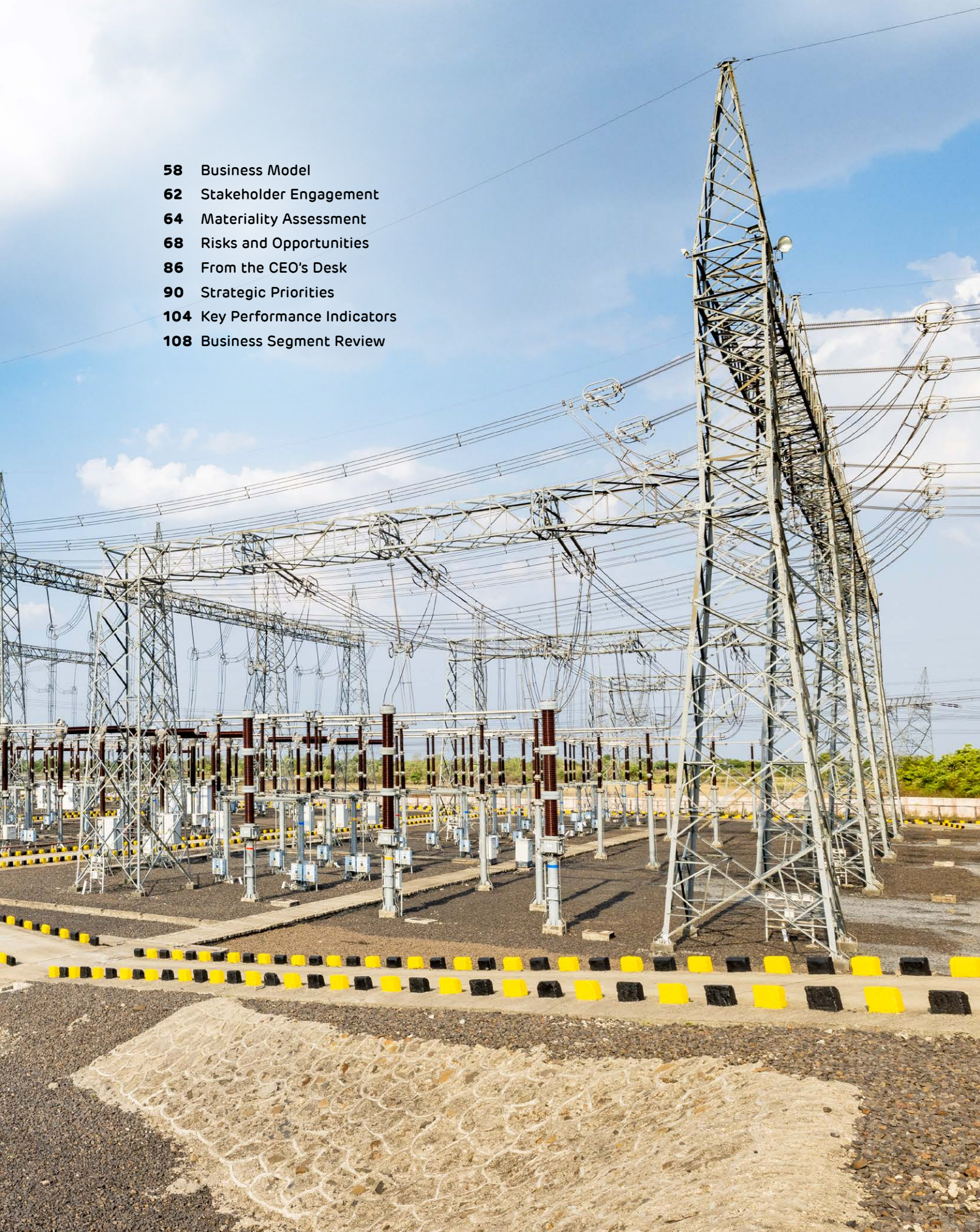


Strategic Review



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Business Model

Accelerating Energy Intelligence

Input → Availability, accessibility and affordability of capital inputs

**Financial Capital**

- ₹ 26,526 crore net worth
- ₹ 75,401 crore asset base
- ₹ 8,208 crore in cash and cash equivalents

**Manufactured Capital**

- 27,949 ckm of Transmission Lines
- 82 Substations
- 1,23,175 MVA power Transformation capacity
- 12,075 kms of OPGW fiber network
- 11.4 million smart meters installed

**Intellectual Capital**

- ~₹ 3 crore in Grid, ~₹ 17 crore Retail electricity
- Approx 36% towards Transmission projects under Khavda RE
- ₹ 1.31 crore investments in capacity building for corporate learning

**Human Capital**

- 3,635 permanent employees
- 18 contractual workforce
- 8.1 % female representation
- 76.8% workforce consists of engineers and professionals
- 7,85,964 hours of learning and development

**Social and Relationship Capital**

- 926 suppliers
- 99 % of local sourcing
- ₹ 50.20 crore spent on CSR
- 13 million electricity consumers

**Natural Capital**

- 1,60,000 trees planted
- 3.3 MW of captive solar capacity
- ₹ 0.43 crore invested in eco-friendly technologies
- 67,731 KL fresh water withdrawal
- 700 MW wind solar hybrid power purchased

- Robust capital management with access to long tenor low-cost capital
- Asset base of ₹ 75,401 crore anchored in long-life regulated and contracted assets
- Strong liquidity with ₹ 8,208 crore in cash and cash equivalents
- Balance sheet strength enabling sustained growth across core and emerging businesses

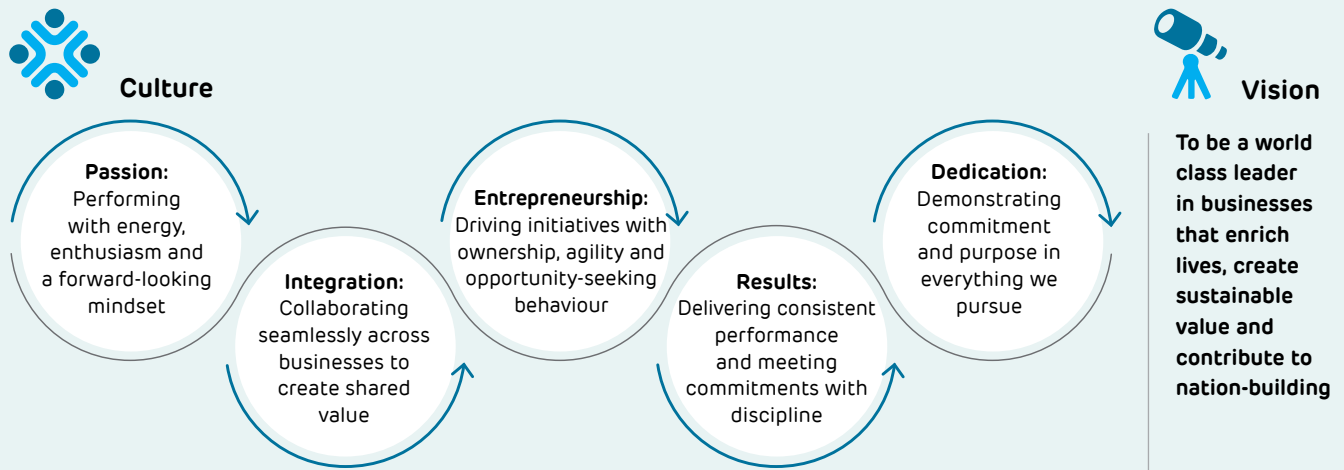
- Under-construction transmission order book of ~₹ 71,779 crore, with multiple projects slated for commissioning during the year providing headroom for growth
- Smart meter rollout reached 1 crore cumulative installations, supporting capitalisation of ₹ 17,000 - ₹ 18,000 crore and steady EBITDA contribution
- Capital efficiency is driven by the BOOT/BOOM model, which provides 35-year concession lives and availability-based tariffs that ensure predictable revenue with no throughput risk
- Smooth capex roll out through green field financing
- Execution-first approach underpins the growth philosophy

- Gen AI based Customer Contact Centre for prompt customer call response 24*7
- Transmission Line Progress Tracking Mobile App provide near real time visibility of transmission line construction projects, enabling users to ensure quality and timely execution

- Integrated vendor ecosystem built over three decades enables rapid, de-risked project delivery through performance-based contracts and local sourcing
- Integrated ESG criteria's in Vendor onboarding and YOY due -diligence

- Trees Planted: significantly enhancing green cover and supporting biodiversity.
- Captive Solar Capacity: demonstrating commitment to renewable energy sources.
- Investment in Eco-friendly Technologies: reflecting the drive for sustainable operations.
- Fresh Water Withdrawal: highlighting the scale of resource utilisation and the need for responsible water management.
- Wind-Solar Hybrid Power Purchased: further strengthening the renewable energy portfolio and reducing reliance on conventional sources.
- Supporting sustainable growth and environmental stewardship in the organisation's operations.

Our Business and Operating Model



Business Activities and Operating Model

Power Transmission and Distribution



Transmission

Operating and maintaining power transmission assets with high availability

29 TBCB*

Transmission assets

6 RAB#

Assets



End Users

Reliable electricity to retail customers

3.27

Customer Base in AEML



Distribution

Operating and maintaining distribution network with minimal losses and best of reliability

485 sq km

Licensed distribution area in Mumbai and Mundra SEZ

402 MUs

Green unit supplied in AEML

Products and Services

Smart Metering

24.6 million

Smart meter order book



Cooling Solutions

Offer Cooling as a Service model (CaaS)



Energy Solutions Platform

- Offer Energy-as-a-Service (EaaS)
- C&I | Data Centers | Utilities

*TBCB: Tariff Based Competitive Bidding; #RAB: Regulatory Asset Base

Our Business and Operating Model (Contd.)

Key Strategic Priorities

- 1 Safety Culture
- 2 ESG Integration
- 3 Efficient Capital Allocation and Execution Strategy
- 4 Portfolio of Efficient Operating Assets
- 5 Robust Financial Profile
- 6 Business Excellence
- 7 Digitalisation and Innovation
- 8 Capacity and Capability Building

Enablers



Development and construction expertise



Operational and execution excellence



Cutting-edge technologies



Skilled workforce



Collaborative partnerships



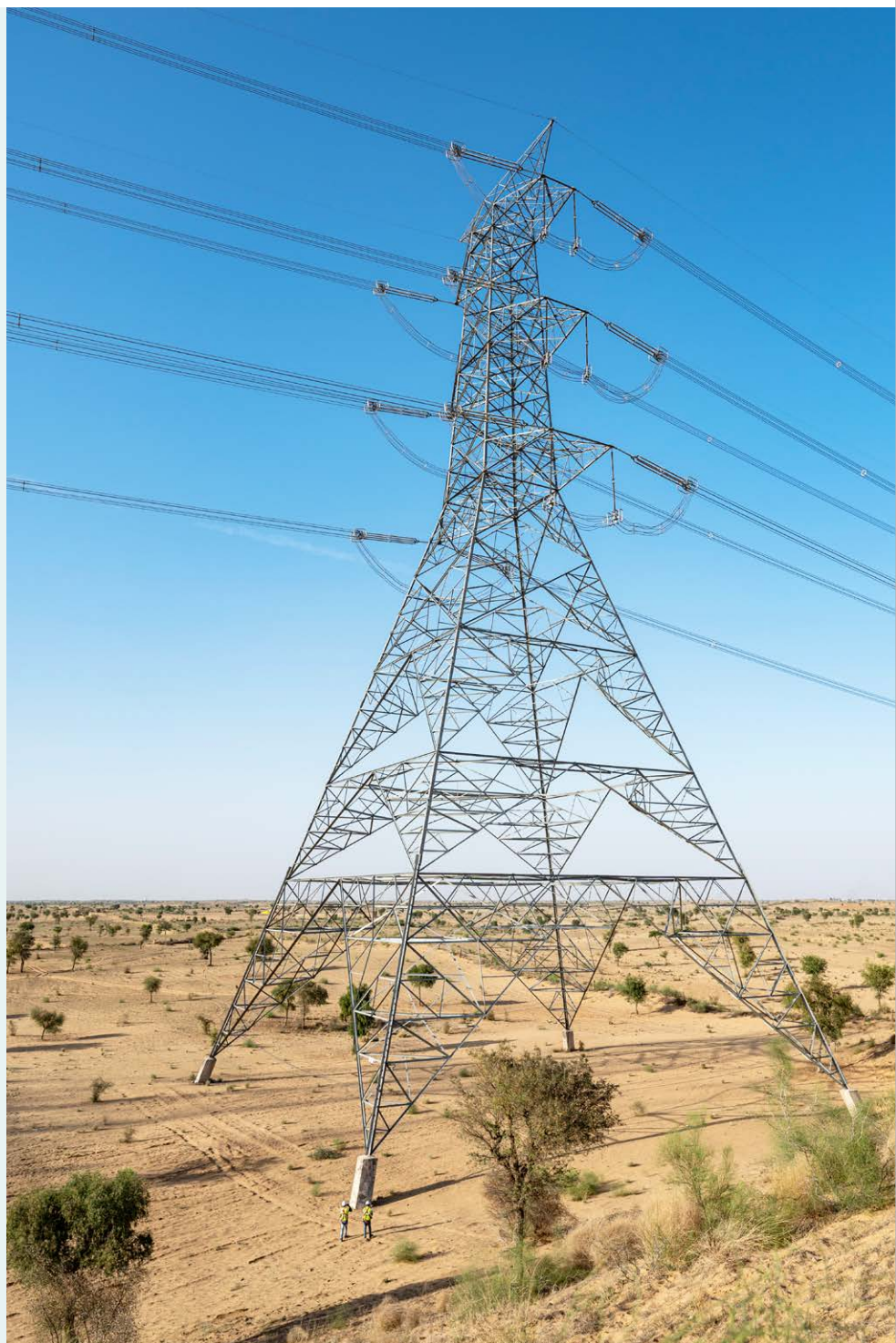
Innovation



Capital management and allocation



Sustainable practices



→ The Outcomes Generated

→ Actions to Enhance Outcomes

**Financial Capital**

- 13 transmission projects with capex of ₹ 71,779 crore & 10 Smart metering projects with total contract value of ₹ 29,519 crore
- ₹ 18,296 crore operating revenue
- ₹ 8,726 crore EBITDA
- ₹ 2,393 crore Adjusted PAT
- 4.5 x Net Debt to EBITDA ratio
- ₹ 136 crore incentive earned in transmission

**Manufactured Capital**

- 5% y-o-y increase in transmission network in ckm & 37% y-o-y increase in transformation capacity MVA
- 29% Market share in TBCB bids
- 19% Market share in Smart meter bids
- 99.7% transmission system availability
- 99.99% / 99.97% supply reliability (ASAI) in distribution in AEML / MUL
- Improvement in distribution losses to 4.21% vs 4.77% in FY 2024-25 in AEML & to 1.90% vs 2.32% in FY 2023-24 in MUL

*The MVA number has been revised to include DC transformation capacity of three HVDC lines - Adani Electricity Mumbai Infra Limited (AEMIL – HVDC), Bhadla-Fatehpur HVDC Project (HVDC Rajasthan Phase-II) and KPS III HVDC Transmission Limited

**Intellectual Capital**

- 85.50% of total collection through digital payments in AEML
- 30,586 Hours of Training to employees related to new Technologies

**Human Capital**

- Employee productivity at ₹ 3.46 crore EBITDA/employee
- Employee turnover rate at 15.2%* (Industry average at 11.1%*)
- 2 fatality (Contractor worker)
- Great place to work certified

*Source: CARE

**Social and Relationship Capital**

- 99% raw material / service procured from local vendors
- 100% New suppliers screened with ESG criteria 100%
- 100% of consumer complaints resolved in AEML & MUL

**Natural Capital**

- 65.92%* of clean energy mix achieved
- Zero waste to landfill across all operational sites
- 93.5% reduction (w.r.t. FY 2019-20) in GHG emission Intensity (tCO₂e/ million ₹ Revenue)
- 51% y-o-y Increase in Non-Hazardous waste generation
- 10.5% YoY Reduction in Hazardous waste generation
- 112 Ha of forest area avoided with route diversion & optimisation
- Compensatory afforestation over 690 hectare

*This includes 3,224.23 MUs procured (equivalent to 28.38%) for past period RPO compliance as per MERC.

- Improved balance-sheet resilience supports long-term value creation
- Credit discipline underpins timely execution of large projects

- Significant investment in distribution capex leads to network resilience
- Utilising modular assembly for prefabricated steel valve halls to boost the speed and quality of construction
- Actively exploring the parallel licensing, smart metering and renewable opportunities to be the one stop energy solution provider to the customers

- Deployed AI-based PPE compliance system at project sites to enhance safety monitoring

- Training internal workforce and collaborate them with EPC partners to reduces dependency on expensive external skilled labour markets
- The workforce composition model will get changed due to Business transformation. Accordingly, the capability building of on roll & partners will be planned.

- CSR initiatives are mapped to UNSDGs, focusing on community health, education, and women's empowerment to maintain a social license to operate

- Signed long-term hybrid wind-solar PPAs and is developing HVDC transmission links to supply continuous renewable power to urban centers

Stakeholder Engagement

Engaging to Ensure Collective Success

We adhere to a comprehensive and regular stakeholder engagement process. The practice helps surface expectations early, strengthens trust and builds shared understanding across our ecosystem. Structured dialogues with key stakeholder groups enable informed decision-making, resulting in stronger relationships, greater transparency and a clearer pathway to sustained value creation.

Embedding Engagement Across Operations

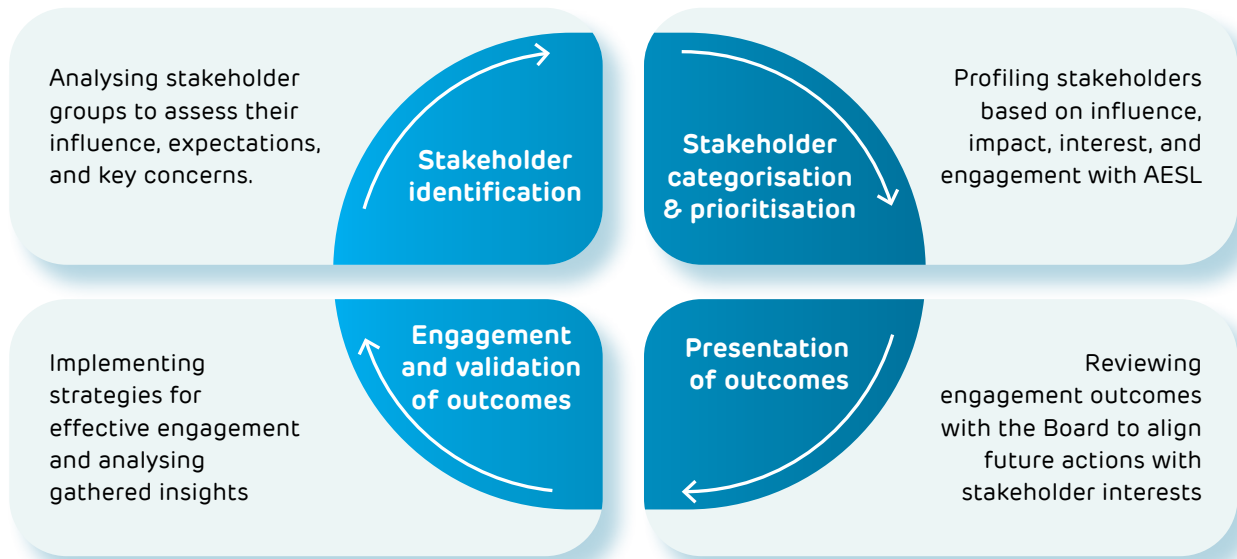
Our engagement framework integrates stakeholder perspectives into everyday operations through clear roles, dedicated forums and defined touchpoints across the value chain. The process operates under our Stakeholder Engagement Policy and oversight

mechanisms that cascade from the Board to business units. This structure ensures consistency, traceability of inputs and timely escalation of matters requiring management attention.

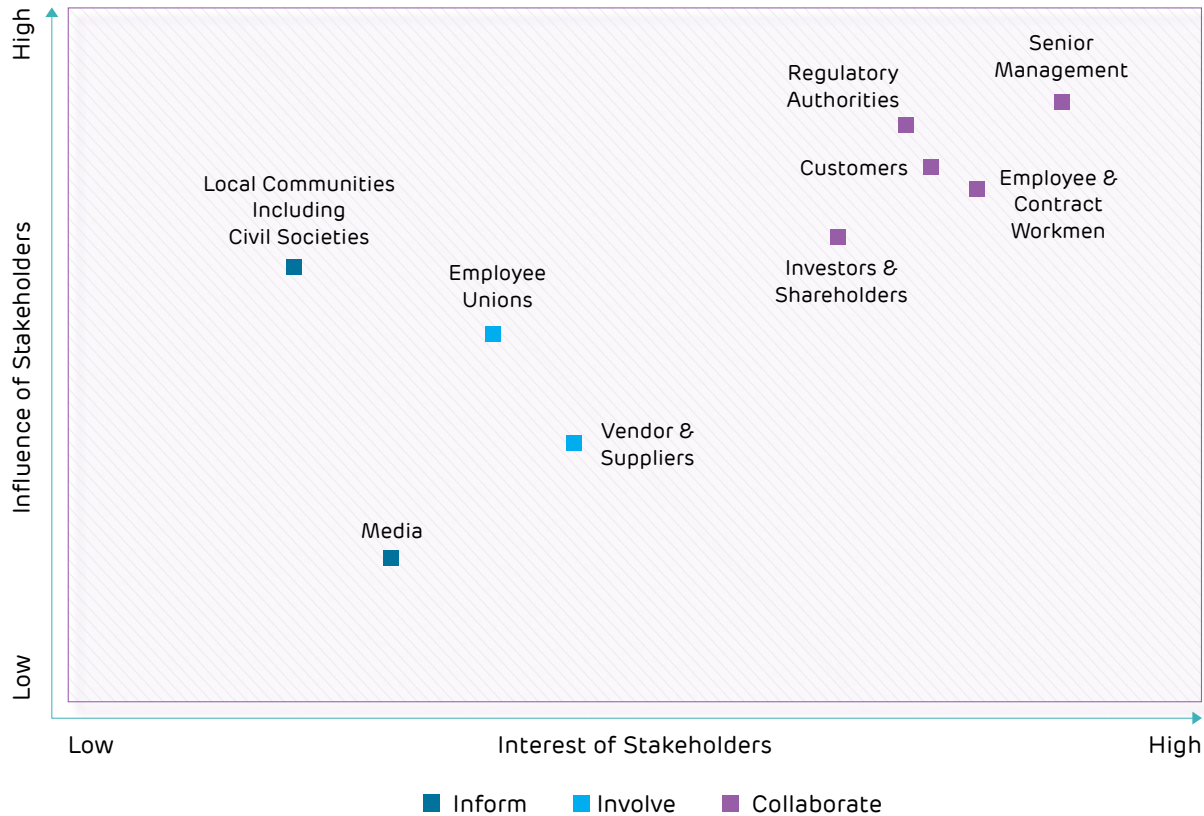


Identifying our stakeholders

We undergo a four-step process to stakeholder engagement, guided and overseen by our Board led Stakeholder Relationship Committee.



Stakeholder importance



[Read more about our stakeholder engagement here](#)

Materiality Assessment

Acting on Impact Priorities

We follow a disciplined materiality assessment of identifying the issues critical to long-term value creation and stakeholder confidence. We utilise this lens to understand the intersection of our business with economic, environmental and societal expectations, and to prioritise areas that warrant strategic focus and governance attention. The assessment follows a structured, data-driven approach anchored in global frameworks and guided by continuous engagement with internal and external stakeholders. Through this, we evaluate emerging risks, opportunities and impacts across our value chain and translate them into actionable priorities that guide strategy, resource allocation and transparent disclosures.

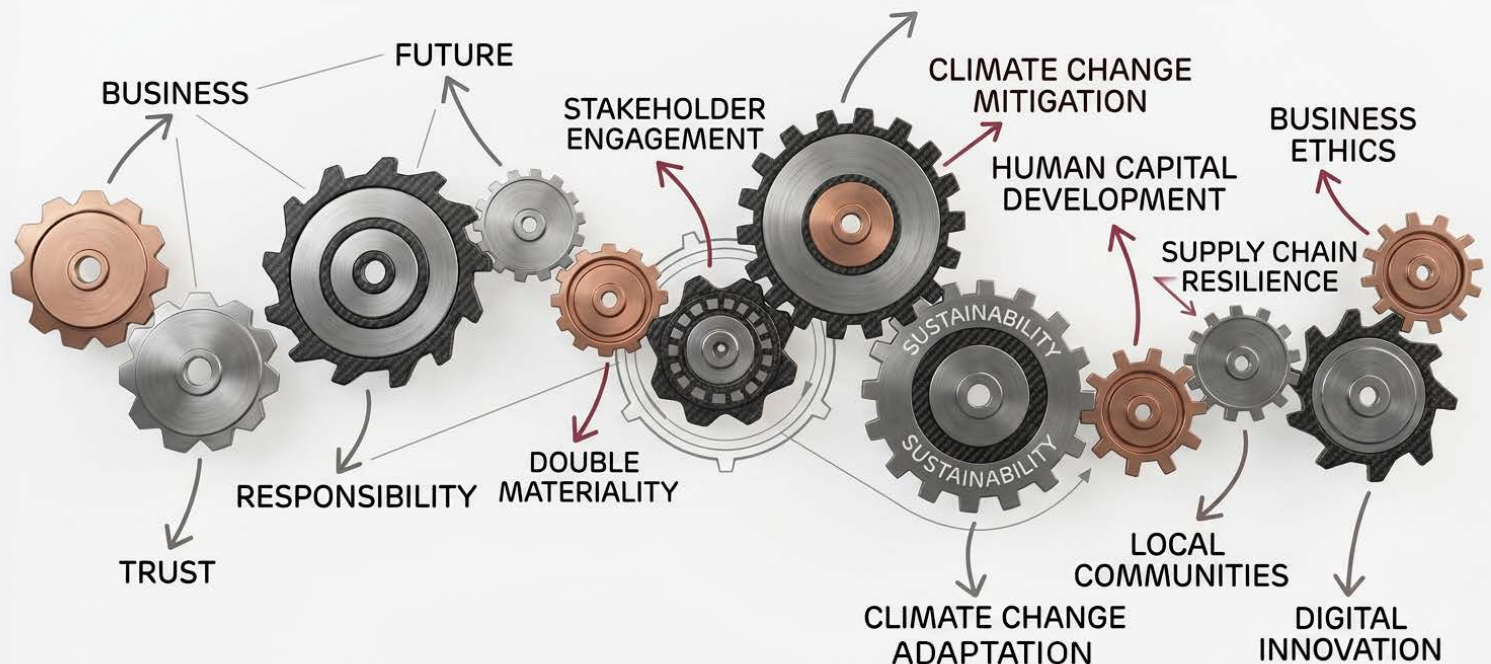
Assessing Priorities Through a Double Materiality Lens

We strengthened our approach through a comprehensive Double Materiality Analysis in FY 2024-25, aligned with GRI 2021 and ESRS General Disclosures.

The exercise evaluates two dimensions of significance: the effect of evolving issues on

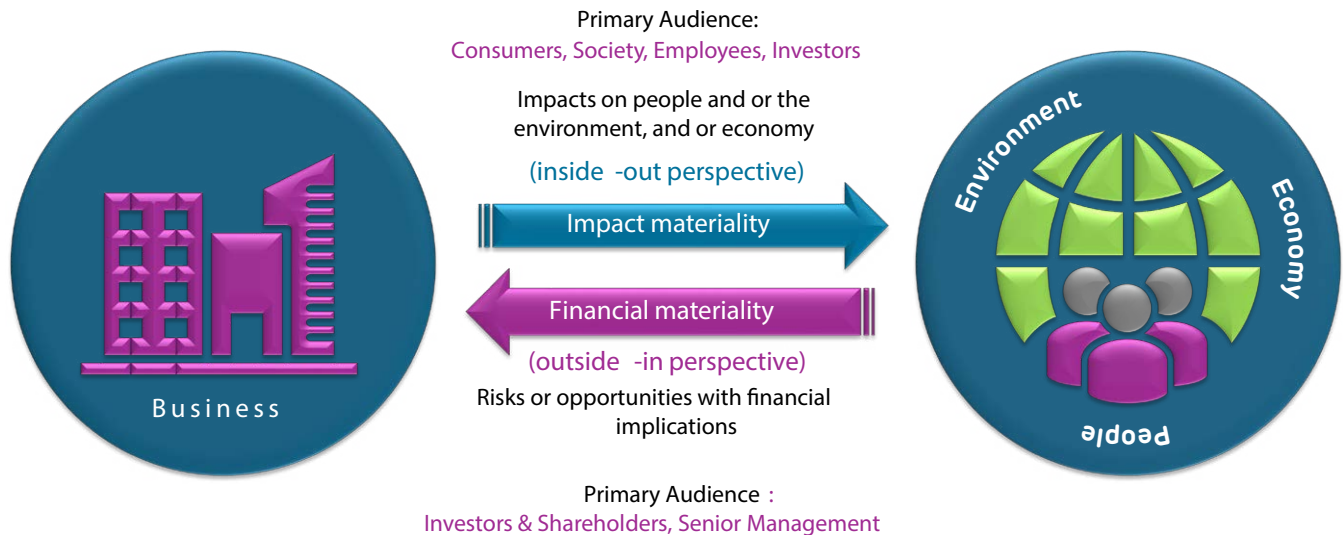
business performance, and the Company's broader impact on people, the environment and society.

The results form the foundation for priorities in FY 2025-26, shaping focus areas, guiding management oversight and sharpening the clarity of disclosures.



Double Materiality

A sustainability topic is considered material if it meets the criteria of impact materiality, financial materiality, or both.



Impact materiality

Impact

Sustainability matters, which "pertain to the undertaking's material actual or potential positive or negative impacts on people or the environment over the short-, medium- or long-term." (including products, services and business relationships). This indicates the Company's contribution to sustainable development.

Considering scale, scope, irremediability and likelihood of impacts.

Financial materiality

Risk

Uncertain (environmental, social or governance) events or conditions, which "have a material negative influence or could reasonably be expected to have a material negative influence on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term".

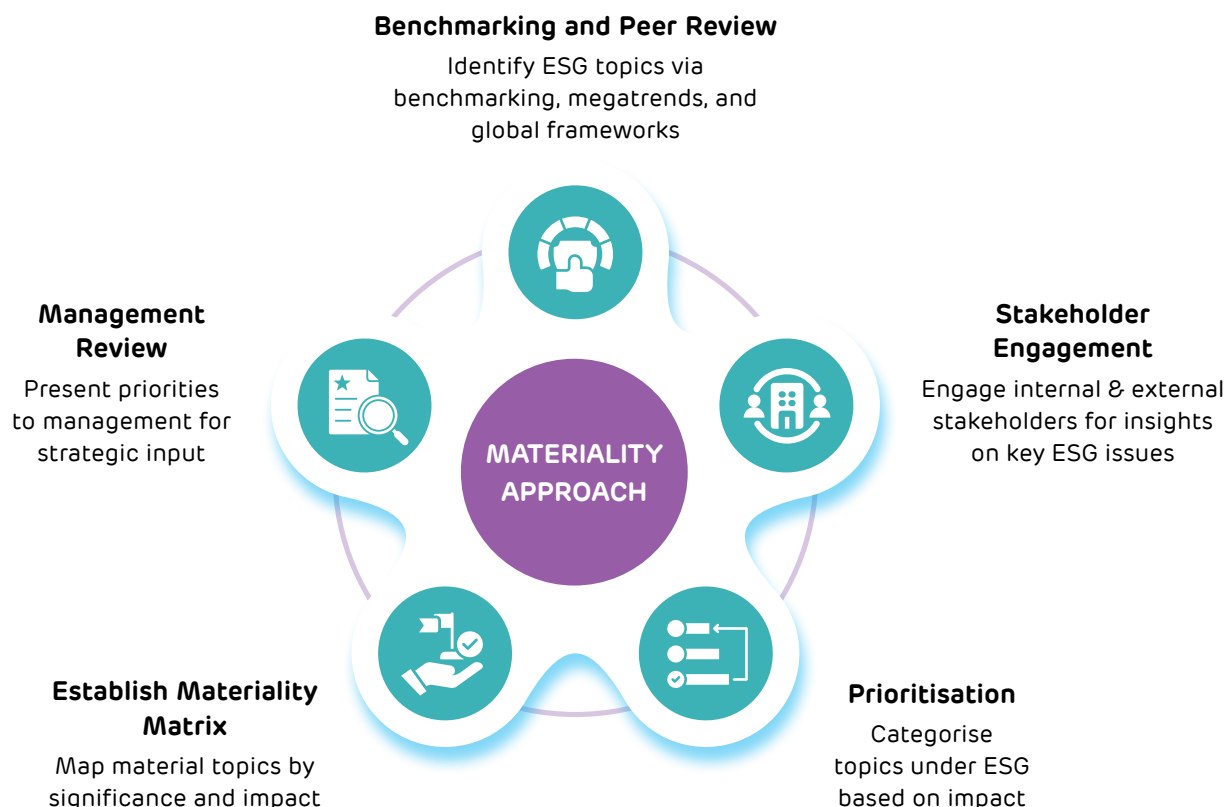
Considering magnitude of financial effect and likelihood.

Opportunity

Uncertain (environmental, social or governance) events or conditions, which "have a material positive influence or could reasonably be expected to have a material positive influence on the undertaking's development, financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium- or long-term".

Approach to Materiality Assessment

Our first Double Materiality Assessment commenced in FY 2023-24. The exercise revisited material topics through structured internal engagements and rigorous evaluation, culminating in the identification of 16 priority issues for the business and its stakeholders for FY 2025-26.



Key Factors

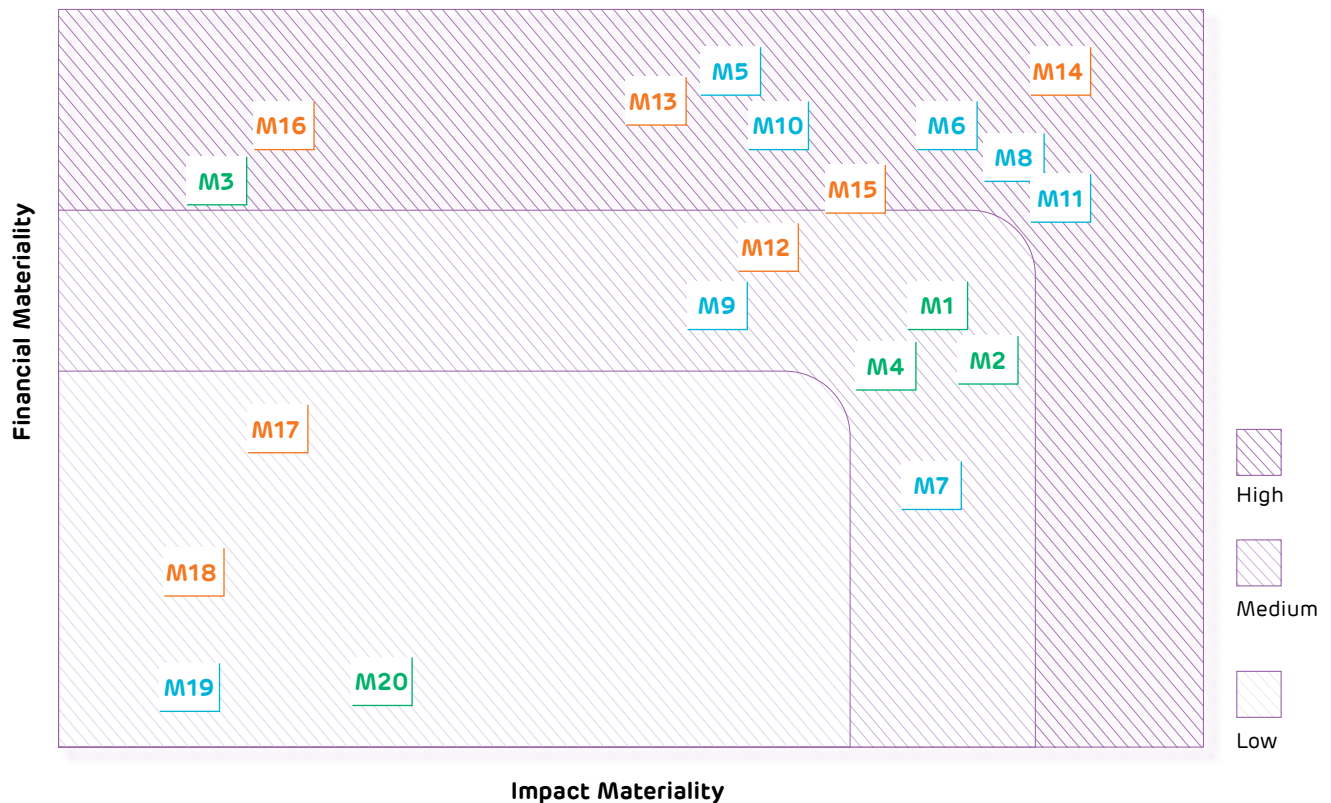


Megatrends

- Climate change
- Transition to clean energy
- Diversity, equity & inclusion
- Technology trends in the power industry
- Business model transition
- Digital transformation & innovation
- Geopolitical and geoeconomic forces
- Cybersecurity
- Regulations
- Transforming consumer & societal behaviour and preferences

Prioritising the Material Topics

Material Issues 2026



Environment

- M1** Biodiversity and Habitat Management
- M2** GHG Emissions & Climate Change
- M3** End Use Efficiency and Demand
- M4** Water and Effluent Management
- M20** Waste Management

Social

- M5** Occupational Health & Safety
- M6** Customer Relationship Management
- M7** Employee Engagement
- M8** Diversity, Equity and Inclusion
- M9** Energy Access & Affordability
- M10** Human Capital Development
- M11** Community Relations
- M19** Labour Practices & Human Rights

Governance

- M12** Business Ethics and Transparency
- M13** Supply Chain Management
- M14** Economic Performance
- M15** Public Policy & Advocacy
- M16** Grid Resiliency
- M17** Digitisation, Data Privacy & Information Security
- M18** Product Quality & Safety

[Read more about our materiality assessment here](#)

Risks and Opportunities

Intelligent Systems Shaping Risk Management

We follow a robust risk management approach to support sustained, long-term business growth and value creation. Our ISO 31000- and COSO-aligned Enterprise Risk Management (ERM) framework and governance structure apply established practices and tools to identify, assess, and mitigate potential risks and their impacts.

Sustainability considerations form an integral part of the ERM process. Environmental, social, and governance (ESG) factors, along with emerging risks, are evaluated alongside operational and financial risks. This integrated approach enables effective navigation of a complex risk environment and reinforces strong governance, resilience, and preparedness in an evolving business landscape.



At Adani Energy Solutions, we are navigating a risk landscape that has grown more complex, more connected, and more consequential than ever before. As India's energy demand grows by over 33% through 2030, the infrastructure that delivers power reliably, securely, and at scale has never mattered more. At Adani Energy Solutions, our commitment is to ensure that growth is never outpaced by risk.

Our expanding digital footprint across transmission, smart metering, and distribution networks has fundamentally changed the nature of risk we manage. Cybersecurity is no longer a technology concern alone; it is an enterprise risk priority. By strengthening our OT/IT security and embedding cyber resilience across every layer of our operations, we are institutionalising a risk management culture that protects our operations, safeguards our stakeholders, and strengthens the enterprise for the long term.

Shashank Sharma
Chief Risk Officer

Source: [IEA](#)



Risk Governance

Effective risk governance is essential to maintaining operational resilience and strategic continuity in a dynamic and highly regulated energy sector. Our risk management framework is embedded within the overall governance structure, enabling timely identification, assessment, and response to emerging risks. Oversight is exercised through a multi-tiered risk governance framework, where the Board of Directors defines the strategic direction and risk appetite, supported by the Risk Management Committee (RMC) and the Audit Committee in overseeing the implementation and ongoing monitoring of risk policies and controls.

The Chief Risk Officer (CRO), reporting directly to the CEO, leads the enterprise-wide risk identification and management

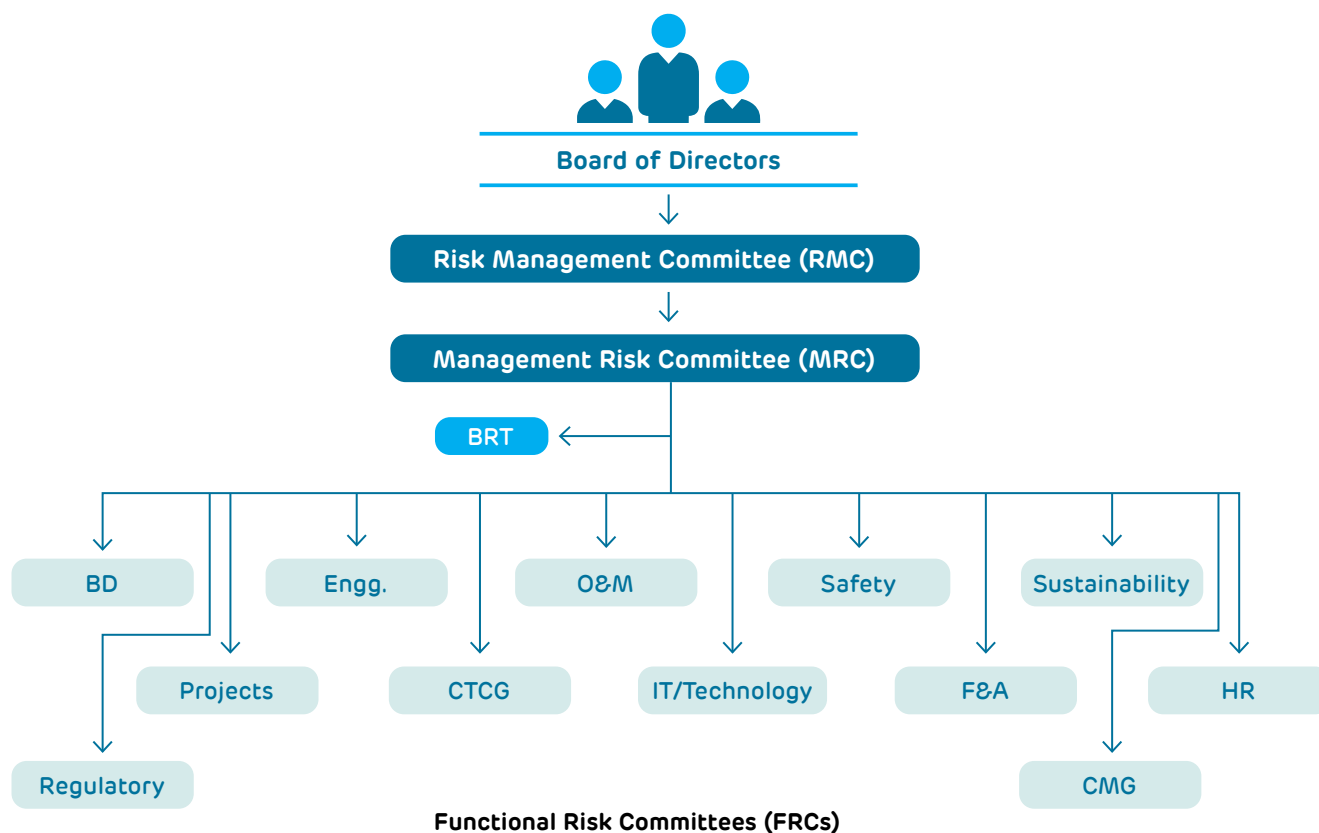
process. At the operational level, the Management Risk Committee (MRC), Business Risk Team (BRT), and Functional Risk Committees (FRCs) work collaboratively to identify, assess, and mitigate risks within their respective domains. This integrated approach strengthens risk awareness across the organisation and supports resilience, regulatory compliance, and sustainable growth.

An independent third party periodically reviews our risk management framework, and the feedback is incorporated to further strengthen the system. Internal audits are conducted annually on a rotational basis across functions, ensuring coverage of all business verticals over a three-year cycle. The Risk Management Policy is reviewed each year and updated in line with changes in the business and operating environment.

ERM Integration into Decision Making

Adani Energy Solutions' Enterprise Risk Management (ERM) framework embeds risk awareness into strategic and operational decision making, supported by the MRC and FRCs at the departmental level. These bodies collectively identify key and emerging risks, maintain risk registers, and track mitigation action plans. This approach supports informed decisions, manages uncertainty, safeguards stakeholder interests, and reinforces long-term sustainable growth in a rapidly evolving energy landscape.

Risk Governance Structure



Roles and Responsibilities

Board

- Sets the tone for a transparent risk management culture
- Reviews risk appetite and provide strategic direction

Risk Management Committee (RMC)

Quarterly Review

- Assists the Board in managing significant risks
- Framing, implementing, and monitoring the Company's risk management plan
- Evaluates and monitors risk management procedures and controls
- Periodically reviews the effectiveness of the framework and ensures its alignment with evolving industry dynamics and regulatory requirements
- Guides MRC in reviewing internal business functions

Audit Committee

Quarterly Review

- Providing additional oversight on financial risks and internal controls

Management Risk Committee (MRC)

Quarterly Review

- Ensures the efficacy of risk management procedures and controls
- Assesses top risks through regular business function reviews
- Guides BRT and FRC in mitigating prioritised risks
- Communicates key risk implications to RMC

Business Risk Team (BRT)

Quarterly Review

- Leads risk management across business units
- Coordinates with FRCs for risk identification and management
- Conducts peer-risk benchmarking and maps risk interactions
- Reports significant risks to MRC

Functional Risk Committee (FRC)

Quarterly Review

- Oversees risk management at the department level
- Ranks risks based on severity and secures Function Head approval
- Updates the Risk Register & Risk Plan
- Presents function-level risk reports to MRC

Sustainability Risk Governance

The Company adopts a multi-source approach to evaluating sustainability-related risks.

This includes internal operational data spanning 16 states, combined with external intelligence such as geospatial analysis, climate vulnerability modelling, and forward-looking regulatory assessments. Insights from stakeholder engagement and materiality assessments are incorporated to ensure that the risk evaluation reflects the expectations and concerns of communities, regulators, and investors.

Risks are assessed through a multidimensional lens covering physical, transition,

reputational, operational, and financial dimensions, alongside their likelihood and impact. Quantitative indicators such as downtime thresholds and cost projections are combined with qualitative inputs including policy direction and stakeholder visibility. All risks are evaluated through a unified matrix that gives sustainability-related considerations equal weight alongside financial and operational factors.

Opportunities are assessed with similar rigour through feasibility studies, financial modelling, and stakeholder engagement, and are integrated into the enterprise risk management framework. Priority areas in FY 2025-26 included green transmission corridors, accelerated smart meter

deployment, digital demand-side management platforms, and sustainability-linked financing such as green bonds and ESG credit lines. Cross-functional coordination ensures ESG considerations are embedded across project planning, investment decisions, M&A evaluations, and compliance processes, supporting resilient and purpose-driven growth.

Governance at Board Level

Sustainability risk oversight is anchored at the Board level through the Corporate Responsibility Committee (CRC) that comprises 100% Independent Directors. The Committee provides strategic direction on environmental, social, and governance matters and ensures that sustainability

considerations are systematically integrated into long-term planning and operational decision-making. Its oversight covers the review of sustainability disclosures, assessment of performance against global benchmarks, and evaluation of ESG-related risks and opportunities. The CRC also monitors climate-related strategy, stakeholder engagement outcomes, and alignment with relevant national and international sustainability frameworks. Leveraging the Board's experience in corporate governance, compliance, and stakeholder protection, the Committee ensures that sustainability risks are governed with clear accountability and embedded within the Company's overall risk framework.

Integration of Responsibilities in CRC's Terms of Reference

CRC's ESG and climate related responsibilities are formally embedded within its Terms of Reference and governance mandates. These include

- **Providing oversight on ESG and climate related strategies, initiatives and policies**
- **Overseeing sustainability risks related to supply chain, climate disruption and public policy**
- **Providing assurance, the Board and the stakeholders on ESG matters**
- **Reviewing and approving ESG-related public disclosures of the Company**

[Read further](#)
CRC's Terms of Reference



Oversight at Management Level

Execution of sustainability risk governance is led by the Designated Chief Sustainability Officer (CSO), who translates Board-level direction into coordinated action across the organisation. Supported by the ESG Head, the CSO oversees the integration of sustainability considerations into business processes, risk management, and operational decision making, while tracking performance against defined ESG objectives and regulatory requirements. Accountability for sustainability outcomes is reinforced through performance-linked mechanisms. Sustainability parameters form part of executive compensation structures, with 25% of Key Result Area (KRA) assessments aligned to ESG performance and the management of related risks.

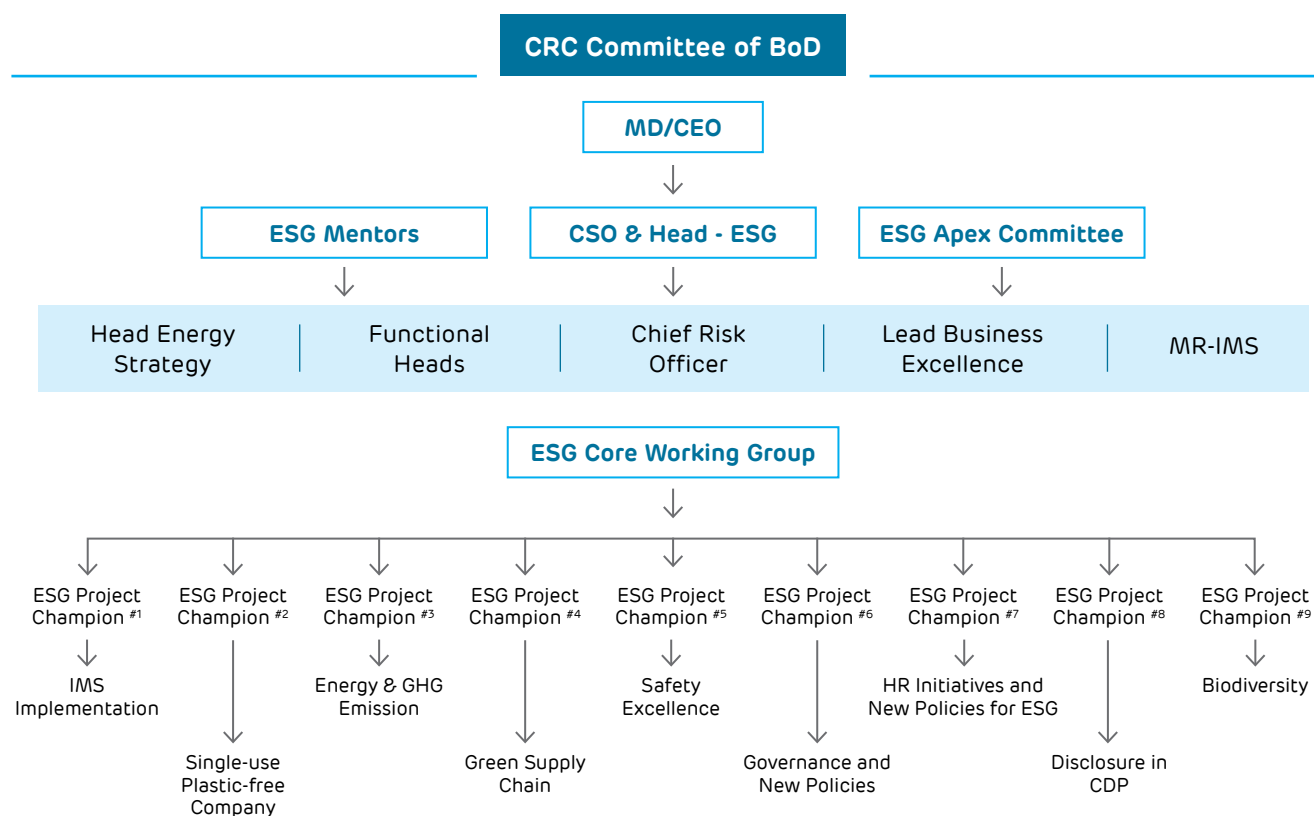
A structured, multi-tiered management framework enables effective execution. Cross-functional working groups comprising functional leaders support the identification of material sustainability risks and opportunities, development of mitigation and transition actions, and integration of ESG considerations into departmental objectives. Designated ESG Champions at the site level act as single points of contact, supporting implementation, monitoring progress, and ensuring data integrity in line with validation and assurance protocols.

Structured reporting mechanisms ensure continuous oversight and alignment. Management provides periodic updates to Board-level committees, including the Corporate Responsibility Committee (CRC)

and the ESG Apex Committee, through defined reporting and presentation cycles, covering performance, emerging risks, regulatory developments, and stakeholder insights. This ensures timely escalation and informed decision making.

Roles and responsibilities are formalised through clearly defined role descriptions, committee charters, and Board-approved sustainability and risk management policies. The framework is further strengthened through independent third-party reviews and annual internal audits conducted on a rotational basis across functions, ensuring comprehensive coverage over a three-year cycle. Policies are reviewed annually and updated to reflect changes in the business and operating environment.

Our Sustainability Governance Structure



Integration of Controls Across Functions

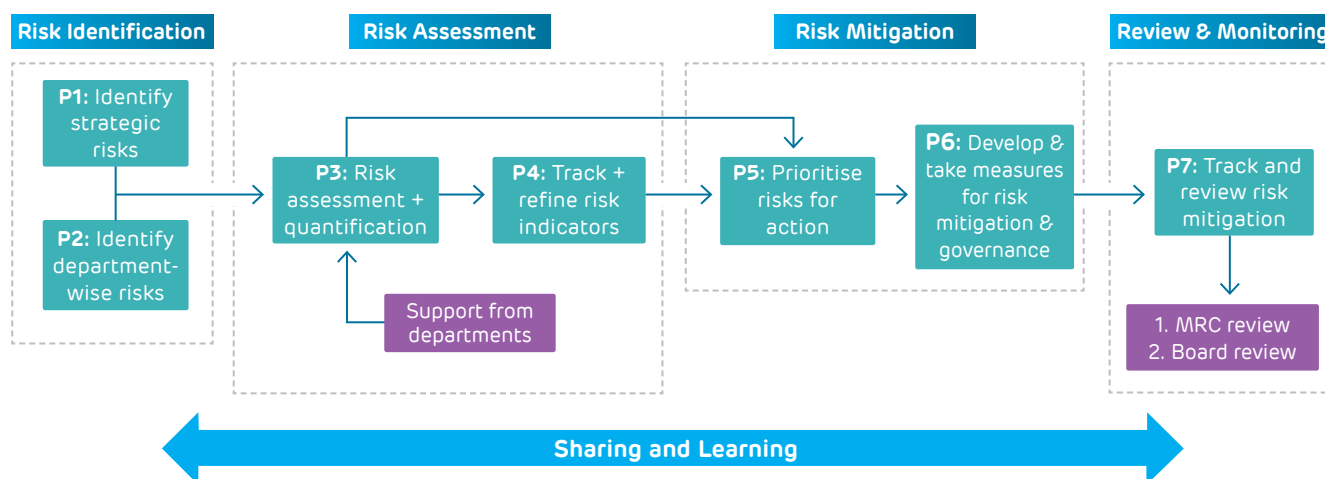
Adani Energy Solutions manages sustainability-related risks and opportunities through an Integrated Management System (IMS) that operates across leadership and operational levels. The system embeds ESG key performance indicators (KPIs) within

departmental processes, supported by standardised data collection and validation led by site-level ESG Champions and structured reviews overseen by ESG Mentors and the Chief Sustainability Officer.

These controls enable consistent monitoring and assurance of sustainability performance and are fully aligned with core internal

functions, including finance, legal, operations, and compliance. This integrated approach ensures cross-functional visibility and accountability, embedding sustainability oversight into both strategic decision-making and routine management while strengthening execution discipline and organisational resilience.

Integrated Enterprise Risk Management Framework



Our Integrated Risk Management (IRM) framework provides end-to-end oversight of internal and external risks, supported by structured mitigation controls. Led by the Chief Risk Officer, the framework enables timely risk identification, escalation, and response across the organisation. It is grounded in strong governance principles and supports both strategic and operational objectives through defined review and monitoring mechanisms.

IRM framework components

- **Risk identification:** Structured tools such as risk registers, SWOT analysis, and scenario planning are used at both strategic and departmental levels. Function heads, senior leadership, and employees, supported by the strategy team, drive a bottom-up process to capture risks across the organisation.
- **Risk assessment:** Risks are evaluated for likelihood and impact using a combination of qualitative and quantitative methods. Risk indicators are developed and regularly refined in collaboration with relevant

departments to ensure accuracy and timely response.

- **Risk mitigation:** Mitigation strategies, including risk avoidance, reduction, transfer, and acceptance, are formulated through cost-benefit analysis based on the risk severity.
- **Monitoring and reporting:** Tracks residual risk levels and key indicators, supported by periodic reporting

IRM significance

- **Holistic risk perspective:** Identifies interlinkages between risks and their impact on business objectives

- **Early risk detection:** Embeds risk management into operations to identify and address risks proactively

- **Informed decision-making:** Improves visibility on risk exposure to support balanced strategic choices

- **Operational effectiveness:** Enhances efficiency by streamlining processes and optimising resource deployment

- **Compliance and governance:** Strengthens regulatory adherence through clear policies, procedures, and accountability

Approach to Risk Management

The risk management framework enables early identification and mitigation of risks through a structured hierarchy of controls. It is designed to surface emerging risks, assess interdependencies, and align risk considerations with business objectives, including during product and service development. Streamlined operational processes and optimised resource allocation support efficiency and regulatory compliance. Sustainability is embedded across the framework, with ESG-linked metrics integrated into performance reviews of executives, ESG mentors, and champions.

Monitoring and Review

Governance is reinforced through regular reviews by the Management Risk Committee (MRC), with oversight from the Risk Management Committee (RMC) and the Board of Directors. The Business Risk Team (BRT) and Functional Risk Committees (FRCs) coordinate risk identification, benchmarking, and reporting across business units. Written updates are submitted to the MRC on a monthly basis. Key risk matters are reviewed from a strategic perspective, with meeting outcomes formally reported to the Board.

Assurance of Risk Controls

The framework incorporates periodic internal audits conducted by the Management Audit and Assurance Services (MAAS) team, which reports directly to the Chairman's office, ensuring independent validation of risk controls. In addition, the Company engages an external third party to review the risk management framework and integrates their recommendations to strengthen processes. Internal audits are conducted annually on a rotational basis across functions to maintain consistent assurance coverage.

Building Risk Culture

Developing Skills and Competencies in Executive Leadership, Operational Team, HoDs, BRT, and FRT

Executive leadership, operational teams, Heads of Departments, the Business Risk Team (BRT), and Functional Risk Teams (FRTs) undergo regular risk management training to strengthen enterprise-wide risk awareness and decision-making. Non-executive directors, drawing on extensive industry experience, remain closely engaged through quarterly briefings on strategic, tactical, operational, and emerging risks, supported by the Board familiarisation programme.

Developing Skills and Competencies in Corporate Responsibility Committee

The Company assesses and develops Corporate Responsibility Committee (CRC) competencies through a structured skill matrix

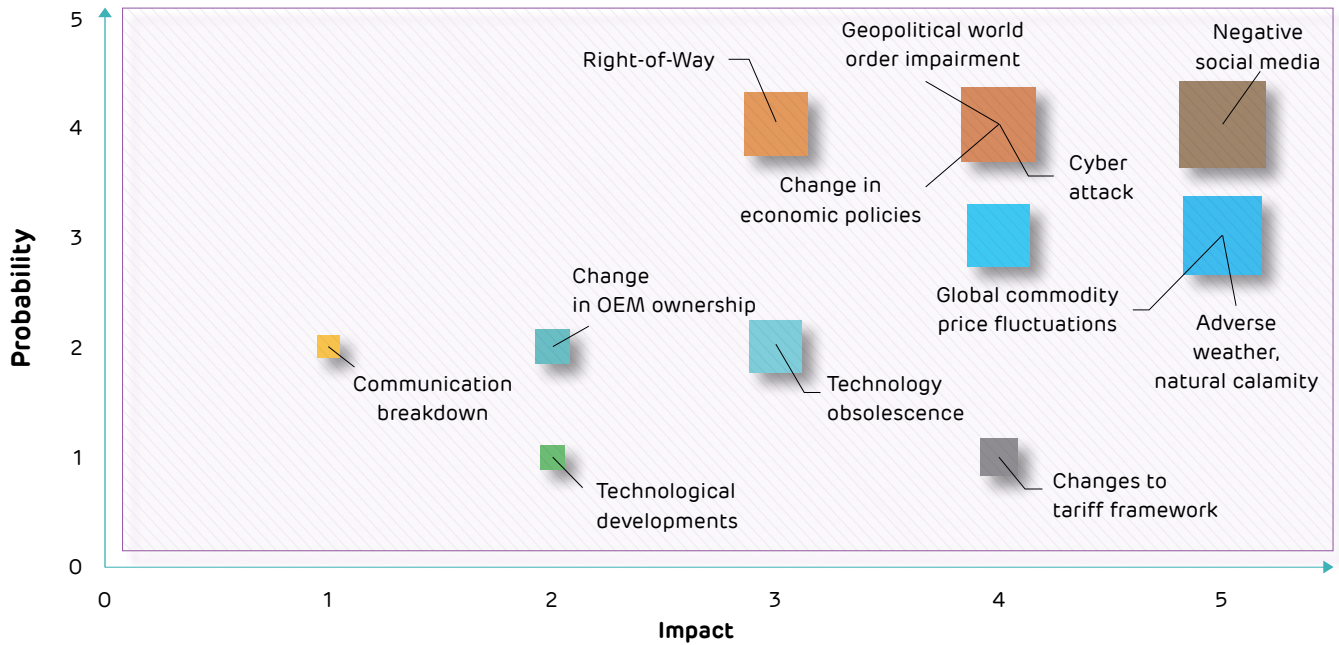
to strengthen sustainability oversight. Internal evaluations, including anonymous member feedback, help identify capability gaps critical to committee effectiveness. Targeted training is then provided on climate-related financial disclosures, evolving regulations, and emerging ESG risks. The CRC also engages with internal and external ESG experts to deepen technical understanding and support informed decision-making. This assessment is conducted biannually.

Developing Skills and Competencies in Employees

All employees receive structured training on the Company's internal risk framework and risk management system, aligned with ISO 31000. Practical case examples from across functions reinforce how risk principles are embedded into daily operations, supporting consistent application at the operational level.



Risk Heat Map



Risk Prioritisation

A risk matrix score is calculated by combining the impact and likelihood of a risk event, enabling risks to be classified from very low to very high.

Rating	Risk Matrix Score
Very Low Risk - (VLR)	1-5
Low Risk - (LR)	6-10
Medium Risk - (MR)	11-15
High Risk - (HR)	16-20
Very High Risk - (VHR)	>20

Our Top Risks

	Risk	Trend	Rating	Responsibility	Appetite
R1	Macroeconomic Risk	↑	High risk	Finance	High
R2	Cybersecurity Risk	↓	Low risk	IT	Medium
R3	Reputation Risk	↓	Medium risk	Corporate Communications	High
R4	Right of Way (RoW) Risk	↑	Medium risk	Projects	Medium
R5	Climate Risk	↓	Low risk	O&M	Medium
R6	Obsolescence of Technology Leading to Non-availability of Spares and Service	↔	Medium risk	O&M	Medium
R7	Biodiversity Risk	↔	Low risk	ESG/O&M	Medium
R8	Failure of Climate Change Adaptation	↔	Low risk	O&M/Projects	Medium

Risk Trends:

↑ Increase ↓ Decrease ↔ Neutral

Risk Rating:

High risk Medium risk Low risk

Appetite:

High Medium Low

Key Risks and Mitigation Actions

Capitals



Financial
Capital



Manufactured
Capital



Intellectual
Capital



Human
Capital



Social and
Relationship Capital



Natural
Capital

Material Topics

M1 Biodiversity and Habitat Management
M2 GHG Emissions & Climate Change
M3 End Use Efficiency and Demand
M4 Water and Effluent Management
M5 Occupational Health & Safety
M6 Customer Relationship Management
M7 Employee Engagement

M8 Diversity, Equity and Inclusion
M9 Energy Access & Affordability
M10 Human Capital Development
M11 Community Relations
M12 Business Ethics and Transparency
M13 Supply Chain Management
M14 Economic Performance

M15 Public Policy & Advocacy
M16 Grid Resiliency
M17 Digitisation, Data Privacy & Information Security
M18 Product Quality & Safety
M19 Labour Practices & Human Rights
M20 Waste Management

Strategic Priorities

S1

Safety culture

S2

ESG integration

S3

Efficient capital allocation and execution strategy

S4

Portfolio of efficient operating assets (Transmission| Distribution| Smart Metering)

S5

Robust financial profile

S6

Business excellence

S7

Digitalisation and innovation

S8

Capacity & capability building

R1

Macroeconomic Risk

Impact

- Changes in economic conditions and monetary policy, including interest rate movements and evolving financial and lending policies of Indian banks and institutions, can affect funding availability and investment decisions.
- Rising interest rates and constrained access to international or low-cost funding sources may increase financing costs and impact capital deployment.

Mitigation

- Hedge exposure to interest rate volatility and diversify funding sources to manage financing costs

- Strengthen investor and banker engagement through a robust, CTU-backed business model and active participation in industry and policy forums

Opportunities

- Deeper relationships with investors and financial institutions through improved risk transparency
- Potential improvement in financing terms and funding conditions

Capitals Impacted



Strategies Linked

S3

S5

Material Topics Aligned

M18

M20

R2 Cybersecurity Risk

Impact

- Cyber-attacks targeting power sector assets such as transformers, circuit breakers, SCADA systems, PLCs, and relays can disrupt operations, reduce availability, increase equipment replacement costs, and result in loss of incentives and revenue

Mitigation

- Conduct regular Vulnerability Assessment and Penetration Testing (VAPT) across critical assets
- Implement a structured cybersecurity management framework with defined response protocols

- Monitor, analyse, and report global cyber-attack trends to strengthen preparedness

Opportunities

- Develop platforms for threat intelligence sharing and dissemination of best practices
- Strengthen cybersecurity capabilities across power sector operations
- Create opportunities to monetise proven cybersecurity platforms by offering them to industry peers

Capitals Impacted



Strategies Linked

S1

S2

S4

S5

S7

Material Topics Aligned

M8

M20

R3 Reputation Risk

Impact

- Adverse social media campaigns, misinformation, or disinformation related to portfolio companies can affect stakeholder perception, delay capital funding, and impact project execution timelines, resulting in deferred revenues linked to capital expenditure

Mitigation

- Address misinformation through targeted communication and structured media response mechanisms
- Strengthen goodwill through proactive community engagement and enhanced consumer focus enabled by technology

- Appoint an official spokesperson and enforce corporate and social media communication policies to ensure accuracy and consistency

Opportunities

- Build trust through transparent, regular disclosures and stakeholder updates
- Strengthen reputation by sharing verified success stories, case studies, and positive social and economic impact
- Leverage community engagement and fact-based communication to counter misinformation and reinforce credibility

Capitals Impacted



Strategies Linked

S2

S5

S6

S8

Material Topics Aligned

M18

R4 Right of Way (RoW) Risk

Impact

- Right-of-Way (RoW) clearance challenges, compensation disputes, and related litigation can delay transmission line construction, affecting project timelines, asset financial performance, and resulting in liquidated damages due to schedule overruns

Mitigation

- Engage in policy advocacy to enable pre-defined transmission corridors
- Adopt innovative transmission line design and installation methodologies to reduce dependency on land acquisition and approvals

Opportunities

- Deployment of innovative designs optimises transmission infrastructure planning and execution
- Reduced tower count lowers land usage, project costs, and execution timelines
- Improved efficiency strengthens overall project delivery and asset performance

Capitals Impacted



Strategies Linked

S1

S6

Material Topics Aligned

M12

R5 Climate Risk

Impact

- Adverse climate conditions and extreme natural or societal events, including floods, cyclones, droughts, bushfires, pandemics, and similar disruptions, can affect asset health and operations, leading to project delays, higher O&M costs, loss of availability-linked incentives, and pressure on margins and future financial performance

Mitigation

- Design and upgrade assets to withstand adverse climate conditions and reduce system losses
- Implement asset-specific disaster management plans, supported by crisis-response partnerships and a disaster management kitty (self-insurance)
- Monitor weather patterns and assess asset-level impacts on an ongoing basis

- Integrate environmental considerations through EIAs, policy advocacy, and participation in industry forums
- Support R&D in sustainable technologies, promote energy-efficient consumption, and strengthen climate adaptation measures
- Implement reforestation, afforestation, and biodiversity conservation initiatives

Opportunities

- Strengthen environmental stewardship through reforestation, emission reduction, and biodiversity programmes
- Enhance long-term asset resilience and sustainability performance
- Build stronger community relationships through climate and environmental initiatives

Capitals Impacted



Strategies Linked

S1

S2

S3

S4

S5

S6

Material Topics Aligned

M1

M2

M3

M4

M9

M12

M17

M18

M19

M20

R6

Obsolescence of Technology Leading to Non-availability of Spares and Service

Impact

- Rising technology and obsolescence risks in OT systems across power transmission and distribution can disrupt operations, reduce asset availability, and impact financial performance, including pressure on EBITDA margins.

Mitigation

- Regular monitoring of technology developments and obsolescence risks across critical equipment
- Structuring contractual arrangements to secure long-term OEM and service support

- Development of reverse engineering and 3D printing capabilities to manage spare part availability

Opportunities

- Strategic partnerships with technology providers and research institutions to access advanced solutions and expertise
- Support for indigenisation, innovation, and effective obsolescence management
- Potential opportunities for commercialisation of in-house capabilities and solutions

Capitals Impacted



Strategies Linked

S1	S2	S4
S5	S6	

Material Topics Aligned

M8	M10	M12
M17	M18	M19
M20		

R7

Biodiversity Risk

Impact

- CAPEX execution and O&M activities face risks related to Right-of-Way (RoW) acquisition and maintenance, particularly in eco-sensitive and biodiversity-rich areas. These challenges can lead to project delays, reduced asset availability during operations, lower EBITDA margins, and loss of incentives

Mitigation

- Commit to a 'No Biodiversity Loss' and 'No Deforestation' approach across operations
- Apply a COSO-based risk framework to manage strategic and operational environmental risks
- Integrate environmental impact considerations into project planning and execution

Opportunities

- Collaborate with environmental organisations to support biodiversity conservation
- Strengthen reputation and access sustainability-linked business opportunities
- Attract customers seeking reliable green power and environmentally responsible solutions

Capitals Impacted



Strategies Linked

S1	S2	S4
S5	S6	

Material Topics Aligned

M1	M2	M6
M7	M9	M14
M15	M17	M18
M20		

R8 Failure of Climate Change Adaptation

Impact

- Extreme weather events linked to climate change can damage infrastructure assets across geographies, leading to outages, customer dissatisfaction, and pressure on profitability

Mitigation

- Conduct scenario analysis to assess climate-related risks and opportunities
- Deploy Emergency Restoration Systems (ERS) to enable rapid service recovery
- Invest in resilient infrastructure, innovation, and technology upgrades

- Modernise transmission and distribution networks to strengthen system resilience

Opportunities

- Access green financing and investment through climate-resilient initiatives
- Strengthen reputation and support compliance with environmental regulations

Capitals Impacted



Strategies Linked

S1	S2	S3
S4	S5	S6

Material Topics Aligned

M2	M8	M9
M10	M17	M18
M20		



Sustainability and Climate-related Risks and Opportunities

We identify and assess sustainability and climate-related risks and opportunities and integrate them into our Enterprise Risk Management framework aligned with COSO, as well as our HSE Management System. The TCFD/ IFRS S2 framework guides the evaluation of climate risks and informs the identification of related opportunities.

Scenario Analysis and Stress Testing

Our climate risk assessment draws on selected IPCC RCP/SSP pathways and IEA scenarios, informing the Company's climate strategy, risk preparedness, and long-term business outlook.

Climate-related Scenario	Temperature Alignment	Adaptation Strategy
RCP 4.5 / SSP 2-4.5 (Medium Emission)	Intermediate emissions scenario with global mean temperature expected to rise by 1.1-2.6°C	- Strengthen asset and infrastructure resilience - Address risks from rising temperatures, precipitation changes, and extreme weather
RCP 6.0 (High Emission)	High emissions scenario with global mean temperature expected to rise by 3-4°C	- Implement water management, recycling, and alternative cooling technologies - Collaborate with policymakers for supportive regulations - Train staff for climate resilience - Engage stakeholders to address climate concerns - Strengthen disaster management and conduct regular mock drills
IEA 2DS / SSP 1-2.6	The 2DS is consistent with a 50% probability of limiting the expected global average temperature increase to 2°C by 2100	- Divesting Dahanu Thermal Power Station from the portfolio - Committed to no new thermal power assets
IEA B2DS	Global mean temperature expected to rise beyond 2°C Scenario (B2DS)	Expanding renewable energy share in the power mix
IEA NZE 2050 / SSP 1-1.9	The IEA Net Zero Emissions by 2050 (NZE)	

Key Risks and Mitigations

Type of Risk / Opportunity	Specific Exposure	Likelihood of Occurrence	Time Horizon	Impact on Prospects	Transition & Adaptation Strategy
Physical Risk 1. Acute 2. Chronic	- Extreme weather events (cyclones, floods, heatwaves) - Long-term climate disruptions, rising temperatures	More likely than not	- Short: 1-3 yrs - Medium: 3-6 yrs	- Infrastructure damage - Service disruptions - Higher operations and maintenance (O&M) costs - Employee safety risks - Revenue loss - Reduced investor confidence - Additional capital requirements	- Climate vulnerability mapping - Asset hardening measures - Emergency response protocols - Predictive maintenance practices - Infrastructure investments in high-risk zones - Stakeholder engagement to build trust - Increased renewable energy (RE) generation - Deployment of low-carbon technologies

Type of Risk / Opportunity	Specific Exposure	Likelihood of Occurrence	Time Horizon	Impact on Prospects	Transition & Adaptation Strategy
Transition Risk 1. Policy and Legal	Carbon pricing and evolving emission regulations	More likely than not	Medium: 3–6 yrs	Trade regimes and tariff caps may pressure financial performance, necessitating higher environmental and legal provisions.	- Ensure compliance with evolving regulations and carbon emission standards - Enhance energy efficiency to reduce emissions and operating costs - Lower GHG intensity through higher renewable integration and improved grid resilience - Maintain transparent stakeholder communication to strengthen sustainability support - Engage in policy advocacy for favourable trade and tariff structures - Invest in low-carbon technologies and carbon offset programmes - Evaluate carbon capture and storage options to mitigate potential tax impacts
2. Market	Investor and financial institution preference for low-carbon assets may constrain access to capital for Adani Energy Solutions and its partners.	More likely than not	Medium: 3–6 yrs	- Rising demand for renewable energy (RE)-based transmission and low-carbon technologies may disrupt fossil-based services - Market shifts may test the Company's transition strategy - Financial impacts may include higher cost of capital, limited funding access, reduced investor confidence, disrupted partnerships, and increased compliance costs	- Expand renewable integration within distribution networks and enter emerging markets - Offer renewable energy solutions for commercial and industrial customers - Commission electric vehicle (EV) charging infrastructure - Set carbon reduction targets, increase investments in renewable energy, and embed sustainability into the core business strategy - Explore green bonds, impact investing, and public-private partnerships as alternative financing avenues. - Maintain transparent and consistent investor communication to sustain confidence and attract long-term capital - Invest in research and development to enable sustainable innovation and new business models - Engage stakeholders to share resources, knowledge, and best practices

Type of Risk / Opportunity	Specific Exposure	Likelihood of Occurrence	Time Horizon	Impact on Prospects	Transition & Adaptation Strategy
3. Technology	Inability to adopt emerging technologies may increase costs, reduce competitiveness, and accelerate the risk of obsolescence	More likely than not	Medium: 3–6 yrs	- Higher operating costs and inefficiencies, weakening competitive position - Loss of customers, revenue, and investor confidence - Elevated risk of asset and technology obsolescence, affecting long-term sustainability	- Upgrade networks using advanced technologies such as High-Temperature Low-Sag (HTLS) conductors - Integrate resilient technologies across project design, execution, and commissioning stages - Foster innovation through targeted training programmes and strategic partnerships - Align technology initiatives with evolving customer needs to maintain market relevance.
Operational Risk	Vulnerability of legacy transmission assets	About as likely as not	Medium: 3–6 yrs	- Reduced operational efficiency - Increased downtime - Risk of stranded assets	Modernise transmission infrastructure through digital substations and automation, supported by predictive analytics
Reputational Risk	ESG ratings and stakeholder expectations	About as likely as not	Short: 1–3 yrs; Medium: 3–6 yrs	- Increased pressure on transparency and disclosures - Reduced investor confidence - Constraints on access to capital	- Strengthen ESG disclosures and reporting quality - Obtain third-party assurance to enhance credibility - Align disclosures with CDP and TCFD frameworks - Embed ESG metrics into leadership performance reviews
Environmental Risk	Water scarcity and biodiversity loss	About as likely as not	Short: 1–3 yrs; Medium: 3–6 yrs; Long: 6+ yrs	- Operational constraints - Ecosystem disruption - Increased regulatory scrutiny	- Implement a No-Net-Loss biodiversity policy - Align practices with IBBI guidelines - Strengthen water stewardship programmes - Conduct ecological impact assessments
Strategic Risk	Climate induced supply chain disruptions	More likely than not	Short: 1–3 yrs; Medium: 3–6 yrs	- Delays in equipment delivery - Cost inflation - Reliability concerns	- Diversify supplier base - Increase local sourcing - Implement a climate-resilient procurement strategy - Maintain contingency inventory buffers

Key Opportunities

Opportunity Type	Description	Likelihood of Occurrence	Time Horizon	Impact	Realisation Strategy
Strategic	▪ Smart metering and digital grid expansion	Virtually certain	Short: 1–3 yrs;	▪ Efficiency gains	▪ Deploy smart meters and digital platforms
			Medium: 3–6 yrs	▪ Reduced losses	▪ Use real-time analytics for demand-side management
Strategic	▪ Green transmission corridors	Very likely	Medium: 3–6 yrs	▪ Improved customer experience	▪ Enable greater consumer participation and empowerment
				▪ Enhanced renewable energy integration	▪ Invest in infrastructure that enables efficient evacuation of renewable energy
Financial	▪ Access to sustainability-linked financing	Very likely	Short: 1–3 yrs;	▪ Alignment with climate objectives	▪ Align transmission expansion with national climate targets
			Medium: 3–6 yrs	▪ Improved access to green finance	
Financial	▪ Access to sustainability-linked financing	Very likely	Short: 1–3 yrs;	▪ Lower cost of capital	▪ Integrate ESG metrics into treasury operations
			Medium: 3–6 yrs	▪ Stronger ESG positioning	▪ Raise funds through green bonds and ESG-linked credit lines
Financial	▪ Access to sustainability-linked financing	Very likely	Medium: 3–6 yrs	▪ Expanded funding options	▪ Strengthen sustainability performance to improve scores across ESG ratings such as Sustainalytics, FTSE, and DJSI

⊕ Read more in the Environment section on **Pg. 154**

🔗 Read further
Climate Transition Plan Report



Emerging Risks

The Company conducts an annual Board-level review of emerging risks during strategy and risk discussions. Inputs are drawn from global and sectoral trends and internal assessments led by the Chief Risk Officer. The process focuses on risks that may not yet be material but could influence operations, financial resilience, or strategic priorities over the medium to long term.

Adani Energy Solutions identified five emerging risks: capacity and capability building, geopolitical tensions, technology disruption, foreign exchange volatility, and climate change. Each risk is monitored through structured oversight and managed through targeted mitigation measures.

Emerging Risk	Description	Impact	Mitigating Actions
Capacity and Capability Building	- Rapid expansion across transmission, distribution, and smart metering increases demand for a skilled, future-ready workforce - Shortages in technical roles such as erection, stringing, and foundation work, along with leadership gaps, can affect execution - Adoption of advanced technologies and ESG requirements heightens the need for continuous upskilling	- Delays in project commissioning and reduced operational efficiency - Higher execution overheads due to increased deployment of supervisors and managers amid talent shortages - Elevated risks to safety, quality, and regulatory compliance	- Structured training programmes, including KRONOS for real-time workforce tracking and career progression - Saksham programme for contractor induction and safety sensitisation - Succession planning and competency mapping for critical roles - Technical Centres of Excellence and zonal accountability models - Comprehensive training initiatives to bridge skill gaps in the transmission line workforce
Geopolitical Tensions	- Global trade disruptions, tariff disputes, and political instability in supplier regions can affect material availability and pricing - Dependence on imported components and technologies for HVDC projects increases exposure to cross-border regulatory changes	- Supply chain delays and cost escalation - Higher risk of non-compliance with evolving trade regulations - Increased volatility in procurement planning and vendor relationships	- Supplier risk assessments covering geography, financial strength, and ESG compliance - Diversified sourcing strategies and localisation of critical components - Active participation in policy advocacy and industry forums - Strengthened vendor onboarding and ESG screening processes
Adverse Outcomes of Frontier Technologies	- Rapid advances in grid systems, AI, IoT, and smart infrastructure may outpace existing technologies - Ongoing digitalisation and automation demand continuous technology adoption and seamless integration	- Operational inefficiencies and higher maintenance costs - Loss of competitiveness and customer dissatisfaction - Increased exposure to cybersecurity and data integrity risks	- Investments in smart grid upgrades, drone-based inspections, and IoT-enabled monitoring - Deployment of AI-driven analytics and digital twin solutions - Internal innovation platforms such as MISA and SafeX - Strategic partnerships with technology providers and research institutions

From the Whole-time Director and CEO's Desk

Executing India's Energy Transition

India's evolving energy landscape is redefining the scale and sophistication of infrastructure development. Meeting this moment requires faster expansion of critical networks supported by intelligent systems that strengthen reliability and efficiency.

Our journey has been built on developing critical energy infrastructure. Today, that foundation is evolving toward a broader role in enabling India's energy transition. As we continue to expand our infrastructure platform, our strategic direction is increasingly centred on delivering integrated energy solutions for a transitioning power ecosystem.

Execution remains the central driver of this progress. During the year, disciplined project delivery and operational control translated into tangible milestones across our portfolio. Transmission assets moved into operation, strengthening network capacity. Smart metering scaled rapidly across multiple states. Distribution operations continued to deliver consistent performance, while new energy services began to gain traction. These outcomes reflect the strength of our execution platform and the growing role of digital systems in managing infrastructure at scale.

**Execution defines outcomes.
It determines whether scale
delivers value.**

- Kandarp Patel

Scaling Transmission

India's energy transition is creating one of the world's largest opportunities for transmission infrastructure. As renewable capacity expands rapidly and power flows increasingly move across regions, resilient and high-capacity networks are becoming critical to maintaining grid stability and enabling reliable power delivery. With nearly one-fifth of India's private transmission network under our portfolio, we remain well-positioned to support this transition through disciplined execution and operational excellence.

During the year, we strengthened execution momentum with the commissioning of five transmission projects, beginning in the first quarter with Sangod Transmission, Khavda Phase-II Part-A and the Khavda Pooling Station - 1. Execution progress continued with additional network additions of the North Karanpura transmission line. The year culminated with the commissioning of the landmark Mumbai HVDC project, a key milestone enhancing grid resilience and clean energy inflows into the Mumbai Metropolitan Region.

Transmission infrastructure is built across diverse terrains, agricultural land, forest corridors, and critical infrastructure crossings. Delivering projects in such environments demands strong engineering capability, disciplined project management, and effective stakeholder coordination. Our operating systems and processes are designed to manage these complexities effectively.

Technology continues to accelerate infrastructure delivery. Mechanised tower erection, drone-based conductor stringing, and digital monitoring systems are helping improve project speed, safety, and cost control. At the same time, grid modernisation initiatives and



Digital intelligence is increasingly shaping how energy infra solutions are delivered.



advanced transmission technologies are strengthening the network's ability to absorb rising renewable energy flows.

Operational performance remained strong during the year. Average system availability maintained at 99.7%, supported by robust O&M practices. High line availability translated into incentive income of ₹ 136 crore in FY 2025-26, reflecting disciplined asset management.

We continued to expand our growth runway through selective project wins. The KPS-III (Khavda South Olpad) HVDC and South Kalamb Power Project win increased our transmission under-construction pipeline to ₹ 71,779 crore across 13 projects. With near-term bidding opportunities and expanding demand from industrial growth and emerging digital infrastructure such as large-scale data centres, the sector offers strong long-term visibility.

Strengthening the Distribution Platform

Our distribution business continues to anchor the platform. Stable operations, disciplined capital deployment, and consistent network management provide a

reliable base for long-term value creation. As of FY 2025-26, Adani Electricity Mumbai Limited's Regulated Asset Base (RAB) stood at ₹ 10,521 crore, reflecting 10% y-o-y increase. The progress strengthens our foundation to develop adjacent capabilities across the portfolio and move closer to customers through integrated energy solutions.

We have evolved our Energy Solutions Platform business into an end-to-end energy management platform, helping enterprises optimise power sourcing across multiple energy streams, including grid supply, renewables, and captive generation. Regulatory expertise, digital tools, and energy portfolio management capabilities enable us to support customers in improving cost efficiency while advancing their transition towards greener energy consumption.

Digital intelligence is increasingly shaping how these solutions are delivered. Data-led forecasting, demand optimisation, and automated energy management systems are enabling more efficient power allocation and improved planning. These capabilities allow us to design energy solutions to meet the



During the year, we achieved a significant milestone with the installation of more than 10 million smart meters across multiple states.

evolving consumption patterns and regulatory dynamics.

Our integrated ecosystem across generation, transmission, and distribution further strengthens our ability to deliver reliable energy solutions at scale. Leveraging this platform, the business currently services an aggregate load of around 1,789 MW across Adani portfolio companies and external customers, with a clear pathway for continued growth.

Advancing Digital Energy Infrastructure

Smart metering has emerged as a critical pillar in the digital transformation of India's power sector. During the year, we achieved a significant milestone with the installation of more than 10 million smart meters across multiple states. Execution at this scale requires robust systems and disciplined processes. Digital platforms now support every stage of the deployment cycle, from planning and resource management to installation, quality control, and ongoing service monitoring. The capabilities enable us to maintain strong governance, high installation accuracy, and efficient asset management while operating across diverse geographies.

Beyond execution, smart meters are laying the groundwork for

the next phase of power sector innovation. The data generated through these systems enable utilities to implement dynamic tariffs, improve demand-side management, and create new energy market opportunities. Over time, these capabilities will allow consumers to participate more actively in energy ecosystems through mechanisms such as peer-to-peer power exchange and flexible consumption models.

Expanding Next-generation Energy Services

Cooling demand is expected to grow rapidly as urbanisation accelerates and climate patterns evolve. Conventional cooling systems, if deployed at scale, could significantly increase electricity demand and place additional pressure on power infrastructure. Cooling systems present a more sustainable alternative by centralising cooling production and delivering it efficiently across multiple buildings and urban developments.

We have built early capabilities in this emerging segment. Following the successful pilot at Shantigram, Ahmedabad, we have expanded our cooling portfolio to approximately 76,000 TR (Tonne of Refrigeration) under implementation, including the development of one of India's largest cooling facilities at Mundra.

A growing pipeline of projects across airports, large townships, and commercial developments further strengthens long-term visibility for this business.

Technology will play an increasingly important role in this segment. Advanced monitoring platforms, digital twins, and AI-driven optimisation tools are being integrated into our cooling systems to enhance operational efficiency and enable predictive demand management. The capabilities will allow us to deliver reliable, energy-efficient cooling solutions for large-scale urban developments.

As awareness and policy support for sustainable urban infrastructure continue to grow, cooling solutions is expected to become an important component of future city planning. Adani Energy Solutions is well-positioned to participate in this transition by combining infrastructure capabilities with intelligent system design.

Execution with Robust Performance

Financial performance during the year reflected the cumulative impact of disciplined execution across the portfolio. Total income reached ₹ 28,325 crore during FY 2025-26, representing a year-on-year growth of 16%. This growth was supported by stable operating performance across businesses and higher service concession arrangement income as commissioned assets began contributing.

Operational revenue strengthened as execution translated into earnings. The operational revenue rose to ₹ 18,296 crore during the period, driven by contributions

from recently operationalised transmission assets and the expanding smart metering base. Assets moved from construction to revenue generation in a planned manner, improving earnings visibility and reducing volatility.

Operating momentum flowed through to profitability. EBITDA recorded double-digit growth, supported by strong performance in transmission and smart metering and steady contribution from distribution and other segments. Transmission margins improved further, with operating EBITDA margins reaching 92%, reflecting asset quality and disciplined O&M practices. Adjusted profit after tax increased by 32% to ₹ 2,393 crore, reflecting the underlying strength of earnings after normalising for prior-period tax impacts.

Strong operating performance was complemented by efficient capital management. We continued to maintain access to long-tenor, low-cost capital aligned with asset lives, supporting predictable cash flows and balance sheet resilience. Our capital framework prioritises duration matching, funding diversity, and cost optimisation. This discipline underpins our international investment grade ratings of BBB-/Stable from Fitch,

Baa3/Stable from Moody's and BBB+/Stable from Japan Credit Rating Agency, reinforcing lender confidence and financial flexibility. These strengths allow us to fund growth at scale while preserving credit quality and long-term stability.

Responsible Growth

Growth at our scale demands responsibility in execution. Safety remains a non-negotiable priority across operations. During the year, we strengthened safety culture through structured training, digital monitoring, and consistent engagement at project sites. More than ~2 lakh man-hours of safety training were conducted during FY 2025-26. Our focus on near-miss reporting, safety dialogues, and preventive audits continues to reinforce awareness and accountability across operations.

Our approach to sustainability is anchored in governance and measurable outcomes. We operate within a clearly defined ESG framework aligned with global standards, including IFRS S1 and S2, the Integrated Reporting Framework, GRI, and the UN Sustainable Development Goals. During the year, we sustained progress across environmental priorities. Renewable energy share has been increased in the total power procurement. GHG emission intensity reduction targets have been achieved ahead of schedule. Zero waste to landfill and single-use plastic-free operations are maintained across operational sites. Water stewardship initiatives have enabled net water positive status across locations.

Our social initiatives focus on education, healthcare, livelihoods, and women's empowerment across operating regions. Structured programmes in skill development, community health, and access to education continue to support long-term social outcomes, aligned with national priorities and UNSDG 2030.

Strong governance underpins these efforts. Board-level oversight through dedicated committees, independent assurance mechanisms, and enhanced disclosures reinforce accountability. Improvements in ESG ratings reflect the progress made in disclosures, practices, and assurance.

Staying the Course

Looking ahead, our priorities remain clear. We will continue to execute with discipline, strengthen our operating platform, and allocate capital with intent. The visibility created through commissioned assets, robust pipelines, and strong balance sheet fundamentals providing confidence in our path forward.

As India's energy system evolves, our focus will remain on delivery, reliability, and responsibility. These principles guide how we grow, how we manage risk, and how we create long-term value for all stakeholders. With strong systems, committed teams, and clear accountability, we are well-positioned to sustain momentum and progress with confidence.

Kandarp Patel

Whole-time Director and
Chief Executive Officer
Adani Energy Solutions Limited



As India's energy system evolves, our focus will remain on delivery, reliability, and responsibility.

Strategic Priorities

Scaling Infrastructure Through Intelligence

Our strategic priorities are shaped by a clear intent to accelerate infrastructure development while embedding intelligence across every layer of our operations. Scale reflects the ability to design, build, and operate networks with efficiency and data-led insights determines long-term value. We focus on disciplined execution, asset-led expansion, and the integration of intelligent systems that enhance decision-making and performance. Safety, sustainability, and governance remain integral to this approach, ensuring that growth is resilient and responsible. This strategic direction enables us to respond effectively to a dynamic external environment while delivering consistent, long-term value.

Capitals



Financial
Capital



Manufactured
Capital



Intellectual
Capital



Human
Capital



Social and
Relationship Capital



Natural
Capital

Material Topics

M1 Biodiversity and Habitat Management
M2 GHG Emissions & Climate Change
M3 End Use Efficiency and Demand
M4 Water and Effluent Management
M5 Occupational Health & Safety
M6 Customer Relationship Management
M7 Employee Engagement

M8 Diversity, Equity and Inclusion
M9 Energy Access & Affordability
M10 Human Capital Development
M11 Community Relations
M12 Business Ethics and Transparency
M13 Supply Chain Management
M14 Economic Performance

M15 Public Policy & Advocacy
M16 Grid Resiliency
M17 Digitisation, Data Privacy & Information Security
M18 Product Quality & Safety
M19 Labour Practices & Human Rights
M20 Waste Management

Risks

R1

Macroeconomic
risk

R2

Cybersecurity
risk

R3

Reputational
risk

R4

Right of Way (RoW)
risk

R5

Climate
risk

R6

Obsolescence of technology
leading to non-availability of
spares and service

R7

Biodiversity
risk

R8

Failure of climate
change adaptation

Strategic
Priority **#1**

Safety Culture

Actions Taken in FY 2025-26

During the year, we strengthened our safety culture through leadership engagement, capability building, and disciplined execution across projects and operations. Higher safety observations and near-miss reporting, along with timely closure of corrective actions, reflect stronger ownership and leadership presence at sites.

Governance Leadership and Risk Management

- Expanded Visible Felt Leadership and structured safety reviews
- Reinforced ISO 45001 through audits
- Updated HIRA and JSA for critical activities
- Strengthened Permit to Work and LOTO controls

Operational Excellence Across People Partners and Digital Systems

- Strengthened contractor prequalification and onboarding
- Standardised safety practices across EPC partners
- Conducted targeted training on key risk areas
- Deployed ePTW digital LOTO AI PPE monitoring drones and sensors

Occupational Health Preparedness and Continuous Improvement

- Conducted medical surveillance and wellness programmes
- Strengthened emergency preparedness and mock drills
- Embedded root cause analysis into SOPs

Way Forward

Short Term

- Achieve 100% ISO 45001 recertification across sites
- Expand digital PTW/LOTO coverage and real-time leading safety indicators
- Introduce structured contractor safety passport and simulator-based training

Medium Term

- Establish an integrated digital safety ecosystem with predictive analytics
- Strengthen contractor capability maturity assessment
- Deploy wearables and advanced occupational health analytics

Long Term

- Transition towards a High Reliability Organisation (HRO) model
- Leverage automation, robotics and design stage safety analytics to eliminate high risk exposure
- Embed a 'Culture of Care' across leadership and workforce

KPIs Tracked

2 (Contract)

- Fatalities and road accidents reported

11,857

- Rounds of safety interactions conducted Suraksha Samwaad

1/0.28

- LTI/LTIFR

60,605

- Participants trained on various safety aspects

2,24,723

- Safety training hours

3,048

- Safety training sessions conducted

Capitals Deployed



Risks

R2	R4	R5
R6	R7	R8

Material Issues

M5	M9	M18
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Strategic
Priority

#2

ESG Integration

Actions Taken in FY 2025-26

Board and Governance

- 25% women directors and 50% independent directors
- Strengthened Corporate Responsibility Committee with an additional independent director

Embedding ESG into Core Strategy

- Integrated ESG into product design, supply chain, capital allocation, risk frameworks and policy advocacy
- Revised ESG policies to strengthen integration across processes

Resource Stewardship

- Maintained Water Positive and zero waste to landfill status
- Renewable energy share in Mumbai reached to 65.92%*
- Carried-out Water Risk Assessment & rainwater harvesting feasibility study and implemented water metering across all sites

Stakeholder Engagement and Transparency

- Strengthened engagement and disclosure of ESG goals and progress
- Improved S&P Global ESG score to 81 from 73; ranked in top decile of global utilities

Frameworks and Recognition

- Adopted IFRS S1 and S2 for disclosures
- Continued inclusion in FTSE4Good with ESG score of 4.4

Way Forward

Short Term

- Increasing renewable energy share to 60%
- Maintain Single Use Plastic Free, Water Positive & Zero waste to Land fill Certification for all operational sites
- Zero Fatalities
- Reduce T&D losses as per plan
- GHG Emission reduction as per plan
 - Scope 1+2 Reduction
 - Scope 3 reduction
- Water intensity reduction

Long Term

- Maintain zero operational fatalities
- Increasing renewable energy share to 70%
- Maintain Single Use Plastic Free, Water Positive & Zero waste to Land fill Certification for all operational sites
- Reduce T&D losses as per plan
- GHG Emission reduction as per plan
 - Scope 1+2 Reduction
 - Scope 3 reduction
- Water intensity reduction

⊕ Read more about our ESG goals and achievements on **Pg. 150**

KPIs Tracked

84.2%

— GHG emissions intensity reduction

4.4% / 3.6%

— Women in new hires & total workforce

Net water positive and Zero-Waste-to-Landfill

— Certification received for all operational sites

99% and 16.8%

— Of total procurement from local suppliers and MSMEs

65.92%*

(with REC's)
— Renewable energy share in Mumbai's overall electricity distribution mix

Capitals Deployed



Risks

R2	R3	R5
R6	R7	R8

Material Issues

M1	M2	M4	M5
M8	M10	M12	M20

*This includes 3,224.23 MUs procured (equivalent to 28.38%) for past period RPO compliance as per MERC.

Strategic
Priority **#3**

Efficient Capital Allocation and Execution Strategy (Transmission)

Actions Taken in FY 2025-26

- Institutionalised execution discipline through PMAG with standardised governance, milestone tracking and risk oversight
- Managing ₹ 71,779 crore transmission pipelines through phased execution, schedule monitoring and stakeholder coordination
- Ensured capital discipline through a defined risk-reward investment framework aligned to regulated returns
- Strengthened delivery through tighter cost controls, improved vendor oversight and cross-project learnings

Way Forward

Short Term

- Accelerate execution of the under-construction portfolio through tighter schedule controls and resolution of right-of-way and statutory clearances
- Further strengthen PMAG-led assurance mechanisms and digital project monitoring tools

Medium Term

- Scale up execution capabilities to support a growing transmission opportunity pipeline
- Enhance standardisation, modularisation and vendor ecosystem depth to improve capital efficiency

Long Term

- Build a resilient, scalable transmission platform anchored in disciplined capital allocation, predictable returns and execution excellence
- Sustain leadership position in regulated transmission through consistent portfolio renewal and operational maturity

KPIs Tracked

₹ 8,793 crore

— Capex deployed during FY 2025-26

₹ 4,767 crore

— Operational EBITDA

15.5%

— Regulated equity return

Capitals Deployed



Risks

R1

R5

R8

Material Issues

M3

M13

M14

M16

Efficient Capital Allocation and Execution Strategy (Distribution)

Actions Taken in FY 2025-26

- Capex of ₹ 1,883 crore has been funded completely through internal accruals

Way Forward

Short Term

- Planned upgrades across budget automation, image and thermal analytics, CRM, GenAI Customer Care Center (CCC), and Smart Pillars implementation

Medium Term

- Target end-to-end integration of WMS, CLPS, ROW and KRONOS for faster execution and compliance
- Planned rollout of an enterprise-wide application platform

Long Term

- Advanced Metering Infrastructure to provide for two-way communication system
- Optimisation of network design

KPIs Tracked

₹ 1,883 crore

— Capex deployed during FY 2025-26

2,108

— Operational EBITDA

15.5%

— Regulated equity return

Capitals Deployed



Risks

R1

R5

R8

Material Issues

M3

M13

M14

M16

Efficient Capital Allocation and Execution Strategy (Smart Metering)

Actions Taken in FY 2025-26

- Migrated the in-house teams from a monthly salaried model to an SLA-driven per-meter compensation model with performance incentives
- Onboarded O&M agencies at Circle / Division level
- Secured AMISP project under AEML

Way Forward

Short Term

- Onboarding major vendors under the EPC model to streamline project execution and enhance delivery efficiency
- Implementation of AI/ML-based automated consumer indexing

Medium Term

- Development and deployment of Agentic AI based use cases for Digitisation of business operation and monitoring optimisation.

KPIs Tracked

₹ 3,556 crore

— Capex deployed during FY 2025-26

₹ 452 crore

— Operational EBITDA

Capitals Deployed



Risks

R1

R5

R8

Material Issues

M3

M13

M14

M16

Strategic
Priority **#4**

Portfolio of Efficient Operating Assets (Transmission)

Actions Taken in FY 2025-26

- Operated a diversified portfolio of 20,023 ckm lines and 49,400 MVA capacity
- Expanded order book to ₹ 71,779 crore with two new projects, strengthening revenue visibility
- Commissioned four transmission lines, enhancing network capability
- Delivered EBITDA margin of 92% through high availability and cost discipline
- Sustained stable operations of key assets, including HVDC and 765 kV projects

Way Forward

Short Term

- Maintain high availability through predictive maintenance, digital monitoring and reliability initiatives
- Ensure timely commissioning and integration of ongoing projects

Medium Term

- Scale asset base through disciplined commissioning and portfolio additions
- Enhance efficiency through standardisation, automation and data-led asset management

Long Term

- Strengthen leadership with a resilient, high-availability portfolio
- Leverage advanced analytics to drive reliability, efficiency and stakeholder value

KPIs Tracked

99.7%

— Transmission system availability

49%

— Reduction in trippings in our existing assets

62%

— Reduction in system downtime compared to last financial year

Capitals Deployed



Risks

R2

R5

R6

R7

R8

Material Issues

M2

M9

M14

M16

Portfolio of Efficient Operating Assets (Distribution)

Actions Taken in FY 2025-26

- Installed 257 Class-A power quality meters across 33/11 kV DSS
- Deployed sheath current monitoring across key EHV cable sections
- Installed 12 PMUs for real-time grid visibility and stability
- Implemented URJA and Kartavya apps to improve field efficiency

Way Forward

Short Term

- Expand insulation coating across 11 kV busbars and accessories
- Implement IIT-Ropar recommendations for vulnerable EHV joints
- Roll out smart meter-based street light operations
- Scale abnormality detection across LT and street light networks
- Expand image analytics for proactive network monitoring

Medium Term

- Intend to expand smart meter-based abnormality detection to cover entire LT and street light networks.

Long Term

- Enhance and digitise stakeholder engagement and awareness initiatives to promote responsible electricity usage and reduce losses

KPIs Tracked

10,584/1,375 MUs

— Total unit sold (AEML/MUL)

4.2%/1.9%

— Distribution loss (AEML/MUL)

99.998/99.97%

— Electrical distribution system reliability (AEML/MUL)

Capitals Deployed



Risks

R2	R5	R6
R7	R8	

Material Issues

M2	M9	M14	M16
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Portfolio of Efficient Operating Assets (Smart Metering)

Actions Taken in FY 2025-26

- Delivered EBITDA margins of 78% in the smart metering segment
- Maintaining industry-leading daily smart meter installation run rate
- Migrated the in-house teams from a monthly salaried model to an SLA driven per meter compensation model with performance incentives

Way Forward

Short Term

- Maintain steady progress across ongoing projects
- Achieve SLA targets as per RFP requirements
- Strengthen O&M for reliability and service quality

Medium Term

- Expand Partner-led execution for faster delivery
- Implement AI / ML, agentic AI-based use cases for enhancing DISCOM efficiency

Long Term

- Deploy home automation systems to enhance efficiency, safety and energy management

KPIs Tracked

98%

— System availability reached

11.4 million

— Meters installed

24.6 million

— Total order booked

10

— No. of contracts

Capitals Deployed



Risks

R2

R5

R6

R7

R8

Material Issues

M2

M9

M14

M16

Strategic
Priority

#5

Robust Financial Profile (Transmission)

Actions Taken in FY 2025-26

- Maintained investment grade ratings (BBB-/Baa3)
- Executed liability management through senior notes buyback
- Strengthened funding diversification and balance sheet discipline
- Delivered >99% network availability, supporting incentive realisation
- Shifted to SLA-linked per meter compensation with performance incentives

Way Forward

Short Term

- Maintain strong liquidity and predictable cash flows
- Ensure DSCR above 1.1-1.2x
- Sustain >98% availability to secure fixed charges

Medium Term

- Maintain strong DSCR and liquidity
- Sustain >99% availability
- Balance capital structure and counterparty risk
- Drive efficient O&M costs

Long Term

- Achieve regulated returns of around 15.5%
- Ensure lifecycle asset management and capex discipline
- Maintain low O&M costs with availability-linked incentives
- Optimise capital structure with adequate equity cushion
- Sustain strong collection efficiency and liquidity

KPIs Tracked

₹ 5,214 crore

— Operational Revenue

₹ 4,767 crore

— Operating EBITDA

₹ 1,351 crore

— PAT

Capitals Deployed



Risks

R1

R2

R3

R5

R6

R7

R8

Material Issues

M9

M13

M14

M16

M17

*EBITDA excluding other income, since other income is not allocable to segment

Robust Financial Profile (Distribution)

Actions Taken in FY 2025-26

- During the financial year AEML has repaid QIA sub-debt of USD 84 million (₹ 599 crore)

Way Forward

Short Term

- Tighten Financial Controls & Monitoring
- Reduce finance costs through loan repayment
- Strengthen receivables management

Medium Term

- Maintain and improve credit ratings
- Build Stable and Predictable Earnings
- Working Capital Normalisation
- Strengthen Financial Governance & Risk Resilience

Long Term

- Disciplined Long-Term Capital Allocation
- Improve asset-hardening through capitalisation
- Digital & Capability-Led Transformation

KPIs Tracked

₹ 12,450 crore
— Operational revenue

₹ 430 crore
— PAT

₹ 2,108 crore
— Operating EBITDA

Capitals Deployed



Risks

R1	R2	R3	R5	R6
R7	R8			

Material Issues

M9	M13	M14	M16	M17
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Robust Financial Profile (Smart Metering)

Actions Taken in FY 2025-26

- Strengthened liquidity through working capital Facility ensuring steady cash inflows and improved working capital efficiency.
- Refinancing of working capital through securitisation to enhance the debt profile and improve overall cash flow management.
- Investment grade ratings AA-.

Way Forward

Short Term

- Maintain steady progress across projects and meet SLA targets
- Onboard key partners to improve execution
- Secure new AMISP contracts
- Upskill technicians and strengthen onboarding processes

Medium Term

- Onboarding of key O&M partners for efficient field operations and partner development

Long Term

- Implementation of Home automation system to enable monitoring, control, and automation for improved convenience, safety, and energy efficiency

KPIs Tracked

₹ 549 crore
— Operational Revenue

₹ 408 crore
— PAT

₹ 452 crore
— Operating EBITDA

Capitals Deployed



Risks

R1

R13

Material Issues

M9

M13

M14

M16

M17

**Strategic
Priority #6****Business Excellence****Actions Taken During FY 2025-26**

- Strengthened the Integrated Management System with successful ISO re-certifications and zero non-conformities.
- Business Process Re-engineering through As-Is/ To-Be mapping for critical processes across the value chain, embedding Gen AI, RPA & automation.
- Scaled workplace excellence through Adani Workplace Management Systems (AWMS)/5S deployment across 48 sites,
- Promoted innovation and capability building through Knowledge Mall replication, cross-BU collaboration and external recognition

Way forward**Short Term**

- Strengthen BE Maturity framework across Adani Energy Solutions.
- Strengthen governance through standardisation of SOPs, and integration workflows
- Upgrade sites through AWMS-5S accreditation ladder, targeting >80% zone wise scores
- Continue structured capability building through Lean Six Sigma, ABEM assessors and ISO auditors.

Medium Term

- Achieve Advanced Maturity Level across the Adani Energy Solutions businesses.
- Embed strategy deployment and Balanced Scorecard across all functions
- Complete end to end digital integration across BD, Projects and O&M, with predictive maintenance, drone based inspections and digital twins
- Scale metaverse based learning and multi skilled workforce development

Long Term

- Institutionalise a self sustaining Business Excellence culture across Adani Energy Solutions
- Position Adani Energy Solutions as a global benchmark in O&M reliability, workplace excellence, digital transformation and safety leadership
- Aspire for global excellence recognitions such as EFQM, Deming Prize and international Business Excellence awards

KPIs Tracked**7 ISO Standards**

- Attained under Integrated Management System (IMS), with accreditations completed as per TUV standard requirements

98

- Certified Lead/ Internal auditors have been developed for Implemented ISO standards

261

- Workforce upskilled, Lean Six Sigma, Kaizen & Quality Circles

15

- Certified ABEM assessors developed to assess the process & result maturity

Capitals Deployed**Risks**

R3	R4	R5	R6
R7	R8		

Material Issues

M6	M11	M12	M19
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Strategic
Priority **#7**

Digitalisation and Innovation

Actions Taken in FY 2025-26

- Introduced GenAI-based customer service across chat, email and voice channels
- Deployed asset health indexing for proactive maintenance of transmission assets
- Improved demand scheduling through analytics-based forecasting
- Implemented mobile app-based quality inspections for better site visibility and tracking
- Deployed automation bots across key functions to enhance efficiency and productivity
- Achieved 89% e-payment penetration in Mumbai distribution

Way Forward**Short Term**

- Digitalise O&M and project activities to improve efficiency
- Establish a single source of truth for better data consistency and decisions
- Expand AI adoption and sensorisation

Medium Term

- Digitalise Cooling Solutions operations to improve efficiency
- Deploy AI-led solutions in engineering design

Long Term

- Launch mobile app for Cooling Solutions customers
- Drive agentic automation across high-impact areas

KPIs Tracked**100%**

- Asset health indexing for critical asset grid are monitored through AHI platform

800

- BitSight Cybersecurity Score Up from 770, reaching the 'Advanced' tier

43

- AEML Net Promoter Score (NPS) A remarkable surge from 19

91%

- Smart Meter Reading Efficiency Improved from 76% at AEML.

Capitals Deployed**Risks**

R2

R3

R4

R6

Material Issues

M6

M17

M18

Strategic
Priority **#8**

Capacity & Capability Building

Actions Taken in FY 2025-26

- Strengthened leadership continuity and governance through an experienced Board and management team
- Advanced workforce structure to improve agility, accountability and decision-making
- Progressed future-ready workforce models including GCCs, PLPBC and strategic partnerships
- Strengthened succession planning aligned with long-term business needs
- Enhanced technical capability, including plans for a dedicated training facility
- Scaled digital HR and talent analytics for competency assessment and workforce planning

Way Forward

Short Term

- Complete succession planning and strengthen successor readiness
- Operationalise workforce partnership models
- Accelerate capability building through structured learning

Medium Term

- Build scalable workforce models (GCCs, PLPBC and strategic partner models as extensions of the internal workforce) supported by digital learning, internal centres of excellence and future-skill pipelines
- Strengthen leadership development and internal mobility

Long Term

- Establish a future-ready talent ecosystem to support growth and new business models
- Sustain high capability, engagement and leadership continuity

KPIs Tracked

89%

— Succession planning for 70 critical positions

100%

— Competency mapping & career planning

98%

— Of employees covered on Skill upgradation

Capitals Deployed



Risks

R3

Material Issues

M7**M8****M10**

Key Performance Indicators

Consistently Achieving New Performance Peaks

Operational Revenue

(₹ crore)

FY26	18,296
FY25	17,057
FY24	14,217
FY23	12,149
FY22	10,184

Commentary: Operational revenue demonstrated strong and consistent growth over the period, driven by sustained performance across core business segments.

Operating EBITDA

(₹ crore)

FY26	7,407
FY25	6,571
FY24	5,696
FY23	5,341
FY22	4,659

Commentary: Operating EBITDA improved, reflecting stable asset availability, better operating discipline, and a balanced contribution from all business lines.

EBITDA

(₹ crore)

FY26	8,726
FY25	7,746
FY24	6,323
FY23	6,101
FY22	5,493

Commentary: EBITDA strengthened on the back of robust operational performance and efficiencies across the integrated asset base.

ROCE

(%)

FY26	8.72
FY25	9.12
FY24	8.98
FY23	9.57
FY22	9.72

Commentary: ROCE remained broadly stable over the period, with a marginal moderation reflecting ongoing investments and capital deployment towards future growth.

Gearing

FY26		1.84
FY25		1.75
FY24		2.70
FY23		2.66
FY22		2.71

Commentary: Gearing moderated further, reflecting disciplined capital management and healthy internal accruals.

Cash Profit⁽²⁾

(₹ crore)

FY26		4,700
FY25		4,292 ⁽⁴⁾
FY24		3,257
FY23		3,411
FY22		3,039

Commentary: Cash profit performance demonstrates the Company's robust cash-generating capability from its stable business operations

Notes:

Gearing Ratio: Total Debt/Total Equity

ROCE: Total EBIT/Capital Employed

⁽¹⁾ Adjusted PAT excludes one time and exceptional items.⁽²⁾ Cash profit calculated as PAT + Depreciation + Deferred Tax + MTM option loss.⁽³⁾ For the Net Debt to EBITDA calculation, net debt here refers to total long-term debt at the hedge rate excluding shareholders affiliated debt and adjusted for cash & cash equivalent bank balance, current & non-current investments, balances held as margin money or security against borrowings divided by reported EBITDA.⁽⁴⁾ Adjusted for an exceptional item due to carve-out of the Dahanu power plant of ₹ 1,506 crore⁽⁵⁾ Adjusted for regulatory income of ₹ 148 crore in T&D segments and net one-time deferred tax reversal of ₹ 469 crore in AEML distribution business**Adjusted PAT⁽¹⁾**

(₹ crore)

FY26		2,393
FY25		1,810 ⁽⁴⁾⁽⁵⁾
FY24		1,196
FY23		1,071
FY22		1,028

Commentary: Adjusted PAT rose, driven by improved earnings across businesses and prudent financial management.

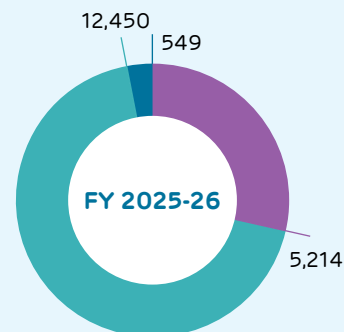
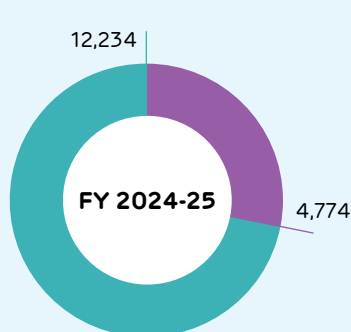
Net Debt to EBITDA⁽³⁾

FY26		4.5
FY25		3.2
FY24		3.8
FY23		4.0
FY22		4.2

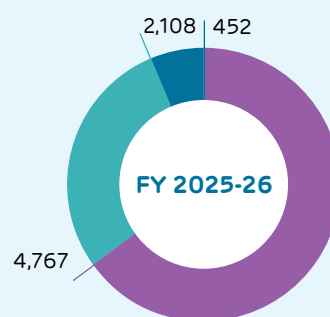
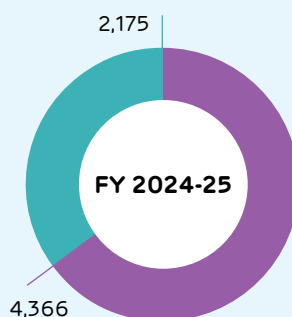
Commentary: Net Debt to EBITDA rose to 4.5x, reflecting accelerated capital deployment towards high-value, long-gestation infrastructure assets; the ratio is expected to improve as the projects commence commercial operations and contribute to EBITDA.

Segment-wise Financial Highlights

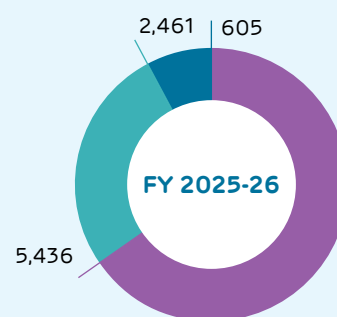
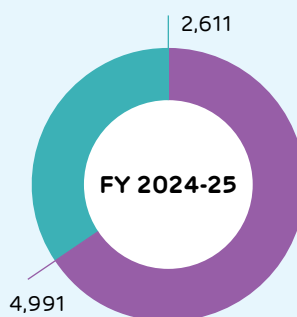
Operational Revenue (₹ crore)



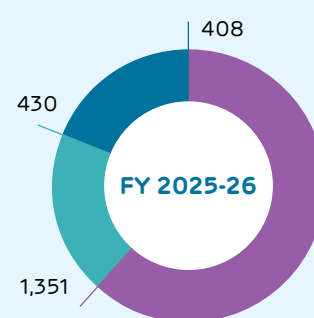
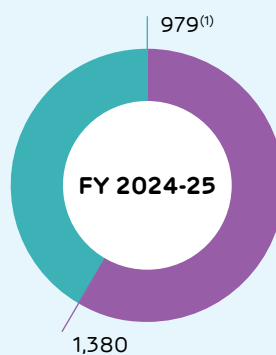
Operating EBITDA (₹ crore)



EBITDA (₹ crore)



PAT (₹ crore)



■ Transmission ■ Distribution ■ Smart Meter

⁽¹⁾Adjusted for an exceptional item due to carve-out of the Dahanu power plant of ₹ 1,506 crore.



This financial year has been a landmark year — a testament to our unwavering commitment to growing with financial discipline. As the Company navigates one of its most capital-intensive phases, we remain steadfast in upholding credit discipline, keeping leverage firmly under control, and executing a robust capital management framework. The results speak for themselves — our execution capabilities have translated sustained capex deployment into a compelling financial trajectory, with operating revenue growing at a CAGR of 16% and EBITDA at a CAGR of 12% over the last four years, validating the strength and resilience of our business model. As we continue to scale, our focus remains unchanged — deliver with discipline, compound with consistency, and create enduring value for all our stakeholders.

Mr Kunjal Mehta
Chief Financial Officer

Business Segment Review

Transmission Vertical

We are one of the largest private sector power transmission companies in India, operating a diversified portfolio of high-voltage AC and DC transmission lines and substations. The network benefits from sustained investments in advanced technologies, supporting high availability and operating performance aligned with global benchmarks. Expansion and modernisation are pursued in parallel, strengthening grid resilience while improving asset reliability and efficiency.



We are accelerating infrastructure at scale—expanding capacity, advancing critical corridors, and embedding intelligence across execution and operations to deliver a resilient, future-ready grid for India's growing energy needs

Mr Kapil Sharma
Head of Transmission Business

Our growth strategy is anchored in the long-term opportunity within India's transmission sector. We have set a **target to develop 30,000 circuit kilometres of transmission lines by 2030**, supported by a disciplined project execution framework. Capital deployment remains focused on sustainable infrastructure development, enabling large-scale renewable integration and enhancing the efficiency and reliability of the transmission system.

27,949 ckm
— Transmission network length added

1,23,175 MVA
— Transformation capacity





Where We Operate

Adani Energy Solutions operates one of India's leading private-sector transmission platforms, with a diversified portfolio spanning inter-state and intra-state transmission systems across multiple regions of the country.

The Company's network extends across 16 states, supported by a geographically distributed asset base enabling reliable power evacuation and grid connectivity.

Adani Energy Solutions manages a significant portfolio of transmission infrastructure comprising transmission lines and substations with high transformation capacity, supporting both conventional and renewable energy flows.

The portfolio includes greenfield transmission projects, system strengthening initiatives, and renewable energy evacuation infrastructure, positioning Adani

Energy Solutions as a key enabler of India's energy transition.

The Company's project pipeline spans operational assets, projects under construction, and planned developments, ensuring sustained scale-up in network length and capacity over the medium term.



Key Highlights in FY 2025-26

₹ 8,793 crore

— Capital expenditure incurred in FY 2025–26, reflecting continued investment momentum and execution strength

799 ckm

— Added transmission operational network during the year

Execution-led Innovation

— Deployment of advanced technologies such as Khavda stringing works drove faster and more efficient project execution

Key Concerns

The transmission sector operates within a dynamic and evolving ecosystem, characterised by multi-layered regulatory processes, large-scale project execution requirements, and strong market participation. The development of transmission infrastructure involves extensive coordination across statutory authorities, land acquisition frameworks, and right-of-way (RoW) alignments, which are inherent to the sector and may influence project timelines and execution sequencing across the industry. At the same time, the sector is supported by an extensive ecosystem of engineering, procurement and construction partners, equipment manufacturers, and skilled workforce, where overall capacity alignment and coordination across stakeholders remain important to ensure timely and efficient delivery.

The transmission business continues to attract robust participation under competitive

bidding frameworks, reflecting its long-term growth potential and contributing to efficient tariff discovery. This evolving competitive landscape is fostering greater operational discipline, innovation, and execution excellence across the sector. Additionally, transmission projects involve multi-stage development processes, including route surveys, engineering validation, and environmental considerations, which, along with diverse geographical conditions and stakeholder interfaces, require integrated planning and execution approaches for seamless project development.

Company's Take

Adani Energy Solutions continues to view transmission as a long-term, structurally resilient business with strong growth visibility, driven by India's evolving energy mix and increasing power demand.

The Company is strategically positioned to benefit from a large transmission investment pipeline,

estimated at significant scale over the coming years, driven by renewable energy expansion and grid strengthening requirements.

Adani Energy Solutions adopts a balanced portfolio approach, combining tariff-based competitive projects, regulated assets, and strategic developments aligned with network expansion needs.

The Company is focused on disciplined bidding, execution excellence, and operational reliability, ensuring sustainable returns while managing competitive intensity.

Continued investment in digitalisation, automation, and centralised grid operations is enhancing asset performance, monitoring, and reliability.

Adani Energy Solutions is strengthening its execution capabilities through partnership models, mechanisation, and advanced construction technologies, aimed at improving efficiency and reducing project timelines.

Our Edge

Project Execution Efficiency

- Advanced project management systems, including IPMS, enable real-time tracking of cost, timelines, and execution progress
- Adaptive deployment of manpower, capital, and supply chain resources supports timely delivery across projects
- Clear approval milestones, structured timelines, and regular reviews help manage execution risks and control cost overruns
- Strong governance through audits, inspections, and adherence to global quality and safety standards
- Strategic planning and resource discipline support consistent achievement of capex targets

Energy Network Operations Centre (ENOC)

- Centralised, technology-led platform enabling remote operations and monitoring across transmission assets
- Major substations onboarded for unmanned operations, controlled remotely from Ahmedabad Corporate House
- Advanced analytics, automation, and security systems enhance operational visibility, control, and surveillance

Long-term Revenue Reliability

- Availability-based tariff structure with concession periods of up to 35 years provides stable and predictable cash flows
- A significant portion of transmission EBITDA is derived from sovereign-rated counterparties, supporting revenue certainty

Operational Efficiency

- Seamless integration of new SPVs into operations through a structured HOTO process
- System reliability strengthened through periodic audits, protection upgrades, and SCADA enhancements
- Digitalised SOPs and standardised protection documentation improve consistency and execution efficiency
- Internal subject matter experts enable faster troubleshooting, knowledge sharing, and operational continuity
- Cybersecurity posture strengthened through external audits and infrastructure upgrades
- Recognised through ISO certifications and national awards, reflecting operational and safety excellence
- Continuous engagement with industry platforms through technical papers and innovation initiatives

Asset Performance Management (APM)

- Unique initiative in Adani for high-voltage assets, enabling data-led asset management decisions
- Transition from condition-based to reliability-centred maintenance improves asset availability and uptime
- Early defect detection and faster response cycles reduce O&M costs and improve lifecycle performance

Technological and Supply-chain Resilience

- End-to-end digital procurement enabled through ARIBA, with API and RPA integration
- Long-term contracts with key suppliers ensure material availability and execution continuity
- Domestic sourcing of OPGW reduces reliance on Chinese OEMs
- Long-term service contracts support uninterrupted O&M activities
- Vendor onboarding strengthened through ESG screening and compliance checks

Business Performance

We drive operational excellence through disciplined capital investment and targeted technology deployment. Automation and digitalisation improve efficiency, reduce losses, and support cost optimisation, strengthening system reliability and long-term performance. Network upgrades integrate resilience considerations to address environmental and operating risks.

The organisation is advancing operational excellence by reinforcing its Operations & Maintenance (O&M) capabilities through the following key initiatives:

Undertook

- Business Process Re-engineering (BPR) to make processes lean, efficient, and scalable, enabling improved agility and standardisation across operations.
- 100% digitisation of end-to-end O&M processes, is in process, ensuring high-quality data capture from a unified "single source of truth," while strengthening governance frameworks and enhancing overall productivity.

Established

- Fully integrated digital systems to facilitate data-driven and system-based decision-making across operational layers.

Implemented

- Asset Performance Management (APM) systems to continuously monitor asset health, enabling a strategic transition from scheduled/preventive maintenance to a more effective Reliability-Centered Maintenance (RCM) approach.

Leveraged

- Advanced technologies such as drones and AI/ML for transmission line inspections, enabling automated defect identification and reducing manual intervention.

Finalised

- Partnership-based O&M delivery model to ensure seamless, uninterrupted operational performance and improved service reliability.

Cost Optimisation

- Enabled remote substation operations through ENOC from day one, eliminating on-site manpower deployment, enhancing safety, and significantly reducing operational costs.
- Leveraged APM and data-driven analytics (online monitoring & historical trends) to transition to Reliability-Centered Maintenance (RCM), optimising maintenance frequency and delivering ~33% reduction in scheduled maintenance activities, resulting in tangible cost savings.

Progress Through Numbers

49%

— Reduction in tripping in our existing assets

62%

— Reduction in system downtime compared to FY 2025-26

13.5%

— Reduction in transmission line transient faults

₹ 71,779 crore

— Total order book as on March 31, 2026

Financial Performance Highlights

	FY 2024-25	FY 2025-26
Revenue from operations	8,317*	9,824
EBITDA excluding Other Income	4,532	5,090
Capex	7,647	8,793

92%

— Operating EBITDA

* The Transmission revenue numbers of FY 2024-25 have been restated due to introduction of Trading and Others segment in operating revenue

Sustainability Performance

65.92%*

— RE share in the electricity procurement mix

⊕ Read more on our sustainability achievements Pg. 149

*This includes 3,224.23 MUs procured (equivalent to 28.38%) for past period RPO compliance as per MERC.

Outlook

India's power transmission sector is entering a high-growth phase, supported by the country's ambitious plan to scale generation capacity to ~900 GW by FY 2035-36, with a strong emphasis on renewable energy. This transition is expected to create a significant investment opportunity of approximately ₹ 6–8 lakh crore in transmission infrastructure, particularly for integrating large-scale solar and wind capacities into the national grid. The sector has already seen robust

momentum, with over ₹ 4.27 lakh crore of projects bid out between FY 2014-15 and FY 2025-26, and continued expansion planned through interstate transmission systems, green energy corridors, and high-voltage direct current (HVDC) networks to enable efficient long-distance power transfer.

The increasing share of renewable energy, especially across states such as Rajasthan, Gujarat, Karnataka, and Andhra Pradesh, is driving the need for enhanced grid flexibility, reliability, and capacity.

At the same time, the shift towards Tariff-Based Competitive Bidding (TBCB) has accelerated private sector participation, improving execution efficiency and cost competitiveness while ensuring long-term revenue visibility through regulated returns. With ongoing additions of transmission lines and transformation capacity, and a strong pipeline of upcoming projects, the transmission sector will continue to play a critical role in ensuring energy security and enabling a seamless energy transition for India.



**CASE
STUDY****Empowering India's Commercial Capital (Mumbai) with Pioneering HVDC Technology****Fueling a Constrained Megacity**

As India's commercial capital, Mumbai's peak power demand continues to surge alongside its vertical growth and mega-infrastructure projects. Currently, the city imports roughly 1,900 MW of power—over 50% of its total requirement—from outside its geographical limits. This heavy reliance on the existing Kalwa and Borivali alternating current (AC) corridors has led to critical congestion and grid vulnerability.

Furthermore, expanding traditional transmission infrastructure within Mumbai is practically impossible due to a severe lack of Right of Way (ROW) for new overhead lines and a densely populated urban landscape. The city urgently required a high-capacity power injection solution with a minimal footprint.

The Solution: A Virtual Generating Station

To address this complex challenge, Adani Energy Solutions spearheaded the development of the 1,000 MW Kudus-Aarey ± 320 kV High Voltage Direct Current (HVDC) link. Operating as a "virtual generating station," this state-of-the-art system injects bulk power directly into the heart of Mumbai's load center.

Navigating the city's geographical constraints, the project utilises approximately 80 kilometers of underground solid-dielectric extruded HVDC cables. Successfully routing a 320 kV cable through Mumbai's cramped underground infrastructure is a major engineering feat, recently recognised and selected for presentation at the prestigious global CIGRE Paris 2026 Session.

Technological Innovations: First-of-its-Kind for this city

This project represents India's first major city-infeed HVDC project utilising Voltage Source Converter (VSC) technology. This cutting-edge approach brings several unique advantages to the Mumbai grid:

- The VSC Modular Multilevel Converter (MMC) technology
- Black Start Capability: Unlike traditional transmission systems, this VSC technology features "Black Start" capabilities. In the rare event of a partial or total grid collapse in Mumbai, the HVDC link can independently restart and restore power rapidly, ensuring the city's resilience.

**Strategic Benefits and Impact**

- Relieving Corridor Congestion
- Unprecedented Grid Stability
- Catalyzing Economic Growth
- Universal Utility Benefit

Accounting for Direct vs. Indirect Impact of People by this HVDC project

- Direct Impact (~12–15 million People): Residents who live directly within the central utility supply zones (Mumbai City & Suburbs) where power fluctuations and the threat of blackouts are completely mitigated.
- Indirect Impact (~5 million People): Floating commuter populations, metro riders, airport travelers, and commercial workforce members who do not live in Mumbai proper but rely on the city's uninterrupted infrastructure daily.

Challenge:

These included navigating a complex urban environment with geographical constraints like creeks and forests, securing Right of Way (RoW) for an 80 km underground and overhead route, and obtaining numerous statutory clearances from multiple authorities in a timely manner.

Mitigation:

Adani Electricity Mumbai Infra Limited (AEMIL) adopted a state-of-the-art technological solution and meticulous project management to overcome these hurdles. The choice of compact VSC-based HVDC technology was crucial as it requires significantly less space than conventional systems. Employing underground cables, though technically demanding, proved to be the most effective strategy to navigate the urban sprawl and minimise public disruption. |

Business Segment Review

Cooling Solutions Vertical

We operate the Cooling-as-a-Service business through Adani Cooling Solutions Limited, a subsidiary of Adani Energy Solutions, under Adani Energy Solutions Limited, to address the structural growth in India's space cooling demand. Cooling requirements in India are expected to rise sharply over this decade, with significant implications for power demand, grid infrastructure, and emissions intensity. Unmanaged growth in cooling loads would place pressure on generation, transmission, and distribution systems while increasing the challenge of meeting Net Zero ambitions.

Our model is built around large, centralised cooling stations that produce chilled water and distribute it through underground networks to end users on a metered, pay-per-use basis. This approach materially reduces electricity and water consumption while lowering lifecycle cooling costs. We serve a diversified customer base spanning commercial and residential buildings, airports, data centres, industrial estates, and infrastructure developments, both within the Adani portfolio and externally across Tier-1 and Tier-2 cities.

~76,000 TR

— Projects set to commission

76,782 TR

— Projects under implementation





Adani Cooling Solutions Limited underwent a remarkable transformation in FY 2025-26, evolving from a single project-entity to a market-leading player with ~76,000 TR of projects under implementation which includes the largest Cooling Plant of India at Mundra and a robust pipeline of ~266,325 TR. What started as a bold vision to address India's cooling gap with sustainable technologies, has today propelled us into a formidable force, powered by our team's dedicated efforts, strategic collaborations with key stakeholders and nation-wide outreach initiatives covering all growth engines of Real estate, Airports, IT hubs, Industrial estates, Data Centers, Metro Rails etc.

Moving ahead, our focus remains on delivering innovative, customer-centric solutions and business models that not only drive operational excellence and long-term value but contributes meaningfully to Adani portfolio's ambitious Net Zero target by 2050. We will continue to invest in scalable, efficient, and environmentally responsible technologies to transform the future of urban space cooling – one that is a smarter and more sustainable.

Mr Bhaskar Sarkar

Chief Business Officer - Cooling Solutions



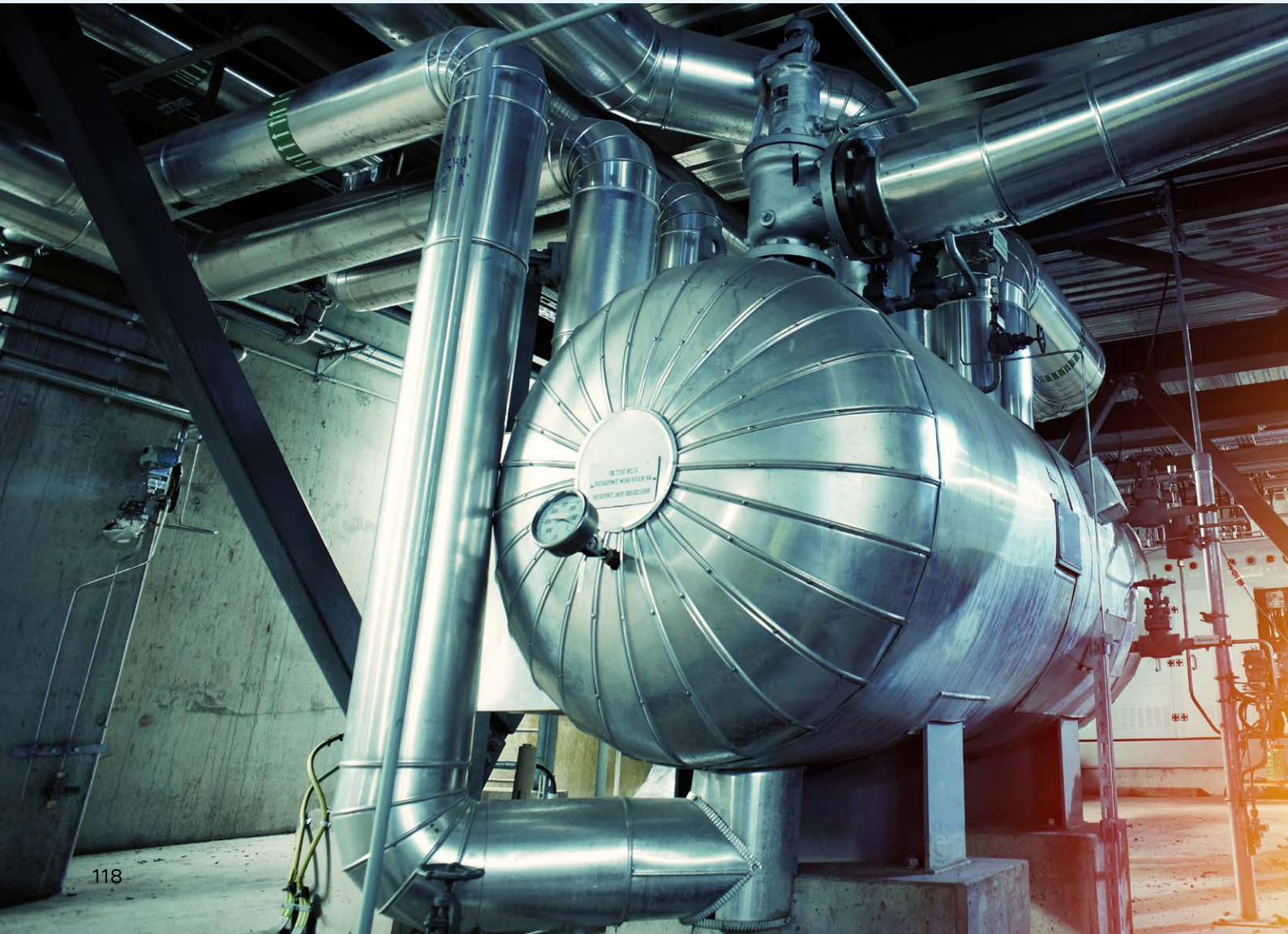
Where We Operate

India's cooling market remains significantly under-penetrated despite strong structural drivers such as rapid urbanisation, rising incomes, expanding real estate, and consistently high ambient temperatures. The country records the highest cooling degree days globally, yet per capita cooling consumption and air-conditioner ownership remain far below global and peer-market levels. This highlights the opportunities to grow in this sector.

Cooling demand is projected to multiply over the next decade,

led primarily by space cooling, which is expected to account for a dominant share of total demand. Meeting this need through conventional, refrigerant-based systems would sharply increase installed tonnage, power generation requirements, and pressure on transmission and distribution networks. Policy frameworks such as the India Cooling Action Plan (ICAP) 2019 and District Cooling Guidelines 2023 therefore emphasise energy-efficient and centralised cooling solutions, including district cooling and thermal energy storage.

District cooling is gradually gaining policy and market attention as a scalable urban solution. Growth in this segment is expected to expand chiller-based installations and support sustainable urban infrastructure. Our joint market study with Cushman & Wakefield also identifies sizeable opportunity across commercial real estate, data centres, airports, industrial parks, and integrated townships, particularly in Tier 1 cities where demand concentration remains high.



Key Highlights in FY 2025-26**8X | 11X**

— Growth in demand expected by 2027-38 in cooling and space cooling respectively

20% CAGR

— Growth in DCS capacity expansion required to meet the critical need for energy-efficient and sustainable centralised cooling and thermal energy storage solutions (Source: ICAP in association & the Bureau of Energy Efficiency)

~43 million TR

— Identified near-term market potential by the joint market study with Cushman & Wakefield

**Key Concerns**

Low penetration remains the primary structural gap, driven by affordability constraints, limited awareness, and fragmented adoption. Rising cooling demand also carries energy and infrastructure implications, including pressure on generation capacity and T&D networks.

Conventional cooling solutions risk higher emissions and energy intensity if growth occurs without efficiency measures. The sector therefore requires scalable, energy-efficient, and sustainable alternatives. Policy frameworks increasingly push for centralised cooling, efficiency standards, and thermal energy storage to manage future demand responsibly.

Company's Take

The evolving cooling landscape presents a strong opportunity for structured and sustainable solutions. Centralised and district cooling models align well with the need for efficiency, scale, and lower environmental impact. Focus areas include commercial spaces, data centres, airports, industrial parks, and integrated townships where aggregated demand supports viable deployment.

Targeted presence in high-demand urban clusters allows a disciplined market approach. Emphasis on efficient technologies, system optimisation, and sustainable cooling infrastructure supports long-term value creation while aligning with national efficiency priorities. Our approach centres on capturing early-mover advantage in a high-growth but under-penetrated sector through scalable and future-ready cooling solutions.

Our Edge

Business Synergies

- Rising cooling demand drives higher energy needs, requiring additional generation and T&D capacity, while centralised cooling and DCS solutions help reduce power consumption, peak demand, and infrastructure costs
- Integrated operations create cross-business efficiencies through optimised infrastructure, lower power procurement and transmission costs, and secure, cost-effective electricity supply for cooling operations
- Thermal energy storage and renewable energy blending support effective demand management and enhance sustainability and affordability of DCS solutions

Indian Market Expertise

- Centralised cooling in India remains at a nascent stage with limited domestic competition and dominance of international players
- Strong understanding of the Indian regulatory and operating landscape supports execution of large and complex projects
- Alignment with the Adani portfolio strengthens contribution to sustainable infrastructure and net-zero ambitions
- Cooling solutions improve grid stability, optimise costs and emissions, reduce peak demand, and ease pressure on distribution networks

Integrated Offering

- Sustainable cooling solutions delivered under a DBFOO model through a Cooling-as-a-Service framework for large developments
- CaaS removes upfront capital expenditure, provides lifecycle metered cooling, and reduces HVAC maintenance requirements
- Advanced technologies enable optimised capital deployment, space utilisation, energy savings, and lower operating costs
- Solutions support reduced carbon footprint and lower water consumption, aligned with green building priorities
- Integration of thermal storage, renewable energy, and STP water enhances environmental performance
- Flexible power sourcing from grid, wholesale markets, or captive sources ensures reliable and tailored solutions
- Combined T&D and cooling expertise enables delivery across commercial real estate, industrial facilities, data centres, and airports



Business Performance

- Advanced construction underway on a ~23,200 TR cooling project under a customer cooling service agreement
- Shantigram Township project in Ahmedabad nearing commissioning, supplying chilled water to the Energy Centre complex
- Chennai project progressing as planned, with Phase 1 commissioning scheduled for FY 2026-27
- Mundra project finalised for a 45,000 TR centralised cooling system serving nearby manufacturing units
- Strong pipeline of ~266,325 TR across real estate, airports, IT hubs, industrial estates, data centres, and metro rail projects
- MoU signed with MAHAPREIT to explore cooling solutions opportunities across Maharashtra and other jurisdictions
- Collaboration focuses on Cooling-as-a-Service for Mumbai Metropolitan Region and other suitable locations

Sustainability Benefits

- Optimise energy consumption and lower related carbon/GHG emissions by 15%-25%, promoting a low-carbon future
- Reducing fire hazard risk as associated with conventional air conditioning systems
- Ensure a healthy microclimate with no heat island effect in buildings

- Reduce freshwater usage by reusing treated wastewater in cooling processes, helping buildings achieve platinum ratings for sustainability
- Water-cooled chillers, housed in a controlled environment with safety measures like refrigerant detectors, reduce refrigerant use and potential leaks and greenhouse gas emissions, thereby lowering ozone depletion potential

Outlook

Entering FY 2025-26, our focus remains on completing marquee projects at Shantigram and Mundra SEZ and advancing conversion of our ~250,000 TR pipeline of centralised cooling opportunities. We continue to evaluate and develop large independent cooling systems on public infrastructure land, including networks under municipal rights of way, serving real estate communities, townships, university campuses, and industrial estates. Strategic capital partnerships will support this scale-up as we build a strong portfolio of viable projects.

Enabling ecosystem development remains equally important. Partnerships with institutions such as AEEE, ASHRAE, and ISHRAE support industry adoption, while leadership in the AHEAD programme in collaboration with DPIIT, the Government of India, and the World Bank helps advance policy and regulatory support. Capability strengthening continues through evaluation of advanced cooling technologies for data centres with international partners and collaboration with consultants and developers to drive innovation and sector development.



Business Segment Review

Smart Metering Vertical

India is transforming its power sector with the installation of over 250 million smart meters, revolutionising energy distribution. In the last year, India's smart meter project has progressed rapidly under the Revamped Distribution Sector Scheme (RDSS). Smart meters, deployed under Advanced Metering Infrastructure (AMI), enable real-time data capture, remote monitoring, and accurate billing, supporting distribution utilities in reducing losses and improving operational efficiency.



Smart metering is not just modernising power distribution—it is transforming the way India manages energy, empowering communities, and paving the way for a resilient and sustainable future.

Mr Pushpendrasinh Zala
CEO - Smart
Metering Business

11.4 million

— Smart meters installed

10

— Contracts

24.6 million meters

— Current orderbook

₹ 29,519 crore

— Revenue potential

103 million meters

— Market opportunity



Where We Operate

India's smart metering sector is undergoing a large-scale digital transformation driven by distribution reforms and the Revamped Distribution Sector Scheme (RDSS). The national push to replace conventional meters with prepaid smart meters reflects a broader shift toward data-driven utilities, improved billing transparency, and reduction of commercial losses.

The sector operates largely under a Total Expenditure (TOTEX)-based framework where private Advanced Metering Infrastructure Service Providers (AMISPs) finance, deploy, and maintain systems over long-tenure contracts, enabling faster rollout without upfront burden on DISCOMs. Residential demand leads deployment, while utilities increasingly rely on smart meters for real-time monitoring, demand management, and operational visibility. The programme also supports sector priorities such as improved supply quality, lower AT&C losses, and narrowing of the ACS-ARR gap.

Key Highlights in FY 2025-26

250 million

— Conventional meters to be replaced with smart meters under the RDSS scheme

Key Concerns

Large-scale smart metering adoption requires continued alignment across utilities, technology providers, and regulators. DISCOM financial sustainability and regulatory support influence investment and rollout momentum. Consumer awareness and adoption readiness also shape implementation effectiveness.

The transition to digital metering ecosystems brings increasing focus on interoperability, cybersecurity, and data privacy. Sustained policy support and ecosystem coordination remain important to realise the full benefits of smart metering for utilities and consumers.

Company's Take

We have built a strong presence in the smart metering space supported by our experience in large-scale infrastructure and digital systems. We work closely with DISCOMs, regulators, and technology partners to support energy modernisation and operational efficiency.

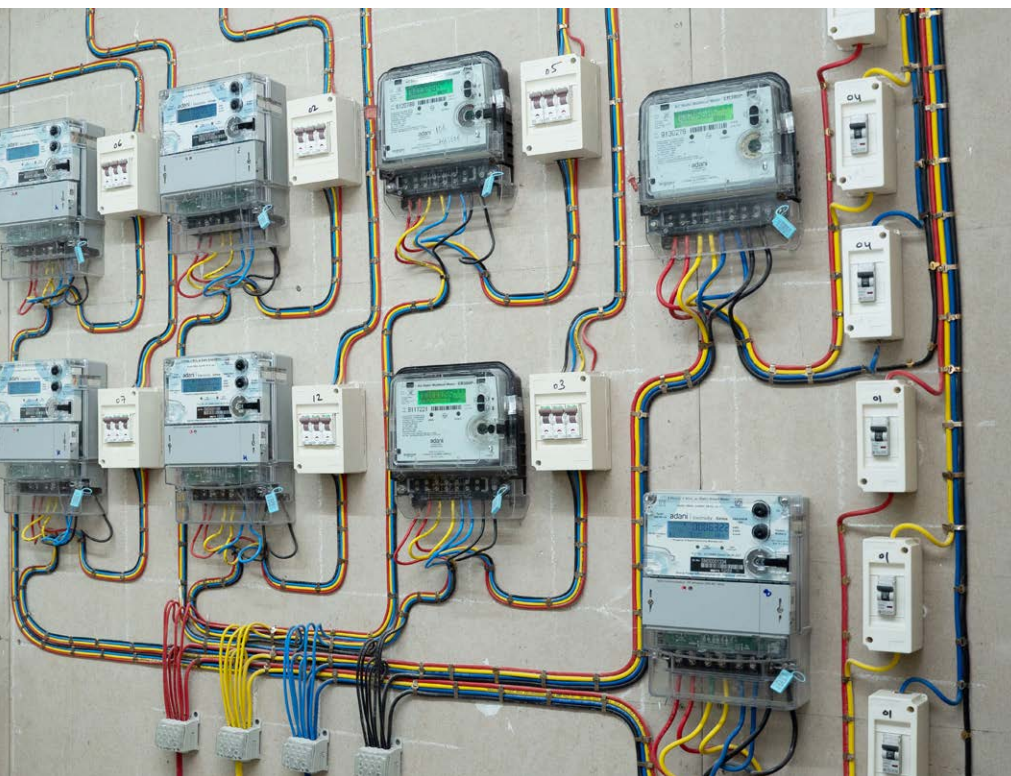
Through a DBFOOT-led service model, we deliver end-to-end solutions covering meters, communication networks, cloud infrastructure, and data management systems. Leveraging its distribution expertise in Mumbai and Mundra, our ecosystem is evolving into an integrated solutions platform, supporting India's goals for efficient and financially stronger distribution utilities.



Smart metering is accelerating India's shift to intelligent, people-centric energy. It empowers millions from different walks of life with real-time visibility, smarter choices, and automated control. By connecting people, devices, and the grid, it builds a more inclusive and resilient digital energy future.

Mr Vaibhav Tandon

CPO - Smart
Metering Business



Our Edge

Business Synergies

- Strong alignment with national energy transition and distribution reform priorities
- Early mover advantage enables market leadership and long-term positioning in a high-growth segment
- Achieved one of the highest single-day installation records among AMISPs at ~40,000 meters
- First AMISP in Andhra Pradesh to cross the 8-lakh smart meter installation milestone
- AI-enabled quality checks and fully automated meter allocation to vendors
- AI-ML tools support automated meter validation and rapid activation
- Technology-led processes recognised at the national level for quality excellence
- Active role in building consumer awareness and shaping adoption of smart metering
- Trusted partner to DISCOMs in reducing losses, strengthening payment security, and improving operational efficiency
- Deep deployment expertise across regulatory alignment, legacy system integration, and DISCOM-specific requirements

Business Performance

Market Leading Position

- Established market leadership with ~19% share in RDSS smart metering projects
- 11.4 million meter smart meters installed as on March 31, 2026, demonstrating large-scale execution capability
- Track record reflects strong operational discipline and technology-led delivery
- Plan to deploy ~25 million smart meters aligned with the national target of 250 million installations
- Capability to manage complex, high-volume deployments with precision and efficiency
- Early-mover advantage supported by strong DISCOM partnerships and robust infrastructure
- Delivery of IoT-enabled smart meters and AMI systems strengthens utility operations
- Trusted partner to utilities in reducing AT&C losses, improving payment security, and optimising grid performance security, and optimise grid operations

Payment Security

- Smart meters enable real-time consumption tracking and automated billing for higher transparency and accuracy
- Reliable billing and revenue collection systems strengthen DISCOM financial discipline
- Prepaid billing, payment alerts, and digital payment integration support timely collections
- Prepaid systems reduce default risks by ensuring balance-linked consumption
- Smart metering helps curb theft, tampering, and metering inaccuracies, supporting AT&C loss reduction
- Data-driven insights improve revenue forecasting, cash flow planning, and financial visibility
- Improved revenue assurance supports DISCOM debt reduction and reinvestment in grid modernisation and renewable integration
- Strengthens overall financial and operational stability of distribution utilities

Collaboration with leading DISCOMs

- MSEDCL (Maharashtra State Electricity Distribution Company Limited)
- APSPDCL (Andhra Pradesh Southern Power Distribution Company Limited)
- APCPSCL (Andhra Pradesh Central Power Systems Corporation Limited)
- APEPDCL (Andhra Pradesh Eastern Power Distribution Company Limited)
- BEST (Brihanmumbai Electric Supply and Transport)
- APDCL (Assam Power Distribution Company Limited)
- NBPDCCL (North Bihar Power Distribution Company Limited)
- UPCL (Uttarakhand Power Corporation Limited)
- AEML (Adani Electricity Mumbai Limited)

Collaboration with Leading DISCOMs

- | | |
|--|---|
| <ul style="list-style-type: none"> ▪ MSEDCL
(Maharashtra State Electricity Distribution Company Limited) | <ul style="list-style-type: none"> ▪ APSPDCL
(Andhra Pradesh Southern Power Distribution Company Limited) |
| <ul style="list-style-type: none"> ▪ APCPSCL
(Andhra Pradesh Central Power Systems Corporation Limited) | <ul style="list-style-type: none"> ▪ APEPDCL
(Andhra Pradesh Eastern Power Distribution Company Limited) |
| <ul style="list-style-type: none"> ▪ BEST
(Brihanmumbai Electric Supply and Transport) | <ul style="list-style-type: none"> ▪ APDCL
(Assam Power Distribution Company Limited) |
| <ul style="list-style-type: none"> ▪ NBPDCL
(North Bihar Power Distribution Company Limited) | <ul style="list-style-type: none"> ▪ UPCL
(Uttarakhand Power Corporation Limited) |
| <ul style="list-style-type: none"> ▪ AEML
(Adani Electricity Mumbai Limited) | |

Smart Meters Installed in FY 2025-26

(million)

Q4		2.21
Q3		1.84
Q2		1.86
Q1		2.39

Outlook

India's smart metering ecosystem stands at the threshold of strong expansion as the country advances toward greater energy efficiency, supported by policy momentum and sector reforms. Demand for technology-led solutions continues to rise, attracting innovation and investment across the value chain. Realising the full potential of this transition will depend on disciplined and timely execution at scale.

In FY 2025-26, our priority centres on accelerating smart meter deployment and strengthening revenue realisation. We will participate actively in large-scale tenders to sustain our current market position and progressively expand our presence, with a target to grow our share over the medium term and reinforce our industry leadership.

We also continue to advance digital transformation across the business. Data analytics and AI-led tools will support operational efficiency and smarter decision-making. At the same time, we are evaluating adjacent opportunities such as gas metering, home automation, and other smart energy applications, ensuring our portfolio remains aligned with evolving market needs.





CASE STUDY

Summary

Adani Energy Solutions is executing one of the region's large-scale advanced metering infrastructure (AMI) programs, involving the replacement of conventional meters with smart meters and continuing into seven years of operations and maintenance. Managing such a multi year, multi contractor and multi geography rollout required a planning approach more adaptive than traditional static models. To address this, Adani Energy Solutions deployed an AI ML enabled Planner Tool that creates a full lifecycle execution plan and continuously recalibrates it based on actual field performance. Through predictive forecasting, optimisation logic and automated deviation detection, the system improved manpower efficiency, reduced material stock-outs and strengthened schedule adherence. This allowed the deployment phase to stay consistently on track while ensuring stable, reliable performance across the subsequent O&M period.

Context

India's national smart metering reform programmes have accelerated the rollout of AMI across utilities. Typically, these programmes span about two and a half to three years of planning, procurement, installation and commissioning activities, followed by seven years of operations and maintenance focused on meter health, communication reliability and overall service continuity. For distribution utilities, AMI implementation goes beyond a technology transition and becomes a complex operational challenge demanding organised workforce mobilisation across different contractors, precise inventory planning based on bill of materials and procurement lead times, navigation of seasonal and regulatory constraints, consideration of zone-wise productivity variations and consistent daily monitoring supported by structured governance. Traditional spreadsheet-driven methods tend to be static, making it difficult to respond to the real-time variability commonly encountered in field conditions. This often leads to risks related to delayed execution, misaligned resources and unanticipated cost increases.

Challenge

The AMI rollout covered highly heterogeneous operating environments influenced by differences in urban density, variations in contractor capabilities, climatic conditions and regulatory holds. Adani Energy Solutions faced issues arising from inconsistent workforce attendance and productivity levels, seasonal disruptions including monsoon or festival periods that affected execution momentum, uncertainties in inventory linked to lead times and stock out risks, and dynamic scope adjustments emerging from governance related holds. Manual planning cycles were unable to effectively manage these complexities due to limited predictive visibility. The static nature of traditional plans meant that deviations in field execution could not be dynamically absorbed, causing certain zones to have idle or under-utilised manpower while others were overstretched. Inventory planning also became reactive when material demand fluctuated from the initial baseline. The organisation therefore needed a system capable of modelling variability throughout the lifecycle, predicting realistic productivity patterns, aligning manpower and inventory in advance, detecting deviations early and recommending corrective measures.

Solution and impact

To address these structural challenges, Adani Energy Solutions implemented an AI ML enabled Planner Tool that redefined AMI execution as a continuously optimised cycle rather than a fixed, one time plan. The system works in two interconnected layers. The first is the proactive planning layer, which constructs a long horizon master execution plan by modelling expected workforce strength, ramp up behaviour, AI-driven productivity forecasts adjusted for seasonal factors, inventory demand built on lead time logic, regulatory hold calendars and zone wise meter mix characteristics. This layer ensures that the foundational execution roadmap accounts for anticipated variation and provides realistic timelines.

The second layer, a corrective or catch up engine, functions on a daily cycle, comparing actual achievements against the planned trajectory. It identifies deviations through anomaly detection logic, recalculates completion timelines, evaluates recovery measures such as workforce augmentation, productivity improvements or adjustments in the execution calendar, and ensures that zones performing well remain undisturbed. By continually synchronising manpower allocation, installation schedules and procurement planning, the optimisation engine creates a unified and responsive execution roadmap. Interactive dashboards offer ongoing visibility into progress, potential risk zones and the confidence level of forecasted outcomes.

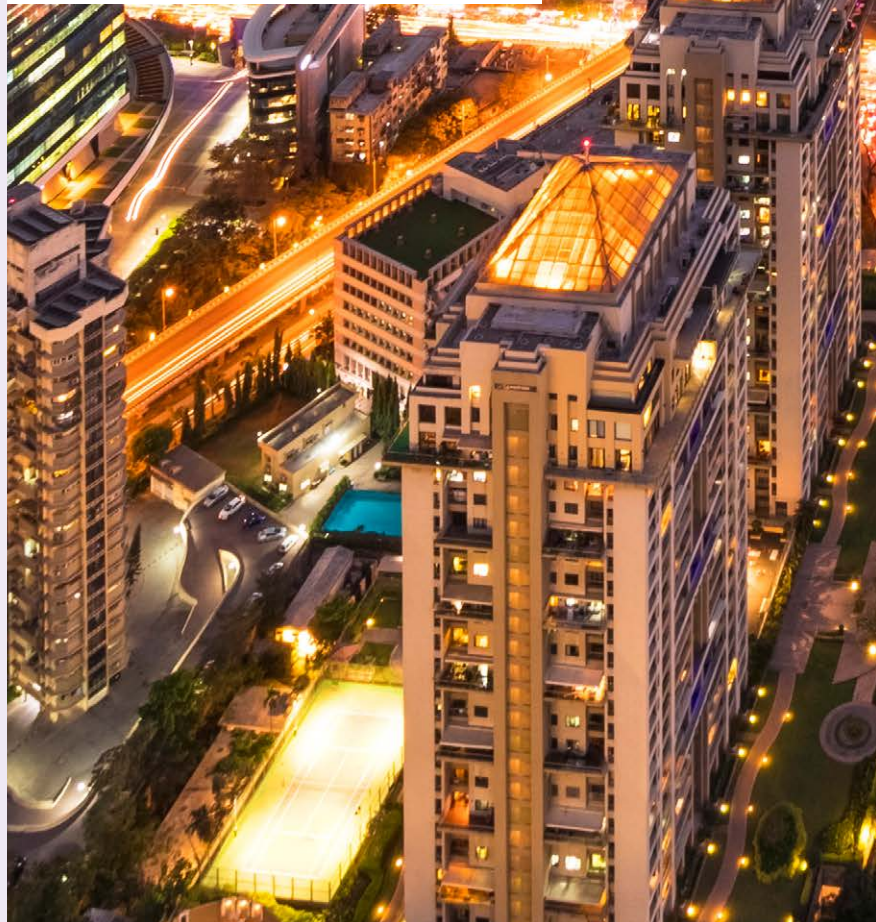
The measurable outcomes illustrate the transformational impact of this approach. Adani Energy Solutions recorded a 25–30% improvement in manpower efficiency, accompanied by a 15–18% reduction in material wastage. Schedule adherence improved by nearly 30%, and planning cycle time was reduced by 60%. In addition, other overhead costs decreased by 20–25% and incidents of material stock outs were reduced by 50%. Beyond these numerical gains, the tool provided stronger governance by enabling objective and data-backed decision-making, facilitating proactive risk identification and improving coordination between field execution teams and supply chain planning units. Overall, the AI-enabled planning framework helped the utility sustain consistent progress during rollout and ensured operational steadiness throughout the O&M lifecycle |

Business Segment Review

Distribution Vertical

Our Distribution business delivers reliable last-mile electricity supply across diverse consumer segments through its two subsidiaries. We serve urban retail consumers through Adani Electricity Mumbai Limited (AEML) and address specialised commercial and industrial energy requirements through MPSEZ Utilities Limited (MUL).

Together, these businesses combine resilient network infrastructure, technology-enabled operations, and customer-focused service delivery to ensure uninterrupted and efficient power access. We continue to strengthen grid reliability, deploy advanced digital monitoring systems, and introduce smart energy solutions that improve operational efficiency while supporting India's transition toward a modern and sustainable power ecosystem.





Where We Operate

India's power sector has progressed rapidly, supported by policy reforms, infrastructure build-out, and a clear clean-energy direction. The country has moved close to universal electrification, while the 'One Nation, One Grid' vision has created a unified national grid that enables power transfer across regions and reduces dependence on local generation.

Capacity expansion and renewable energy deployment continue to enhance the energy mix. Clean energy additions are driving the sector's growth trajectory, reduce coal dependence, and support a gradual transition toward a more sustainable and diversified power system. Transmission investments, including HVDC lines and inter-state corridors, strengthen grid stability and allow efficient transfer of power from surplus to deficit regions.

Key Highlights in FY 2025-26

533 GW

— Total power installed capacity

[Source](#)

51%+

— Non-fossil fuel sources
(renewable energy, hydro, and nuclear)

[Source](#)

44.5 GW

— Renewable capacity added in 2025

[Source](#)

~50%

— Renewables contributing to country's power demand during peak periods

[Source](#)

Key Concerns

The distribution segment continues to carry structural stress. Elevated AT&C losses, financial pressure on DISCOMS, and operational inefficiencies affect sector health. Variable renewable energy also introduces integration complexities, including curtailment arising from grid constraints and intermittency.

Policy direction increasingly focuses on loss reduction, shared infrastructure, storage adoption, and grid modernisation. Sector priorities now centre on flexibility, financial discipline, and long-term sustainability alignment.

[Read further](#)
National Electricity Policy, 2026

Company's Take

Within this evolving landscape, we operate as a leading private utility in Mumbai, delivering reliable and high-quality power in one of India's most demanding urban markets. The Company supports a large and dense consumer base through a well-maintained network and disciplined operational practices that keep losses among the lowest in the country.

Our approach emphasises technology, digitisation, and smart infrastructure. AI-enabled operations, renewable integration, and system upgrades improve efficiency and affordability while strengthening resilience.

Rapid urbanisation and rising expectations for sustainable and tech-enabled energy shape the market environment. We respond through continuous innovation, future-ready investments, and service quality focus, reinforcing its position as a benchmark utility in India's power sector.

Adani Electricity Mumbai Limited

Business Performance

FY 2025-26 reflected strong growth and operational excellence, supported by rising demand across Mumbai and steady expansion of its customer base alongside higher per-user consumption. Operational performance strengthened as distribution losses reached historic lows through sustained network upgrades, smart technology deployment, and focused loss-reduction efforts that reinforced efficiency and financial stability. Transmission availability and overall supply reliability remained at industry-leading levels, ensuring consistent and dependable power flow. Fewer and shorter interruptions signalled improved network resilience and faster restoration response.

Customer Base

(million)

FY26	3.27
FY25	3.18

Units Sold

(million units)

FY26	10,584
FY25	10,558

Distribution Loss

(%)

FY26	4.21
FY25	4.77

Regulatory Asset Base

(₹ crore)

FY26	10,521
FY25	9,549

Operational Performance Highlights

	FY 2025-26	FY 2024-25
System Average Interruption Duration Index (SAIDI) (mins)#	12.91	21.27
System Average Interruption Frequency Index (SAIFI) (nos.)#	0.42	0.67
Customer Average Interruption Duration Index (CAIDI) (mins)#	30.82	31.58
Supply Reliability (ASAI) (%) *	99.998	99.996
Transmission availability (%) *	99.47	99.31
E-payment (% of total collection) *	85.5	83.34
Collection efficiency (%) *	100.54	101.03
Number of complaints#	3,99,049	5,68,037

*Higher the better # Lower the better

SAIDI – indicates the average outage duration for each customer served

SAIFI – indicates an average number of interruptions

CAIDI – indicates the average time required to restore service during a predefined period

Financial Performance Highlights

(₹ in crore)

	FY 2025-26	FY 2024-25
Revenue from operations	11,661	11,677
Operating EBITDA	2,046	2,142
Capex	1,710	1,630

Sustainability Performance

Adani Electricity Mumbai Limited integrates sustainability into its utility operations by focusing on resource efficiency, waste reduction, and circular economy practices. Technology-led initiatives support responsible material use while meeting current energy requirements. These actions strengthen environmental performance and support a more sustainable long-term operating model.

Highlights

65.92%*

— Share in RE
procurement mix

19%

— T&D Losses Reduction
w.r.t. FY 2023-24

91.26%

— Reduction in Scope 1 &
2 -GHG Emission Intensity
per EBITDA ₹ crore⊕ Read more on our sustainability achievements on **Pg. 149***This includes 3,224.23 MUs procured (equivalent to 28.38%)
for past period RPO compliance as per MERC.

Over the year, our emphasis on customer satisfaction, operational discipline, and digital advancement has driven meaningful improvements across our operations. By strengthening internal processes and adopting new technologies, we continue to enhance service delivery while building a resilient and future-ready organisation.

Mr Ramesh Sharma
Head of business - AEML

Sr. No.	Name of Award	Highlights / Content
1	SAP ACE Awards 2025	AEML received "SAP ACE Special Jury Recognition Award 2025" in the Disruptor Customer Experience Management category.
2	Golden Peacock Award for CSR - 2025	AEML won the "Golden Peacock Award for Corporate Social Responsibility - 2025" in the Power (Distribution) sector.
3	Chapter Convention on Quality Concept (CCQC) - 2025	1. Conducted by QCFI, Mumbai Chapter in Sep'25 2. All 15 teams received "Gold" award.
4	5S Home Virtual Competition	1. Organised by the QCFI - Mumbai Chapter on October 10, 2025. 2. AEML received 11 Gold, 7 Silver and 3 Bronze Awards
5	National Convention on Quality Concept (NCQC) - 2025	1. Conducted by QCFI at Greater Noida in Dec'25 2. AEML received 5 "Par Excellence" and 4 "Excellent" awards.
6	High Performance	"Utility" award awarded by the Central Electricity Authority (CEA), Ministry of Power.
7	Annual Distribution Utility Ranking	No 1 in Annual Distribution Utility Ranking, by Ministry of Power
8	Consumer	Service Rating of DISCOMs Received A+ Grade for outstanding customer service given by Consumer Service Rating of DISCOMs (CSRSD) by Rural Electrification Corporation (REC)

CASE STUDY

1. Customer Service- AI/ML based complaint predictions

Performance Outlook:

Adani Electricity Mumbai Limited (AEML) has implemented AI/ML based complaint prediction which is Early and personalised alerts based on intelligent analytics to bring transparency and awareness about consumption and bill. It focuses on Data Collection, Correlation, Model Building, Deployment and Utilisation. The model output was extensively used for mass and personalised communication during heat wave, drastically reducing the number of High Consumption complaints.

Key Outcomes:

1. Reduction in High consumption complaints

- Complaints were reduced by 34% between May24 to Aug24 as against same period in 2023
- Consumption comparison (Individual and area) worked well

2. Saving in Operational Expenses

- Reduction in complaints results in saving of ₹ 43L for this period

3. Increased consumer footfall at web site

- Consumer footfall at "Energy calculator" option available at Web site increased by 250%
- Increased engagement with "My account" features

Implementation and Deployment:

The model output is extensively used for mass and personalised communication during heat waves.

Modifications in knowledge base are carried out based on influential factors specific to billing are carried out and agents are trained for billing specific events

Mass Communication:

- Area with high density of probable High consumption complaints was identified. (top 3 areas)
- Banners informing about possible increase in consumption on account of heat waves were placed on pillars / junctions for consumer visibility and information.

Digital Communication:

- Use of social media platforms for awareness
- Send emails with personalised text and peer analysis
- Outcall probable high consumption complainants.

2. Customer Service (Advanced CRM)

Performance Outlook:

Adani Electricity Mumbai Limited (AEML) has implemented SAP C4C CRM helps in engaging customers better and make data-driven decisions. It provides a 360-degree view of customer data which includes, customer complaints, Customer details, complaint source, customer repeat count, case history, actions take etc.

The launch of the C4C portal marks a major milestone in enhancing consumer service operations. By integrating multiple functionalities into a single platform, enabling greater transparency, and automating key processes, C4C has improved operational efficiency and customer satisfaction significantly. The teams now have the tools needed to respond faster, track interactions comprehensively, and manage issues with greater clarity and speed.

Key Feature of SAP C4C:

All in One View

C4C provides a unified portal where all consumer details and their associated tickets are accessible in one place. All types of consumer communication can now be managed within a single application, simplifying workflows. This consolidated view simplifies case management and improves efficiency for supporting teams. This helps agents respond accurately to consumer queries. Reducing overall handling time.

BDTS Integration and CCM integration:

- The BDTS (Bill distribution Tracking System) is also integrated into C4C for comprehensive data access which reduced dependency on the team leaders to check the status of physical bill delivery and attend specific Bill not received related queries promptly.

Auto Order Creation:

- One standout feature of C4C is the automatic generation of orders based on the cause category selected within the system.
- This automation reduces manual effort and accelerates the processing of consumer requests.

Overall Source Wise Ticket Creation:

- One view of overall tickets covering customer details, source, category, ticket no. Etc. This helps team monitor turnaround times of Complaints and Request.
- Helps the ground team take timely actions and monitor data at the zonal level.

Bill and other details on Fly:

- The request for duplicate bill is resolved on a real-time basis by sharing the bill copy with the customer

while on call with a single click. This has significantly reduced lead time in sharing information/bill copies/forms with consumer.

- Ensure customer satisfaction and first-time resolution.

Availability of Call Recording against Inbound Registered Complaints:

- Call recordings for Inbound cases can be viewed from C4C platform
- This ensures team to improve quality and same is used as input for process improvement opportunities.

3. Bill Distribution Tracking System (BDTS) & BD Mobile App

Problem Statement

- Adani Electricity Mumbai Limited (AEML) manages monthly bill distribution for around 80,000 bills every day across its seven divisions in Mumbai.
- Earlier the entire process was dependent on legacy Java-based applications, manual tracking sheets and disconnected reconciliation between SAP, printers and customer communication systems.
- This old setup created multiple pain points: there was almost no real-time visibility of where bills were in the delivery cycle, teams had to do a lot of manual follow-ups for every Bill Not Received (BNR) complaint, allocation and re-assignment of delivery workloads was inefficient, and the legacy applications were unstable and costly to maintain. Overall it increased operational burden, delayed complaint resolution and affected customer experience.

Performance Outlook

- Since the rollout in May 2025, BDTS is delivering steady improvement and is expected to keep showing benefits well into 2026 and beyond. The system has already laid a strong digital foundation that should help reduce BNR complaints further through better proactive alerts and analytics.
- We anticipate that self-help resolution for BNR cases can go even higher (beyond the current 50%), while the platform continues to handle 80,000 bills daily with full digital traceability. Legacy system sunsetting has already saved the equivalent of two full-time resources annually and improved overall stability.
- Going forward BDTS will support more low-code digitisation projects across AEML and strengthen field-level controls with geofencing and face recognition, making operations more secure, scalable and cost-effective.

Implementation and Deployment

The solution was built on the Low Code Mendix platform and consists of two main parts:

- BD Mobile App – used daily by vendor field staff to execute and update bill deliveries
- BDTS Portal – central dashboard for monitoring, reconciliation and administrative control

It was rolled out exclusively for vendor users starting May 2025. Key features put in place include:

- Automatic allocation of bill books to vendors with real-time reassignment of any un-delivered bills
- Instant BNR alerts, data enrichment for complaints and bulk flagging for high-volume areas
- Full end-to-end reconciliation between SAP, printers and BDTS for complete traceability from printing to delivery
- Integration with CCM for communication and C4C (CRM) for faster complaint handling
- Geofencing to validate delivery locations + Face Recognition System (FRS) for secure user login
- Google Maps integration for accurate navigation and address location
- API support for self-help channels and COID-based operational reporting
- Storage optimisation already completed; PowerBI dashboards for reconciliation and trend insights are now live

Key Outcomes

The implementation has delivered clear and measurable results:

- 40% reduction in BNR complaints compared to the previous year
- 50% of BNR cases now resolved through self-help channels instead of call center
- 80,000 bills per day are now tracked digitally from start to finish
- 2 full-time equivalent resources freed up by retiring the old Java-based application

On the qualitative side, operations have become far more transparent, complaint root causes are identified and closed much faster, audit trails and compliance have improved significantly, and field accountability is stronger due to location + biometric controls. Post-go-live, BNR numbers have stabilised and shown a clear declining trend over several months. Targeted paperless bill campaigns have also become possible because of the rich data coming from BDTS.

Current Status

Core BDTS functionality is fully stable and in daily use. Storage tuning is done and under observation. PowerBI reconciliation dashboards and insights publishing are complete.

Key Takeaway

BDTS is a solid example of successful low-code digital transformation at AEML. It replaced an unreliable legacy system, brought measurable cost savings and efficiency gains, dramatically reduced customer complaints, and built a scalable digital backbone for future initiatives. The learnings from this project are already being used to plan and roll out similar improvements in other areas.

MPSEZ Utilities Limited

Business Performance

In FY 2025-26, MUL's distribution business showed robust performance, meeting a 20% increase in energy demand, with 99.97% supply reliability and low distribution loss of 1.90%. The Company focused on digital enhancements, optimising productivity, and achieving Sustainable Development Goals. MUL ensured 100% digital payment, streamlined bill verification, and maintained high customer satisfaction with a 24/7 control center. We strengthened our 66 kV and 11 kV ring system across the licensee area by implementing advanced automation that enables faster response during outages and significantly enhances overall system availability. The automated ring configuration ensures seamless load transfer, quicker fault isolation, and minimal service interruption—reducing manual intervention, improving operational resilience, and ensuring a more reliable and efficient power supply to our consumers.

Customer Base

(Nos.)

FY26		111
FY25		104

Units Sold

(million units)

FY26		1,375
FY25		948

Distribution Loss

(%)

FY26		1.90
FY25		2.32

Regulatory Asset Base

(₹ crore)

FY26		47
FY25		49

Operational Performance Highlights

	FY 2025-26	FY 2024-25
System Average Interruption Duration Index (SAIDI) (mins)#	157.39	211.45
System Average Interruption Frequency Index (SAIFI) (nos.)#	1.59	3.01
Customer Average Interruption Duration Index (CAIDI) (mins)#	99.26	70.15
Supply Reliability (ASAI) (%)*	99.97	99.96
E-payment (% of total collection)*	100	100
Collection efficiency (%)*	99.89%	99.74
Number of complaints#	68	120

*Higher the better # Lower the better

SAIDI – indicates the average outage duration for each customer served

SAIFI – indicates an average number of interruptions

CAIDI – indicates the average time required to restore service during a predefined period

Financial Performance Highlights

(₹ in crore)

	FY 2025-26	FY 2024-25
Revenue from operations	772	557
Operating EBITDA	26	20
Capex	173	152

Sustainability Performance

Performance in FY 2025–26 reflects a structured ESG progression anchored in operational efficiency, digital transformation, and customer service excellence, supporting alignment with:



The integrated approach ensures measurable ESG outcomes with strong audit trails, positioning the distribution business for future-ready, low-loss, and digitally enabled growth.

Outlook

As a pioneer in India's utility sector, we remain well positioned to benefit from the government's accelerating push toward distribution privatisation across states and union territories. We see this as a meaningful growth opportunity and will participate selectively. A near-term priority involves securing two DISCOMS under the UPPCL privatisation tender in Uttar Pradesh, aligned with our strategy to expand into high-growth regions while leveraging our proven Mumbai operating model.

We continue to pursue distribution licenses in select high-potential geographies where parallel licensing applications remain under progress. Investments in robust and reliable networks will support this expansion. Experience in Mumbai, reflected in low losses, strong reliability, and digital adoption, guides our approach as we deliver reliable and affordable power through digitisation, automation, and operational discipline.

In Mumbai, rising demand supported by urbanisation and

economic activity presents continued opportunity. We are strengthening infrastructure to expand market presence and target a customer base exceeding four million in the near term. A focused customer acquisition drive built on superior service and experience will support this goal. Smart meter deployment and modernisation programs will further improve energy management, reduce losses, and support national sustainability priorities.

Business Segment Review

Energy Solutions Platform Vertical

The Company's Energy Solutions platform is emerging as a new strategic growth engine, positioned to accelerate the transition toward integrated, low-carbon, customer-centric, and digitally enabled energy solutions. The business continues to evolve from its incubation phase into a high-impact value driver, aligned with India's broader energy transition agenda.

The platform caters to three key segments:

- Commercial & Industrial (C&I) customers
- Data centers
- Round-the-clock (RTC) renewable energy solutions for utilities

Together, these segments position Adani Energy Solutions to address a broad spectrum of evolving energy demand across industrial, digital infrastructure, and utility ecosystems.



Commercial & Industrial (C&I) – Scaling with Differentiation

Commercial & Industrial (C&I) business is transitioning from incubation to scale and rapidly evolving into a high-impact value driver. The Company offers a comprehensive portfolio of captive and non-captive renewable energy solutions, including solar, wind, hybrid, and round-the-clock energy offerings. Adani Energy Solutions' differentiated capability—combining access to diversified generation sources across India with strong customer-end

infrastructure support—enables effective management of load variability and positions the Company competitively in the evolving C&I market.

During the year, Adani Energy Solutions achieved an energy portfolio exceeding 1 GW across India, spanning both Adani Group companies and external C&I consumers across more than 10 states and 30+ locations. The portfolio included businesses across cement, airports, data centers, ports, automotive, chemicals &

fertilisers, FMCG, textiles, metals, infrastructure, and hospitality sectors. These partnerships reflect Adani Energy Solutions' growing position as a preferred integrated energy partner for India's leading energy-intensive businesses providing them with tailor made power solutions. The segment is expected to emerge as a strong and stable source of recurring revenue for Adani Energy Solutions, supported by long-term customer relationships, diversified sector exposure, and scalable energy solutions.



Data Centers – A Strategic Growth Frontier

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. Adani Energy Solutions' 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. This positions Adani Energy Solutions as a preferred partner for high-load, time-sensitive data center developments.

RTC Solutions for Utilities – Enabling Grid Transformation

Energy Solution's Platform shall provide Integrated round-the-clock power solutions combining solar, wind, conventional source and storage to deliver firm, dispatchable green energy to utilities. These solutions enable utilities to meet rising demand while utilising high daytime solar, better use of the existing transmission network, minimising additional infrastructures investments, improving grid reliability, renewable integration, and RPO compliance, enhanced support for the technical minimum requirements of conventional baseload power.

Future-Ready Solutions Portfolio

Adani Energy Solutions is building a future-ready energy solutions platform designed to address the rapidly evolving energy, sustainability, and operational requirements of consumers.

Its offering spans the full energy value chain, including sourcing and trading, infrastructure support,

scheduling and optimisation, energy management. The platform also supports customers in navigating regulatory and compliance requirements associated with increasingly sophisticated energy sourcing structures. This integrated approach enables customers to simplify procurement, improve reliability, and optimise costs through a single partner.

Adani Energy Solutions is also focused on enabling the next phase of industrial energy transformation through its "Virtual Discom" approach, delivering Energy-as-a-Service (EaaS) solutions for multi-location customers. Beyond power supply, this model enables centralised management of energy procurement, portfolio optimisation, sustainability tracking, and long-term cost visibility across geographically dispersed operations.

Adani Energy Solutions' pan-India delivery model combines centralised account management with dedicated execution teams across key states, enabling scalable and seamless service delivery for national and multi-regional customers.

Sustainability & Decarbonisation

Adani Energy Solutions supports C&I consumers in reducing Scope 2 emissions and advancing decarbonisation objectives aligned with United Nations Sustainable Development Goals (SDGs) 7, 9, and 13. Through long-term green power agreements, customers retain renewable attributes such as Renewable Energy Certificates (RECs), supporting ESG disclosures, RE100 commitments, and net-zero targets.

These initiatives help customers strengthen sustainability reporting and enhance credibility with investors, regulators, and other stakeholders.



Digital Initiatives

Adani Energy Solutions is building digital foundations to serve our customers better, keeping in mind the end-to-end experience from first contact to day-to-day operations. Customers can now start their journey directly from the dedicated section of Adani Energy Solutions' website, describing their needs for the solutions team to offer a customised and competitive solution. Adani Energy Solutions is also implementing a CRM solution to manage customer experience across geographies and customer segments. This will enable Adani Energy Solutions to drive higher conversion and retention rates. Lastly, Adani Energy Solutions is in the advanced stages of development of an in-house integrated power management platform that will improve the Company's operational visibility, responsiveness, and control.



FY 2025–26 marks the successful laying of a strong foundation for Adani Energy Solutions' Energy Solution Platform business, as we transition from incubation to a scalable growth platform. In a short span, we have built a diversified portfolio exceeding 1 GW and established trusted partnerships with leading industrial enterprises across sectors, reinforcing Adani Energy Solutions' position as an integrated energy solutions partner of choice.

As we leap ahead, our purpose is to redefine the way enterprises access and manage energy—through a future-ready, integrated platform that seamlessly combines energy sources, storage options, digital and market intelligence baked in Energy-as-a-Service solutions. With accelerating demand for sustainability, reliability, and embedded flexibility—particularly from emerging segments such as data centers—we see a significant opportunity to scale our energy solutions business into a multi-GW platform.

Leveraging Adani Energy Solutions' integrated platform and execution strength, supported by a robust deal pipeline and increasing customer demand—we aim to position Adani Energy Solutions as a leading integrated energy partner in India's evolving energy solutions landscape.

Mr Raj Kumar Jain
Head of Business