+/Stable | IND AA+/Stable | IND AA+/Negative | IND AA+/Negative | Provisional IND AA+/Stable | - |
| Working capital facility | Long-term | INR17,900 | IND AA+/Stable | IND AA+/Stable | IND AA+/Negative | IND AA+/Negative | IND AA+/Stable | IND AA+/Stable |
| Commercial paper | Short-term | INR10,000 | IND A1+ | IND A1+ | IND A1+ | IND A1+ | IND A1+ | IND A1+ |
| Bank guarantee | Long-term | INR12,500 | IND AA+/Stable | IND AA+/Stable | - | - | - | - |
| Proposed non-fund-based working capital limit | Long-term | INR2,500 | IND AA+/Stable | IND AA+/Stable | - | - | - | - |
| Capex letter of credit | Long-term | INR30,000 | IND AA+/Stable | - | - | - | - | - |
| Cash credit facility | Long-term | INR1,000 | IND AA+/Stable | - | - | - | - | - |
| Bank Overdraft facility | Long-term | INR100 | IND AA+/Stable | - | - | - | - | - |

## Bank wise Facilities Details

The details are as reported by the issuer as on (24 Dec 2024)

| # | Bank Name | Instrument Description | Rated Amount (INR million) | Rating |
|---|---|---|---|---|
| 1 | ICICI Bank | Working Capital Facility | 11000 | IND AA+/Stable |
| 2 | Deutsche Bank | Working Capital Facility | 4000 | IND AA+/Stable |
| 3 | Yes Bank Ltd | Bank Guarantee | 7500 | IND AA+/Stable |
| 4 | NA | Proposed Non-Fund Based Working Capital Limit | 2500 | IND AA+/Stable |
| 5 | Axis Bank Limited | Bank Guarantee | 5000 | IND AA+/Stable |
| 6 | Axis Bank Limited | Overdraft facility | 100 | IND AA+/Stable |
| 7 | State Bank of India | Capex Letter of Credit | 30000 | IND AA+/Stable |
| 8 | State Bank of India | Cash Credit Facility | 1000 | IND AA+/Stable |
| 9 | NA | Proposed Working capital facility | 2900 | IND AA+/Stable |

## Complexity Level of the Instruments

| Instrument Type | Complexity Indicator |
|---|---|
| Bank guarantee | Low |
| Commercial paper | Low |
| Non-convertible debenture | Low |
| Proposed non-fund-based working capital limit | Low |

Adani Energy Solutions Limited

ADANI ENERGY SOLUTIONS STEP ELEVEN LIMITED

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| | |
|---|---|
| Working capital limit | Low |
| Capex letter of credit | Low |
| Cash credit facility | Low |
| Overdraft facility | Low |

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity-indicators.

## Annexure

| ISIN | Date of Allotment | Coupon Rate (%) | Redemption Date | Size of Issue (million) | Rating |
|---|---|---|---|---|---|
| INE931S08015 | 20 December 2022 | 8.50 | 20 December 2024 | INR1,000 | IND AA+/Stable |
| INE931S08023 | 27 August 2024 | 8.70 | 28 August 2034 | INR1,500 | IND AA+/Stable |
| INE931S08031 | 13 November 2024 | 8.65 | 13 November 2034 | INR1,2500 | IND AA+/Stable |
| Source: NSDL; AESL | | | | | |

## Contact


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**Media Relation**
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Marketing Manager
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**About India Ratings and Research:** India Ratings and Research (Ind-Ra) is committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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Adani Energy Solutions Limited

Adani Energy Solutions Step-Eleven Limited

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## APPLICABLE CRITERIA AND POLICIES

Rating Criteria for Availability-Based Projects

Evaluating Corporate Governance

Short-Term Ratings Criteria for Non-Financial Corporates

Corporate Rating Methodology

Rating Criteria for Infrastructure and Project Finance

The Rating Process

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Adani Energy Solutions Limited

Adani Energy Solutions Step Eleven Limited

adani
Energy Solutions

# Annexure - G

## UNDERTAKING

This is to confirm and declare that Adani Energy Solutions Limited ("The Company") has not been found guilty or has not been disqualified or no order has been passed against the company under any of the following statutory provisions within the last three years from the date of application for the grant of licence:

a) Section 123, Section 164, Section 196 or Section 197 of the Companies Act, 2013.
b) Section 276, Section 276B, Section 276BB, Section 276C, Section 277 or Section 278 of the Income Tax Act 1961.
c) Section 15C, Section 15G or Section 15HA of the Securities and Exchange Board of India Act, 1992.
d) Clause (b), (bb), (bbb), (bbbb), (c) or (d) of sub section 1 of Section 9 of the Excise Act 1944
e) Section 132 or Section 135 of the Customs Act 1962.

And that the Company is not the person in whose case, licence was suspended under Section 24 or revoked under Section 19 of the Act, within the last three years from the date of application.

We undertake that no petition for winding up of the Company or any other company of the same promoter has been admitted under Section 270 of the Companies Act, 2013 on the ground of it being unable to pay its debts.

We further undertake to satisfy this Hon'ble Commission and furnish additional information as may be directed for the purpose of ascertaining requirements of capital adequacy and creditworthiness in accordance with Distribution of Electricity Licence (Additional Requirements of capital adequacy, creditworthiness and code of conduct) Rules, 2005.

**For, Adani Energy Solutions Limited**

Adani Energy Solutions Limited

**Jaladhi Shukla**
**Company Secretary**
**Membership No. F5606**

Date – 17.01.2026
Place - Ahmedabad

Adani Energy Solutions Limited
Adani Corporate House
Shantigram, Near Vaishno Devi Circle,
S G Highway, Khodiyar,
Ahmedabad 382 421
Gujarat, India
CIN: L40300GJ2013PLC077803

Tel +91 79 2555 7555
Fax +91 79 2555 7177
info@adani.com
www.adanienergysolutions.com

## UNDERTAKING

This is to confirm and declare that Adani Energy Solutions Step-Eleven Limited ("The Company") has not been found guilty or has not been disqualified or no order has been passed against the company under any of the following statutory provisions since date of incorporation of the Company till date:

a) Section 123, Section 164, Section 196 or Section 197 of the Companies Act, 2013.
b) Section 276, Section 276B, Section 276BB, Section 276C, Section 277 or Section 278 of the Income Tax Act 1961.
c) Clause (b), (bb), (bbb), (bbbb), (c) or (d) of sub section 1 of Section 9 of the Excise Act 1944
d) Section 132 or Section 135 of the Customs Act 1962.

And that the Company is not a person in whose case, licence was suspended under Section 24 or revoked under Section 19 of the Act, as the Company is yet to receive distribution licence.

We undertake that no petition for winding up of the Company or any other company of the same promoter has been admitted under section 270 of the Companies Act, 2013 on the ground of it being unable to pay its debts.

We further undertake to satisfy this Hon'ble Commission and furnish additional information as may be directed for the purpose of ascertaining requirements of capital adequacy and creditworthiness in accordance with Distribution of Electricity Licence (Additional Requirements of capital adequacy, creditworthiness and code of conduct) Rules, 2005.

**For, Adani Energy Solutions Step-Eleven Limited**

**Miss. Saloni Sunil Fulmali**
**Authorised Signatory**

Adani Energy Solutions Step-Eleven Limited
Adani Corporate House
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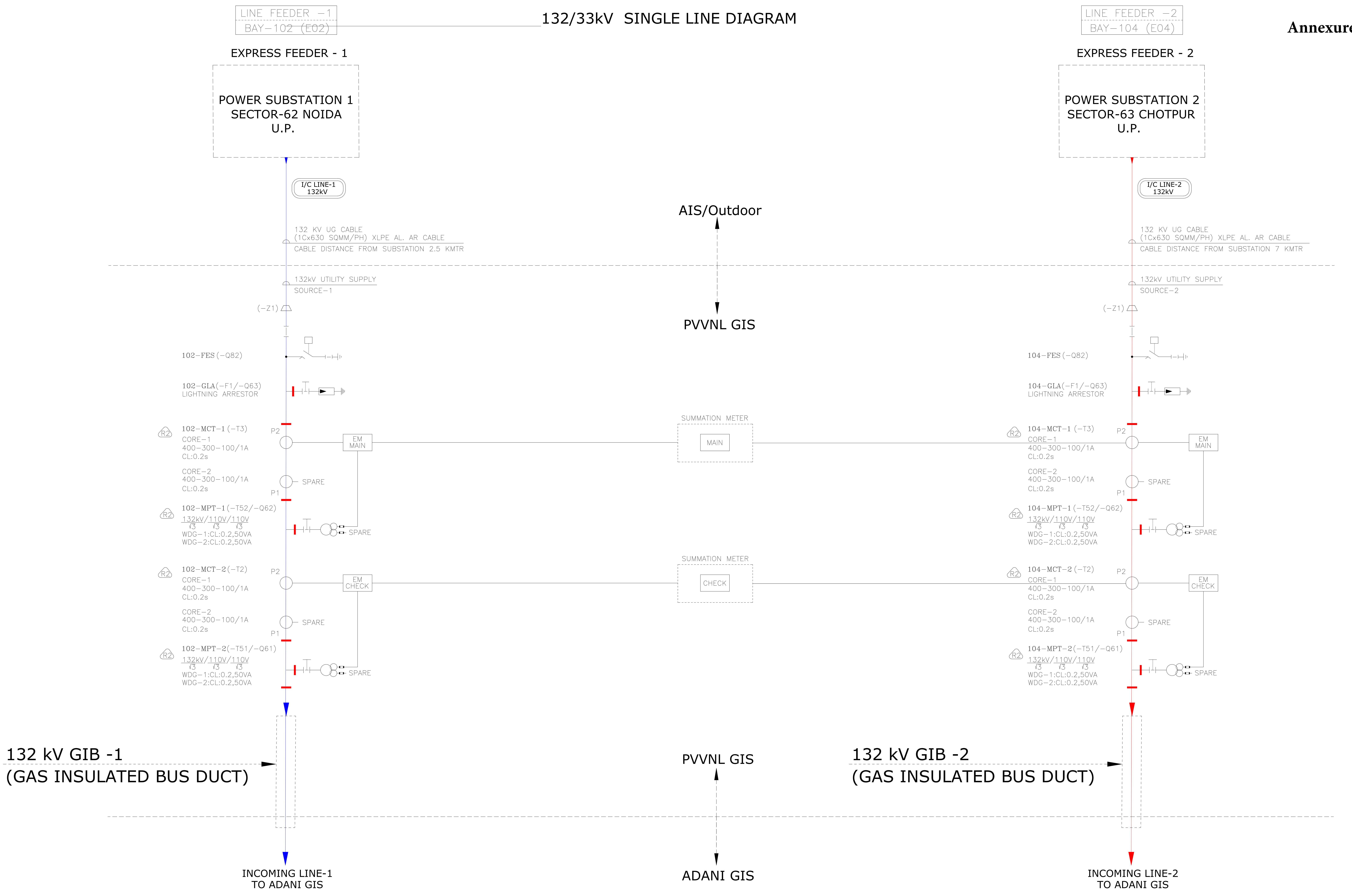
**Annexure - H**

# 132/33kV SINGLE LINE DIAGRAM




TRAFO-1
BAY-101 (E01)
LINE FEEDER -1
BAY-102 (E02)
BUSCOUPLER
BAY-103 (E03)
BUSPT BAYS
(=E03)
LINE FEEDER -2
BAY-104 (E04)
TRAFO-2
BAY-105 (E05)
PVVNL LINE-1
PVVNL LINE-2
132 kV GIB -1
(GAS INSULATED BUS DUCT)
132 kV GIB -2
(GAS INSULATED BUS DUCT)
PVVNL GIS
ADANI GIS
GIS
AIS