Adani Transmission Limited

Equity Investor Presentation

April 2019 |

Legal Disclaimer

The information contained in this presentation is provided by Adani Transmission Limited (together with its subsidiaries, the "Company" or "ATL") to you solely for your reference and for information purposes only. This presentation is highly confidential and is being given solely for your information and your use, and may not be retained by you or copied, reproduced or redistributed to any other person in any manner nor any part thereof may be (i) used or relied upon by any other party or for any other purpose; (ii) copied, photocopied, duplicated or otherwise reproduced in any form or by any means; or (iii) re-circulated, redistributed, passed on, published in any media, website or otherwise disseminated, to any other person, in any form or manner, in part or as a whole, without the prior written consent of the Company. Any unauthorized use, disclosure or public dissemination of information contained herein is prohibited. This presentation does not purport to be a complete description of the markets' conditions or developments referred to in the material. Certain statements made in this presentation may not be based on historical information or facts and may be "forward-looking statements," including those relating to general business plans and strategy of Adani Transmission Limited ("ATL"), their future outlook and growth prospects, and future developments in their businesses and their competitive and regulatory environment, and statements which contain words or phrases such as 'will', 'expected to', etc., or similar expressions or variations of such expressions. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in their business, their competitive environment, their ability to implement their strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in India. This presentation is for private circulation only and does not constitute a prospectus, offering circular or offering memorandum or an offer, or a solicitation of any offer, to purchase or sell, any shares and should not be considered as a recommendation that any investor should subscribe for or purchase any of ATL's shares. Neither this presentation nor any other documentation or information (or any part thereof) delivered or supplied under, or in relation, to the shares shall be deemed to constitute an offer of or an invitation by or on behalf of ATL.

ATL, as such, makes no representation or warranty, express or implied, as to, and does not accept any responsibility or liability with respect to, the fairness, accuracy, completeness or correctness of any information or opinions contained herein. The information contained in this presentation, unless otherwise specified is only current as of the date of this presentation.

This presentation is for general information purposes only, without regard to any specific objectives, financial situations or informational needs of any particular person. This presentation should not be used as a basis for any investment decision or be relied upon in connection with, any contract, commitment or investment decision whatsoever. This presentation does not constitute financial, legal, tax or other product advice.

Potential investors must make their own assessment of the relevance, accuracy and adequacy of the information contained in this presentation and must make such independent investigation as they may consider necessary or appropriate for such purpose. The statements contained in this presentation speak only as at the date as of which they are made, and the Company expressly disclaims any obligation or undertaking to supplement, amend or disseminate any updates or revisions to any statements contained herein to reflect any change in events, conditions or circumstances on which any such statements are based. Neither the Company nor any of its respective affiliates, its board of directors, its management, advisers or representatives, including any lead managers and their affiliates, or any other persons that may participate in any offering of securities of the Company, shall have any responsibility or liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with this presentation.

ATL assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events, or otherwise. Unless otherwise stated in this document, the information contained herein is based on management information and estimates. The information contained herein is subject to change without notice and past performance is not indicative of future results. ATL may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revision or changes. Certain statements made in this presentation may be "forward looking statements" for purposes of laws and regulations of India and other than India. These statements include descriptions regarding the intent, belief or current expectations of the Company or its directors and officers with respect to the results of operations and financial condition, general business plans and strategy, the industry in which the Company operates and the competitive and regulatory environment of the Company. These statements can be recognized by the use of words such as "expects," "plans," "will," "estimates," "projects," "targets," or other words of similar meaning. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and actual results may differ from those in such forward-looking statements as a result of various factors and assumptions, including future changes or developments in the Company's business, its competitive environment, information technology and political, economic, legal, regulatory and social conditions in India, which the Company believes to be reasonable in light of its operating experience in recent years. The Company does not undertake to revise any forward-looking statement that may be made from time to time by or on behalf of the Company. Please note that the past performance of the Company is not, and should not be considered as, indicative of future results.

No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of ATL.

This presentation does not constitute an offer or invitation
to purchase or subscribe for any securities in any jurisdiction, including the United States. No part of its should form the basis of or be relied upon in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. None of our securities may be offered or sold in the United States, without registration under the U.S. Securities Act of 1933, as amended, or pursuant to an exemption from registration therefrom.

This presentation is confidential and may not be copied or disseminated, in whole or in part, and in any manner.

This presentation contains translations of certain Rupees amounts into U.S. dollar amounts at specified rates solely for the convenience of the reader.

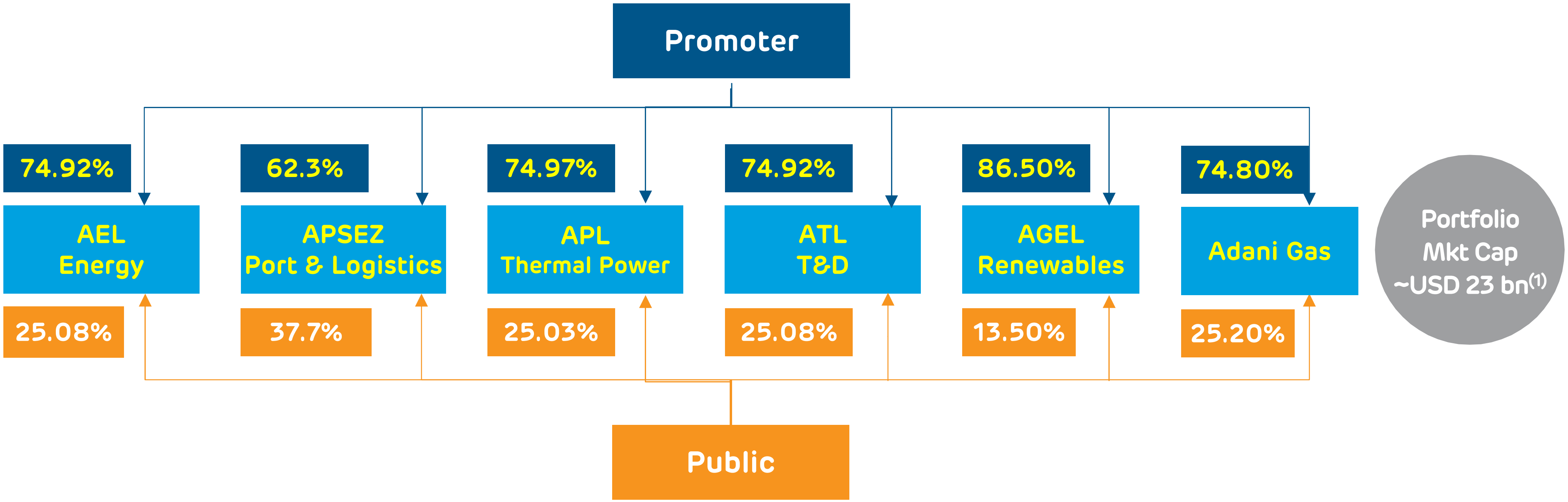
Index

Introduction to Adani Group and Adani Transmission Limited

A

adani

Adani Group: One of India's Largest Infrastructure Conglomerates



adani

- Pan-India presence with leadership position in each vertical
  - One of the leading private player in Ports, T&D, Thermal Power IPP and Renewables
- Independent verticals with independent boards
- Multiple touch points with regulators & public utilities
- Nationwide experienced relationships with regional vendors across multiple sectors

A Leading Developer, Owner, Operator in Infrastructure

Note : Shareholding as on 31st December, 2018. (1) Market Cap. as on 31ST March, 2019. US$/INR: 69.44

Adani Group : Track Record of Delivering World Class Assets

Leveraging Core Strengths

- Large scale businesses delivering strong growth
- Strong execution capabilities – timely and cost effective
- Three decades of regulator and stakeholder relationship
- Diverse financing sources – only Indian infrastructure conglomerate with two Investment Grade (IG) issuers

Delivering World Class Assets

Longest Private HVDC Line in India

- **Only HVDC line in India to be executed by a private player**
- Location: Mundra-Mohindergarh
- Capacity: 1,980 Ckt Kms

648 MW Solar Power Plant

- **Mega project developed, constructed and commissioned in 9 months**
- Location: Kamuthi, Ramathpuram, Tamilnadu
- Solar Irradiation: 1,900 kWh / m^2 / year
- Capacity: 1.25 BU / year

One of India's Largest Commercial Port(1)

- **One of the largest commercial port of India**
- Location: Gulf of Kutch with access to northern and western parts of India
- Capacity: 100 MMT cargo / year

Largest Private Thermal Power Station in India(2)

- **Fast implementation by a power developer in India - completion of inception to synchronization within 36 months**
- Location: Mundra, Gujarat
- Capacity: 4,620 MW

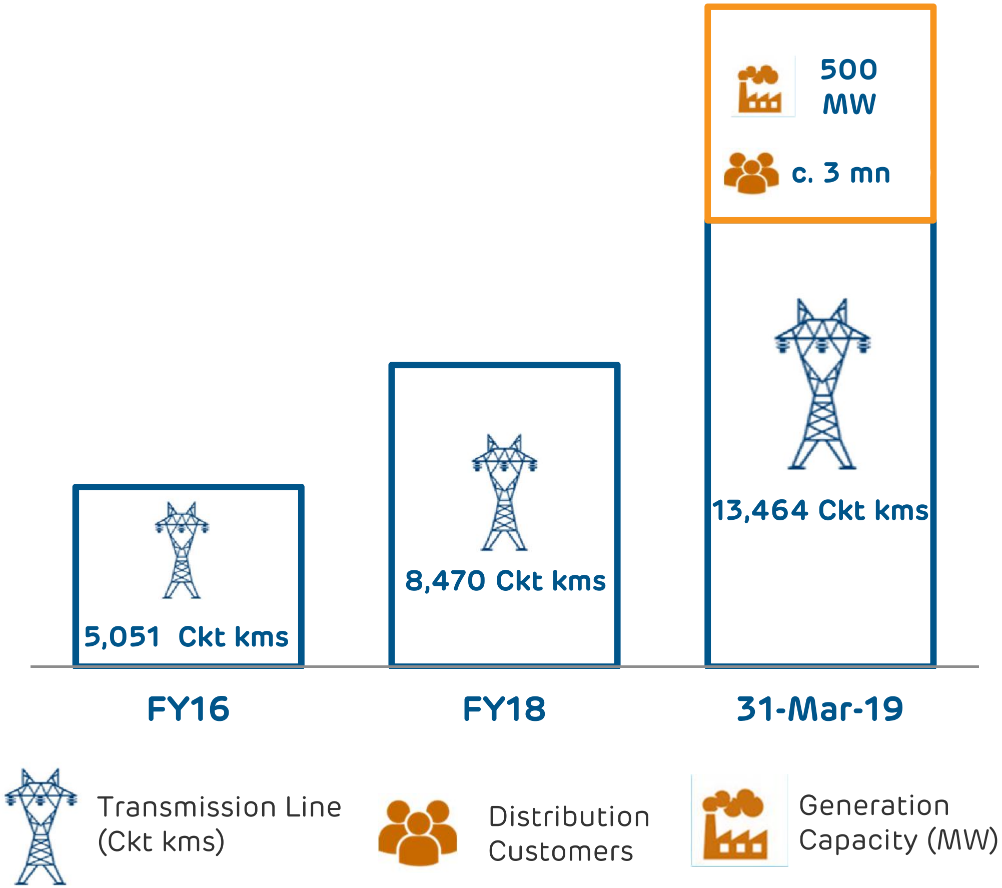
(1) By cargo volume and capacity; (2) By generation capacity

HVDC – High Voltage Direct Current; BU – Billion Units; MMT – Million Metric Tonnes

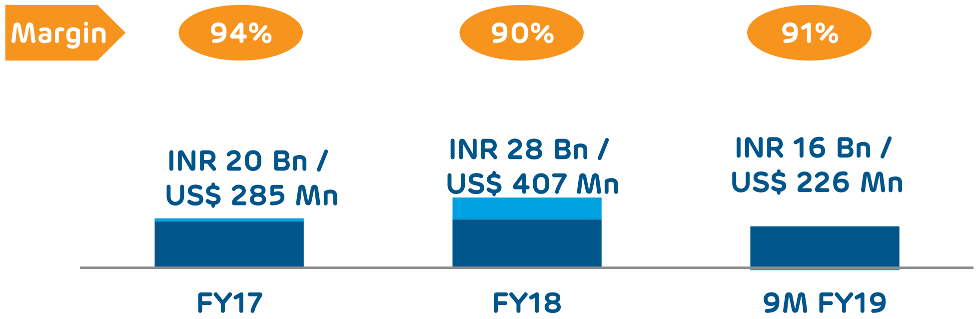
ATL: Replicating Adani Infrastructure Story in Transmission and Distribution

Platform well-positioned to leverage growth opportunities through both organic and inorganic route

"Grid-to-Switch" Integrated Platform



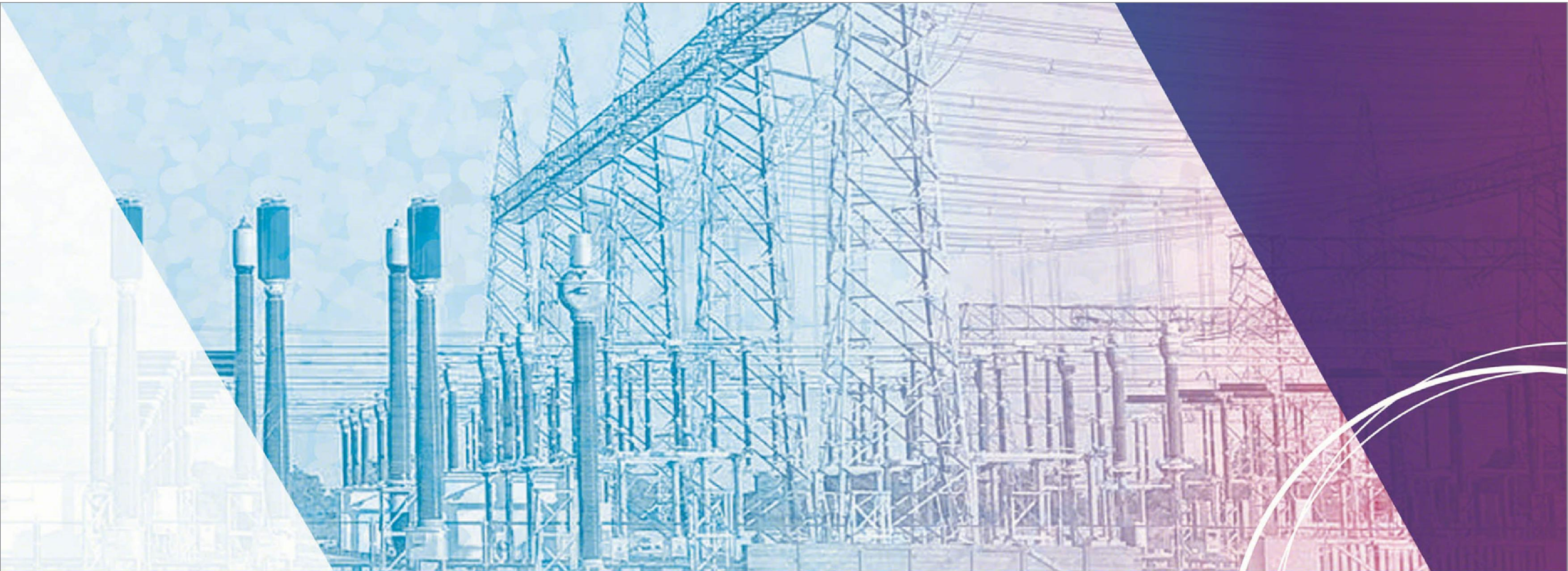
High EBITDA Margins[1]



World Class Availability

(Average % Availability)

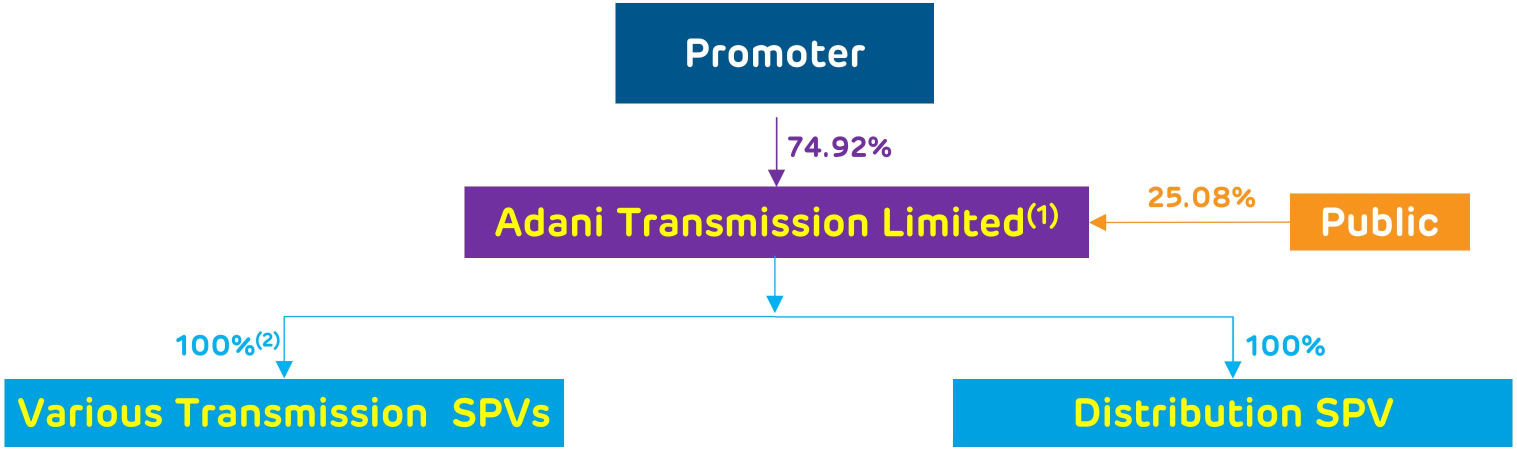
Note : US$/INR: 69. (1) EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; Financials are for ATL Historical only and does not include acquired distribution business



ATL - Showcase

B

ATL: One ofIndia's Largest Private Sector Transmission Player



Business Model

- Fully integrated developer, owner & operator
- Strongly focused on cost of capital & ROE
- Focused on continued value accretion
- Technology development: future proofing poles and wires business
- Strong business development focus

Note: (1) Adani Transmission Limited is listed on the Bombay Stock Exchange and National Stock Exchange of India; (2) 100% stake in Transmission SPV except in ATSCL and MTSCL, where ATL owns 74% and has the option to acquire balance 26% in a manner consistent with Transmission Service Agreement and applicable consents

adani

ATL: At a Glance

Execution Strengths

- ✓ **Doubled portfolio** in 2 years(1)
- ✓ **Only private player** to commission a HVDC line in India

Operational Capabilities

- ✓ **Consistent performance** with 99.9% availability and focus on incentive maximization

Predictable Returns

- ✓ **Regulated Asset Base(2)** providing floor returns

Growth Forecast

- ✓ 6 projects commissioned in FY19
- ✓ $1.7bn of approved tariff orders(3)

~INR 254 Bn / US$ 3,741 Mn
Regulated Asset base(3) (Fully built)

64% / 36%
Fixed Return / Fixed Tariff Asset Base(4)

BBB- / Baa3
International Investment Grade Rating(5)

91%
EBITDA Margin (FY18)

INR 114 Bn / US$ 1,680 Mn
Approved Tariff Order (Fully Built)

~99.9 %
Availability (FY18)

22 years
Average Residual Concession Life

3 million +
Distribution Consumers

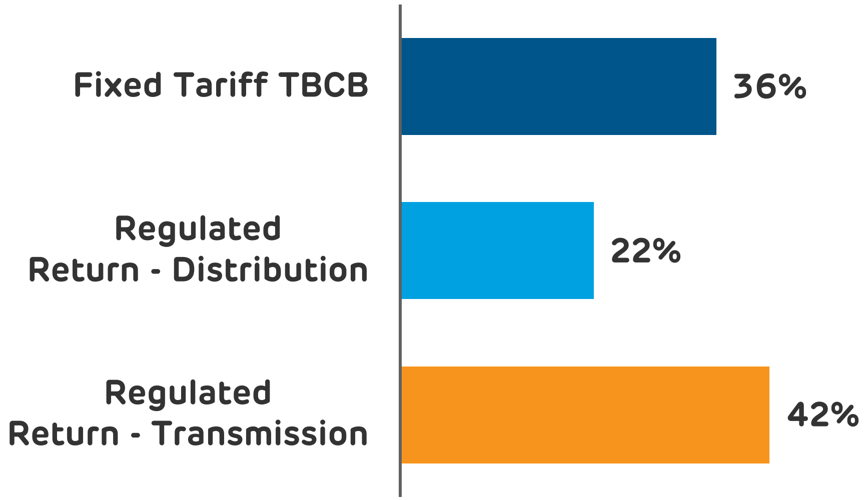
Presence Across
9 States

Largest Private Pure-play Integrated Transmission and Distribution Player in India

Note: US$/INR: 68; (1) Based on the Ckt kms (2) Regulated Asset Base are projects based on regulatory tariff order; (3) Fully built estimate based on regulatory approved tariff and bid based tariff profile. No upsides have been assumed on account of operational efficiencies; (4) Including under-construction and under-acquisition assets on project cost basis and existing assets on book value basis; (5) S&P: BBB- / Fitch: BBB- / Moody's: Baa3

Value of Regulated and Contracted Assets

Asset Base Mix



Total Debt to Regulated Assets[1]

0.86x

Key Characteristics

- **Regulated equity never depreciates** in the regulatory system for tariff calculation
- **Continued capex** in the distribution business **allows growth of regulated equity**
- **TBCB is a fixed bilateral contract** with relevant regulated bodies, however **Tariff is determined by the regulator** under EA 2003 Sec-63
- **Technology related retail opportunity** available with distribution consumers (c. 3 Mn) is **unregulated income**

Note: (1). Total Debt – For Operational projects as per FY 18 Financials and for Under Construction projects based on D:E ratio. Regulated Assets are projects based on regulatory tariff order

TBCB - Tariff Based Competitive Bidding

Sector

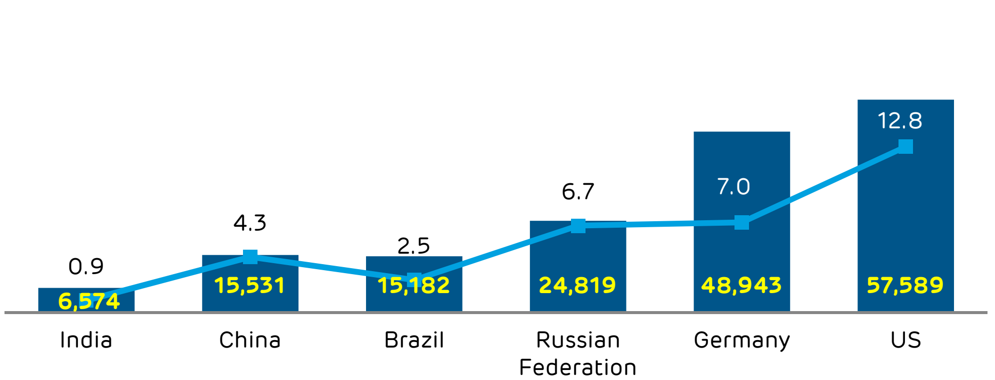
C

India's Per Capita Power Consumption Remains Low

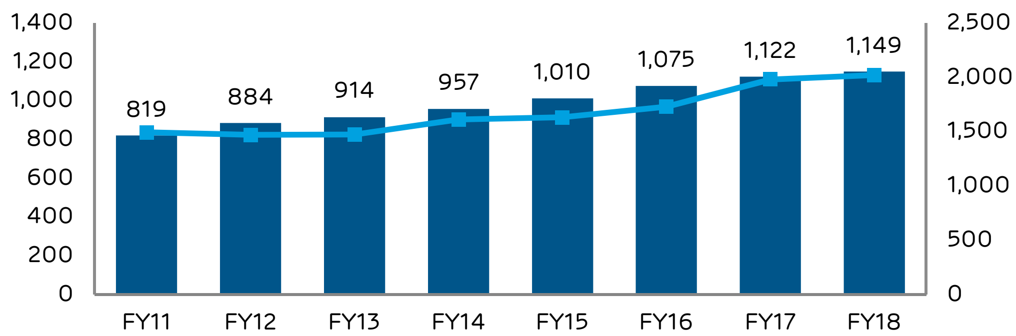
adani

Significant opportunity to improve India's per-capita power consumption

India's per-capita power consumption was significantly lower to other economies 2016 (Jan-Dec)[1]



Growth in per Capita Power Consumption in India Rising in Sync with Rising Per Capita GDP[2]



Key Factors Influencing Power Demand

- Robust GDP Growth
- Transformation Capacity Expansion
- Gradual improvement in DISCOM financials
- Strengthening of distribution network
- 100% Intensive Rural Electrification
- "Make in India" Campaign
- Electric Vehicles, Railway Electrification and Metro Expansion
- Large Scale Infrastructure Developments

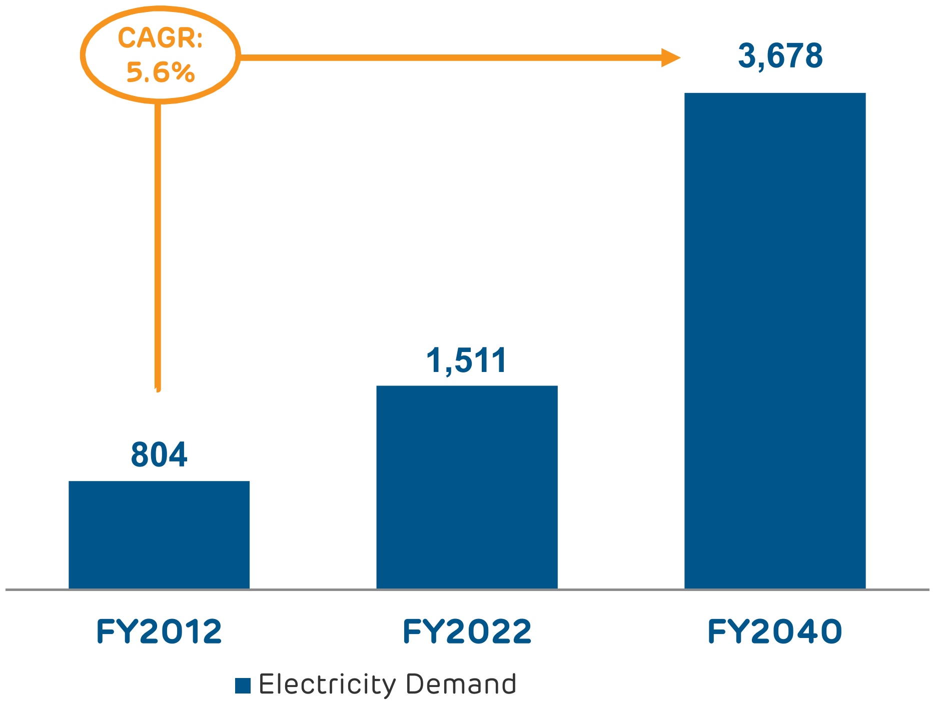
Source: (1) World Bank, IEA (2) International Monetary Fund (IMF), CEA

Electricity Sector Fundamentals Remain Robust

Strong Demand For Electricity further supported by Renewable Sector Growth

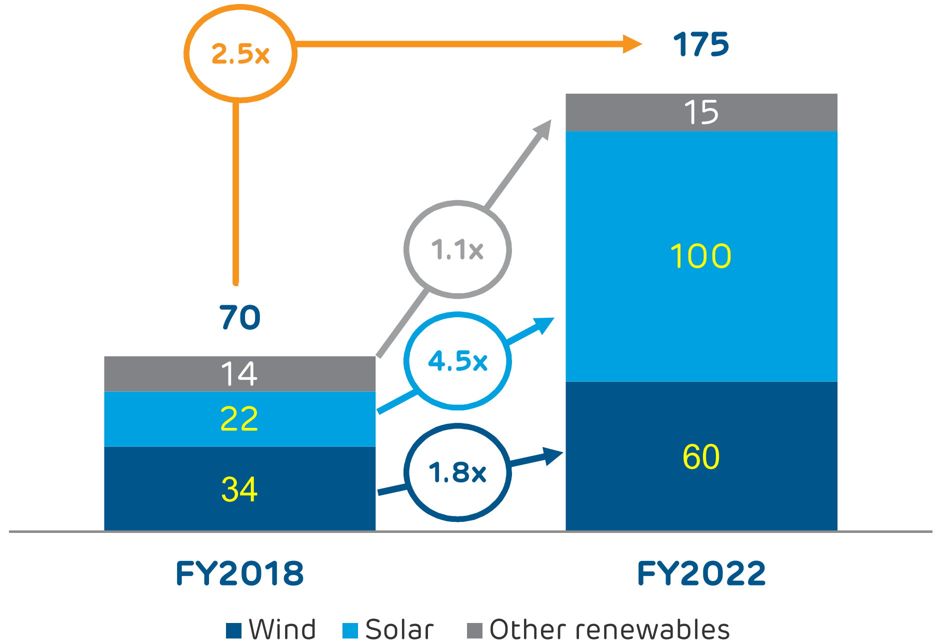
Electricity demand expected to grow at ~6% in the long term[1]

(Billion Units)



Significant growth in renewable sector foreboding well for transmission sector[1]

(GWs)



Transmission Sector Capacity Addition Poised for Significant Growth

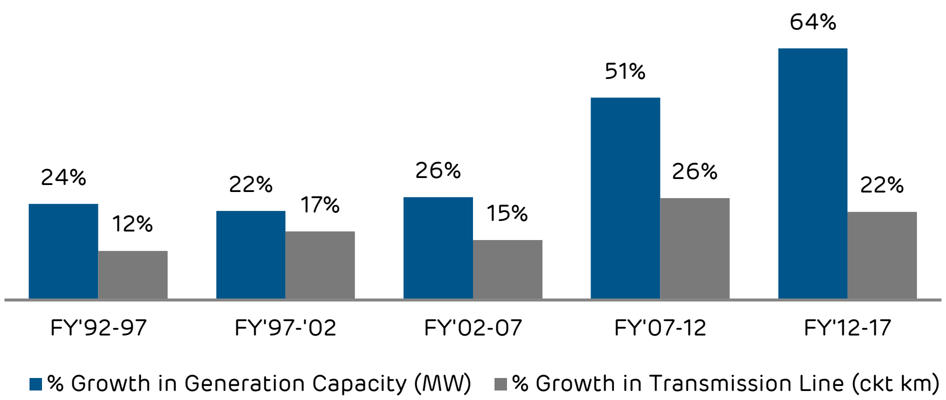
Note: (1). Forecast based on Draft National Electricity Policy

adani

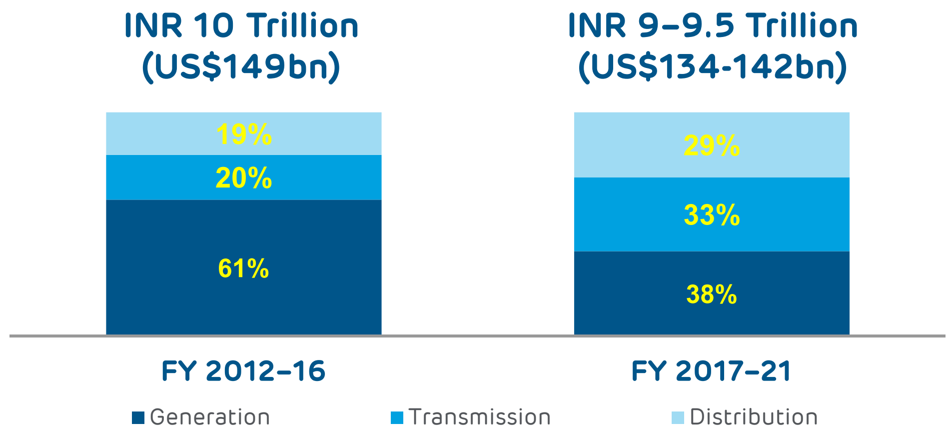
Indian Transmission Sector Poised for Significant Growth

Robust growth outlook driven by strong policy support

Significant under-investment in Transmission sector historically...[1]



... implying robust growth in the sector with share increasing by 1.7x over next 5 years[1]



~USD 37 bn market opportunity over next 5 years

Schemes like **UDAY, 24x7 Power for All, Village Electrification** etc. strengthening the value chain

Mandatory **competitive bidding** has created a level playing field for private players

Private sector has won **15** projects out of total **21** awarded since Jan-15

Private Sector Players Poised to Leverage the Transmission Growth Opportunity

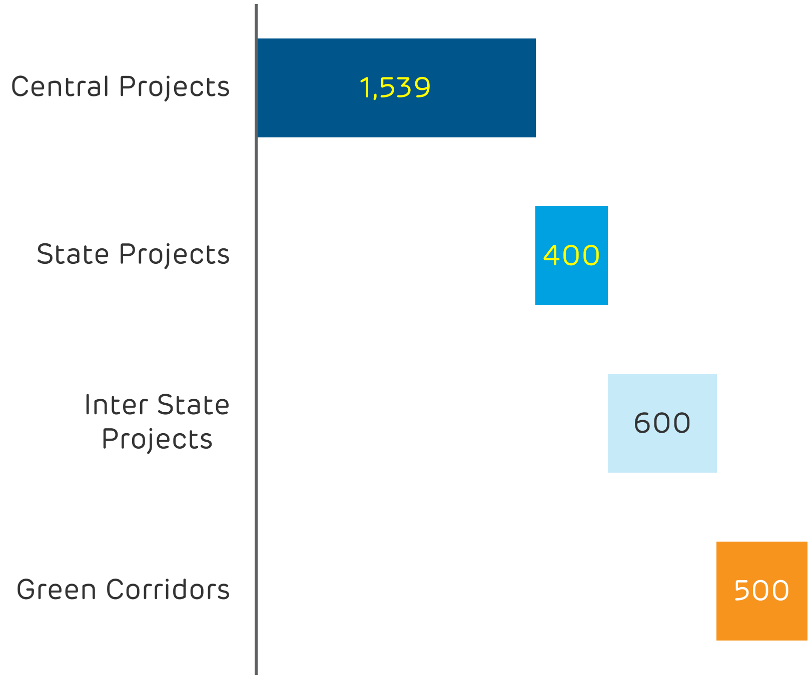
Notes: (1) Source: CEA

Large Addressable Market for Private Players

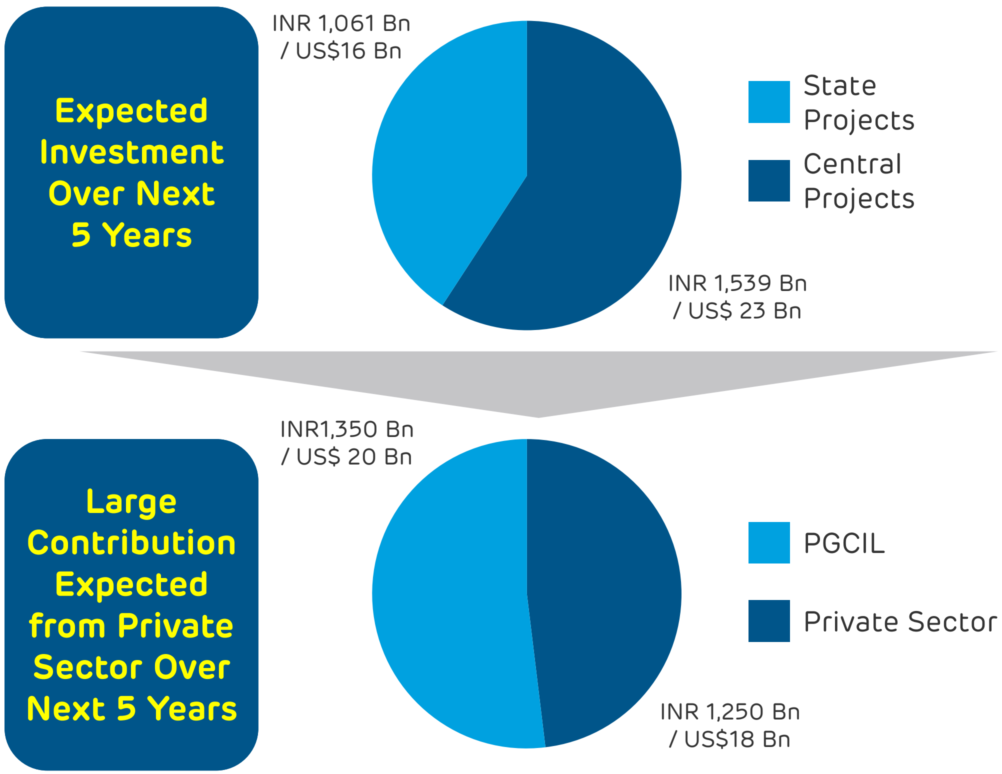
Government focus on transmission and distribution sector has opened up a large opportunity for the private sector over next 5 years.

Large Opportunity for Transmission Growth in the Next 5 years

(INR bn)



Significant Private Sector Contribution Expected in Central and State Projects



ATL is Well Positioned to Leverage the Large Private Sector Opportunity

Notes: US$/INR: 68; Source: CEA.

Structural Factors Providing Significant Opportunities in Power Distribution

Existing systemic inefficiencies leading to increasing focus on privatization

- **C. 89% of Power Distribution Owned by State Owned Enterprises**
- **More than 60 State DISCOMs**
- **Loss of Distribution Sector Estimated to be c. INR600Bn / US$9 Bn per Annum**
- **Considerable Scope in Terms of Reliability, Quality of Supply as Well as Softer Customer Services**

Tremendous Opportunity for PPP / Franchisee Acquisition of State Owned Enterprises

Notes: Source: CEA

Regulatory Framework

D

Well Defined Regulatory Framework

Pre 1956
- Electricity Supply Act 1948
- State Electricity Boards (SEB)

Until 1991
- Industrial policy resolution 1956
- Power sector under state control

2003 onwards
- Electricity Act 2003
- National Tariff Policy 2006

Ministry of (Conventional) Power (MoP) / Ministry of New & Renewable Energy (MNRE)

Advisory
- Central Electricity Authority of India
- Advisory arm of MoP on matters relating to the National Electricity Policy and formulating plans for the development of the sector

Regulatory
- Central Electricity Regulatory Commission (CERC)
- State Electricity Regulatory Commission (SERC)

Developers
- Private / Public Private Partnerships
- Develops Power generation plants on a BOOM basis
- Recovery of revenue as per PPA entered with bilateral users

Statutory Bodies
- National Load Dispatch Center (NLDC) / Regional Load Dispatch Center (RLDC)
- State Load Dispatch Center (SLDC)

Regulatory Stability
- Stable and Established regulations with long history
  - Current Electricity Act, 2003
  - Grid stability by statutory bodies
- No dependence on non-utility income
- Proven contractual stability

India – Predictable Regulatory Framework

CERC and SERC have Long Standing History of Maintaining and Defining Tariffs

CERC

20 years
Track record
(Regulatory determinations commenced in 1998)

SERC (eg. MERC)

19 years
Track record
(Regulatory determinations commenced In 1999)

Tariffs Determining

- Return on Assets (ROA); and
- The framework for Operations & Maintenance costs

+

Built in credit support mechanism

- Letter of Credit/Guarantee
- Third party sale of power and recovery via statutory collection (undertaken via relevant statutory body)

Methods for Tariff Determination

Building Block – Multi Year (4-5 year) reset basis

- Return on equity set by CERC / SERC
- Establishes norms for capital and operating costs, operating standards and performance indicators for the assets
- Provides that charges under the national tariff framework be determined on MWh basis for power movement across state boundary

Competitive Bidding– License Period Basis

- Annual charge for a 25-year period is set through the bidding process
- Projects are bid either on **BOO basis (residual life of assets normally exceed PPA period)**
- Tariff is adopted by the relevant SERC

The structure, roles and constitutional validity of competitive bid tariffs and RoA tariff was reaffirmed by Supreme Court judgment of April 2017

Business Model:
Fixed Return (with Cost Pass-through) and Fixed Tariff

Both concession models provide significant visibility on cash flows with limited operational risk

Fixed Return Based Projects

Annual Transmission Revenue for Each Project = **Annual Fixed Costs** + **Incentive/(Penalty)**

Annual Transmission Revenue for Each Project

- ◆ O&M Costs Based on Regulations *
- Recovery of 90% of Asset Value
- ◆ Interest on Normative Debt
- ◆ Working Capital Norms as Specified
- Equity Base 30% of Project Cost
- ◆ Tax Based on Actual

Annual Fixed Costs

O&M Costs
+ Depreciation
+ Interest on loan
+ Interest on WC
+ RoE → 15.5%/17.5% **
+ Tax on ROE

Incentive/(Penalty)

Incentive on Actual Availability vis-à-vis Normative Availability

Helps offset O&M Expenses

◆ True Up Applies

Fixed Tariff Based Projects

Revenue Components = **Fixed Annual Tariff** (Fixed for life of the concession based on bid assumptions) + **Escalable Tariff** (Linked to Inflation) (Initial Year Fixed as per Bid) + **Incentives** (Linked to Actual vis-à-vis Normative Availability)

* For distribution it includes power purchase cost ** 17.5% represents return on supply business

Financial and Operating Performance to date

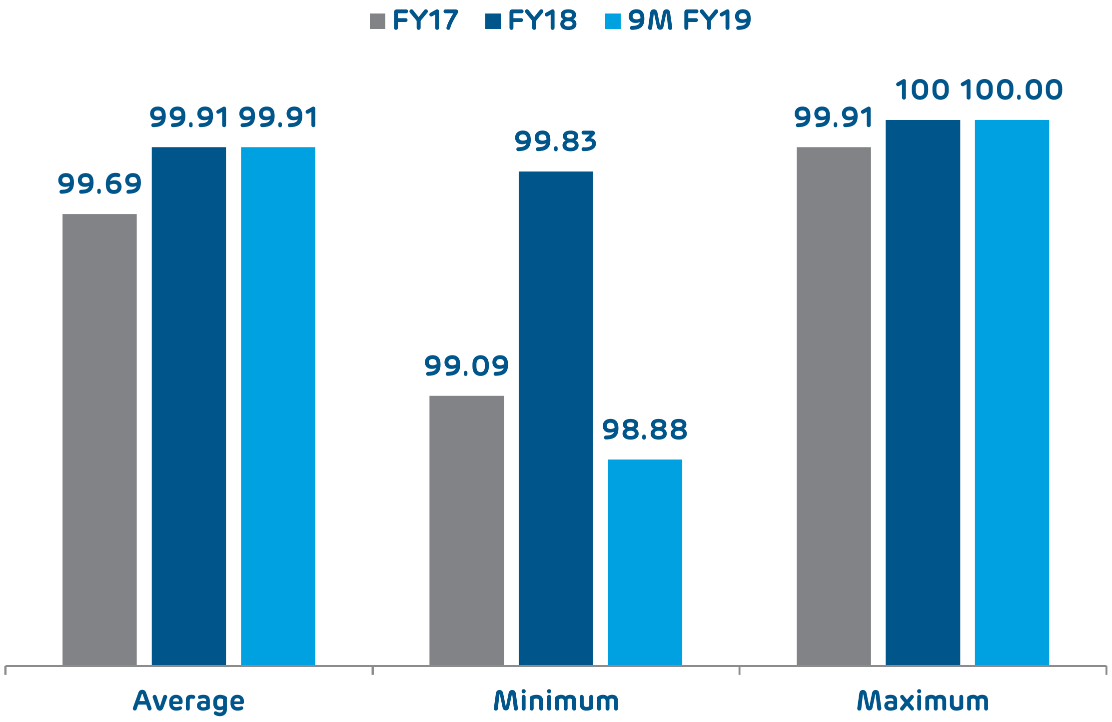
E

Transmission - Strong Capabilities Underscored by Operating Performance

Consistent performance across all operational assets with 99.9% availability and focus on incentive maximization

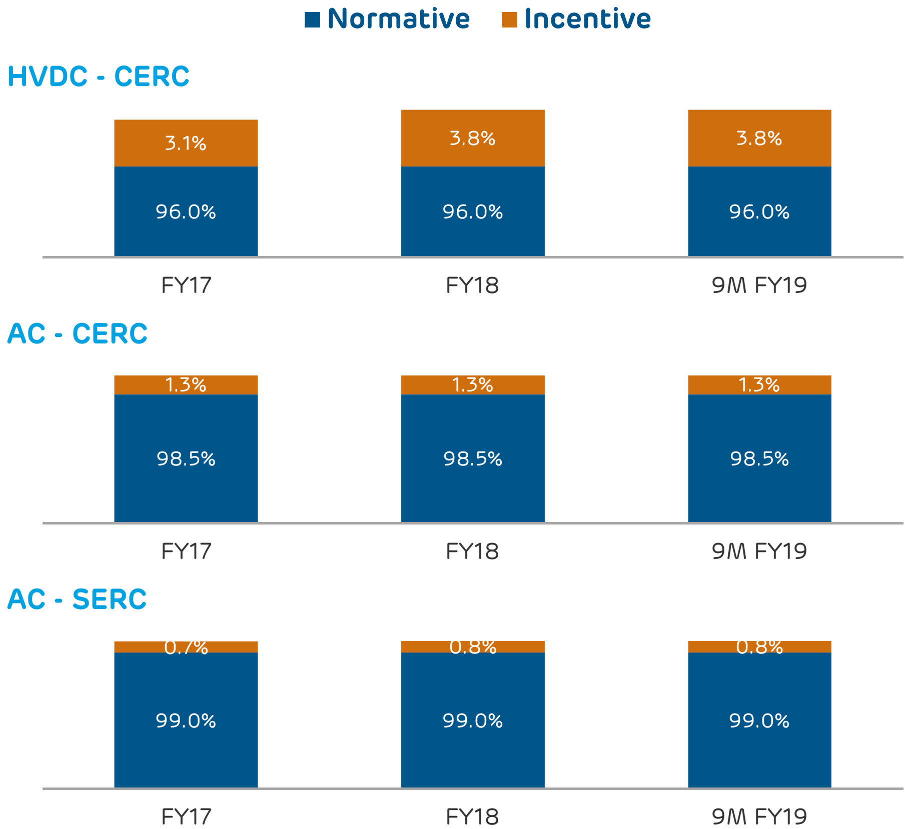
Availability Across Operational Assets (%)

(Average, Min, Max)



Focus on Maximizing Incentives

(%)



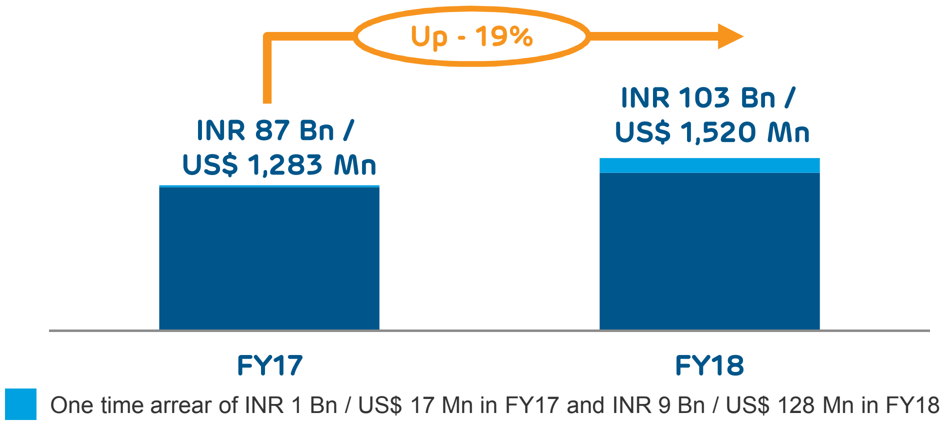
Strong operational capabilities and incentive focus help drive efficiencies and margins.

Note : For ATL Historical only and does not include acquired distribution business

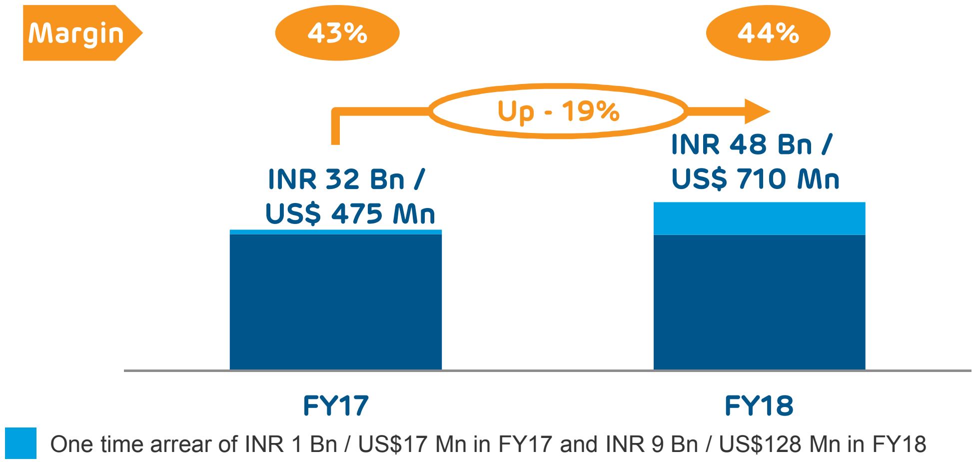
adani

ATL Pro-forma (ATL + AEML): Robust Historical Performance

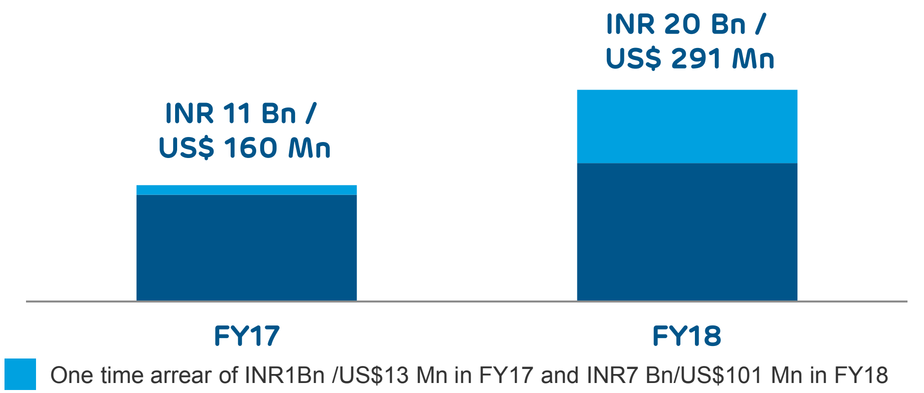
Strong Revenue(1) Growth



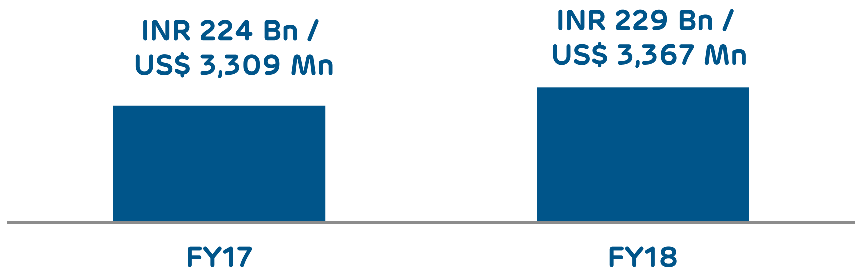
High EBITDA(2) Margins



Significant Improvement in Profitability



Growing Net Fixed Asset Base



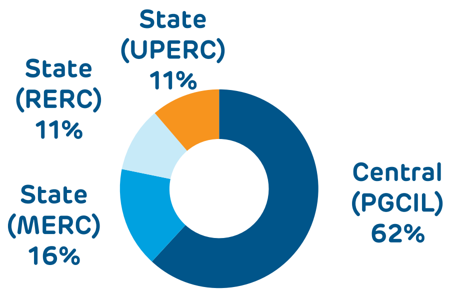
Note: US$/INR: 68; (1) Revenue excludes Trading Revenue; (2) EBITDA = PBT + Depreciation + Net Finance Costs – Other Income. As Per Indian Accounting Standard (IndAS)

Diversified Counterparty Risk and Receivable Profile

Attractive mix of central / state counterparties, in conjugation with strong contractual protections, limits overall payment risk to ATL

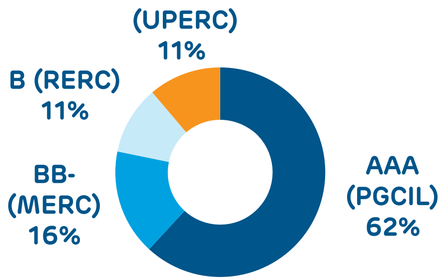
CTU / STU Mix

In terms of Ckt Kms (H1FY19)



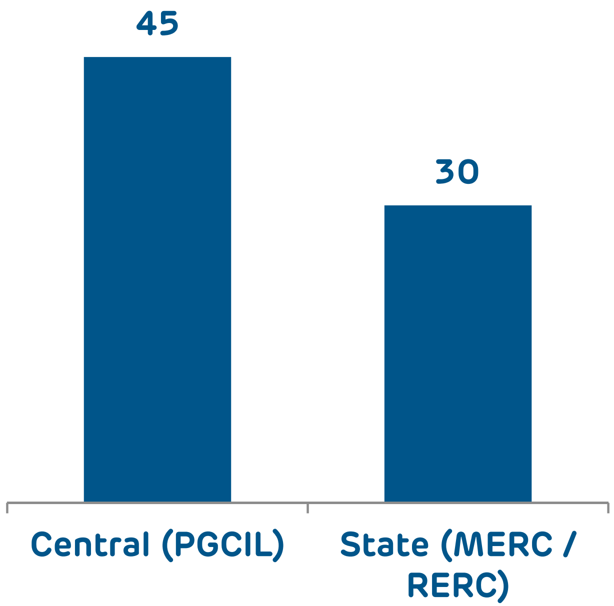
Credit Profile of CTU/STU

In terms of Ckt Kms (H1FY19)



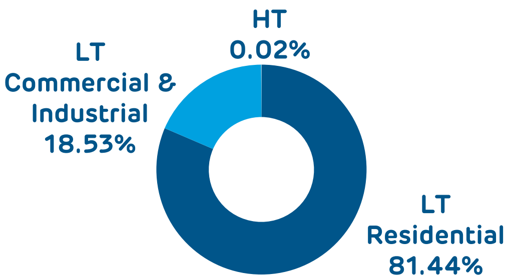
Receivable Profile

Average Receivable Days (FY18)



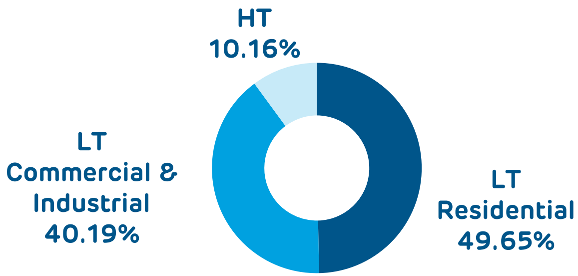
BSES Consumer Mix

In terms of no. of consumers (FY18)



BSES Sales Mix

In terms of MU (FY18)



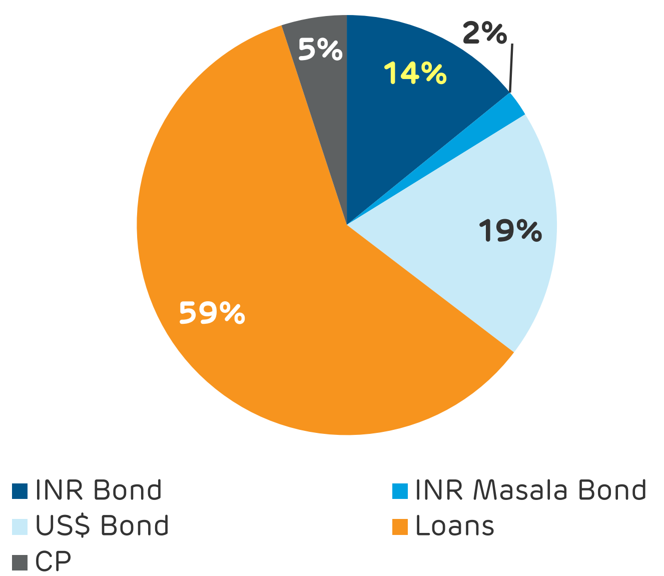
Track record of robust receivable profile with no direct exposure to bilateral counterparty / user

ATL: Financing Prowess

Diversification of funding sources and focus on debt maturity / cost rationalization to deliver improved long-term returns

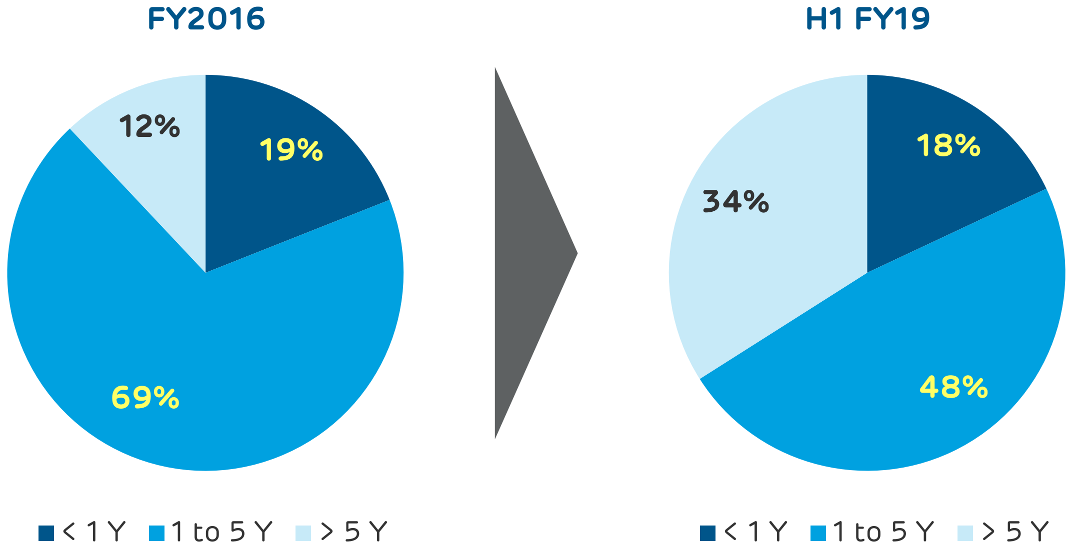
Diversified Debt Mix

Based on H1 FY19 Debt



Total Outstanding Debt (FY18)
INR 190 Bn / US$ 2738 Mn

Improved Returns through Extended Debt Maturity Profile



Debt / EBITDA
4.3x

Strong Balance Sheet

Debt / EBITDA[(1)]
4.5x

Investment Grade Ratings – S&P: BBB- / Fitch: BBB- / Moody's: Baa3 / India Ratings: AA+

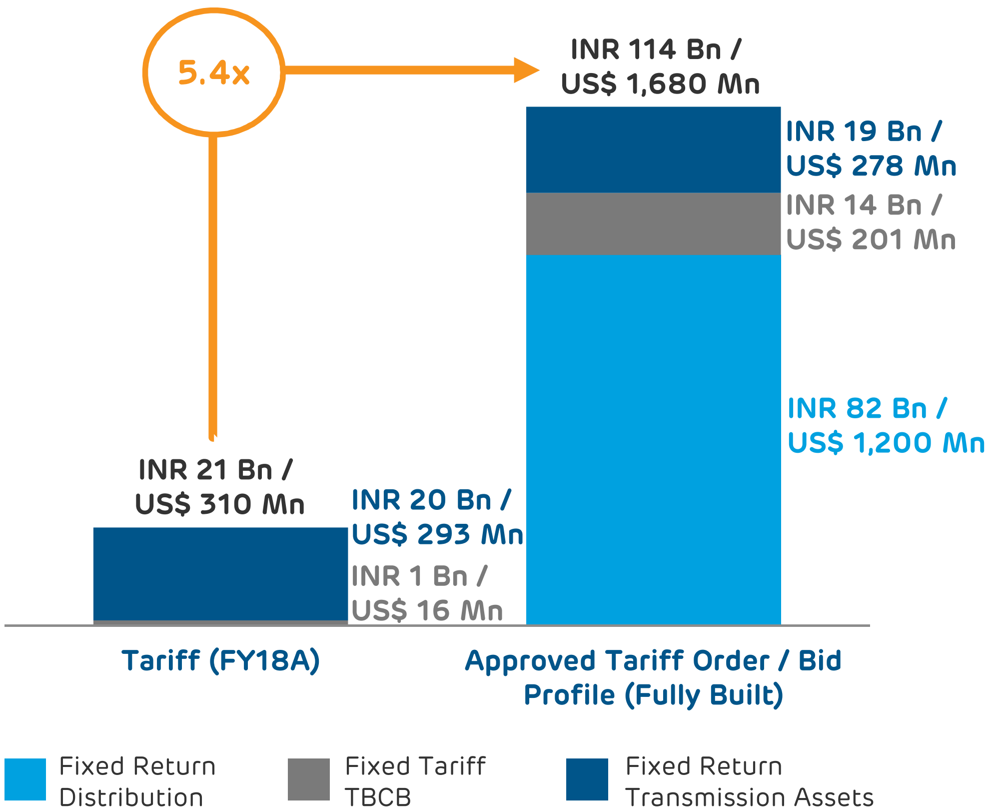
Note: US$/INR: 69

1) Debt to EBITDA is TTM- Proforma

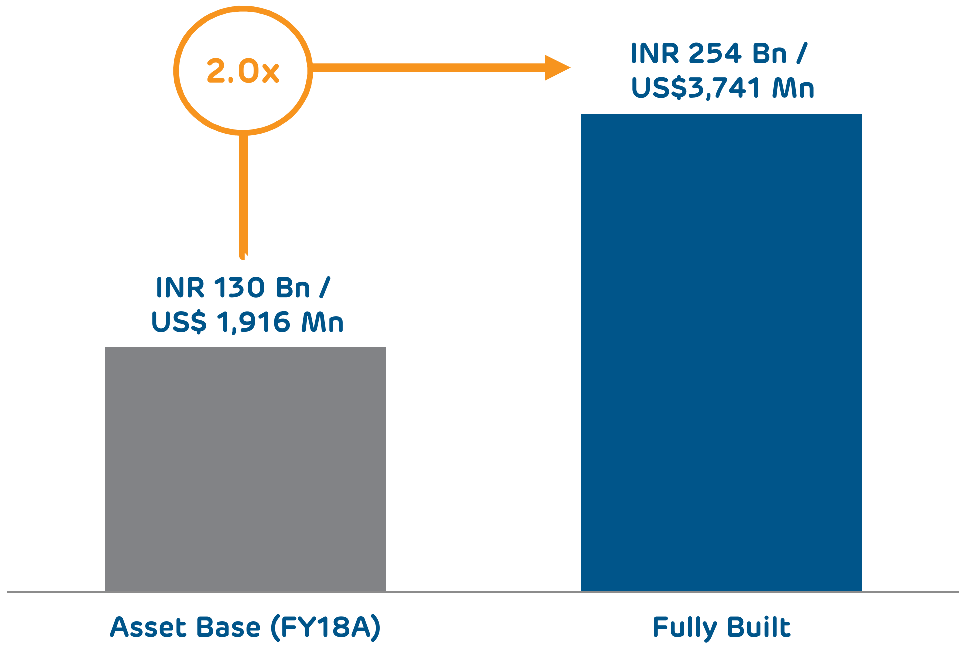
Visible Cash Flows Providing Floor Returns

Robust growth in revenue and asset base driven by integration of Mumbai Generation-Transmission-Distribution (Mumbai-GTD) business and commissioning of newly won TBCB bids

Visibility on Account of Approved Tariff Order and Bid Profile[1]



Expansion of Invested Asset Base[2]



Note: US$/INR: 68; (1). FY18 figures based on actual audited financials. Fully built estimate based on regulatory approved tariff and bid based tariff profile. No upsides have been assumed on account of operational efficiencies. (2). Fully built Asset Base estimate based on fully built asset cost.

TBCB - Tariff Based Competitive Bidding

Closing

F

Growth Opportunity Focus

Transmission Growth Opportunities

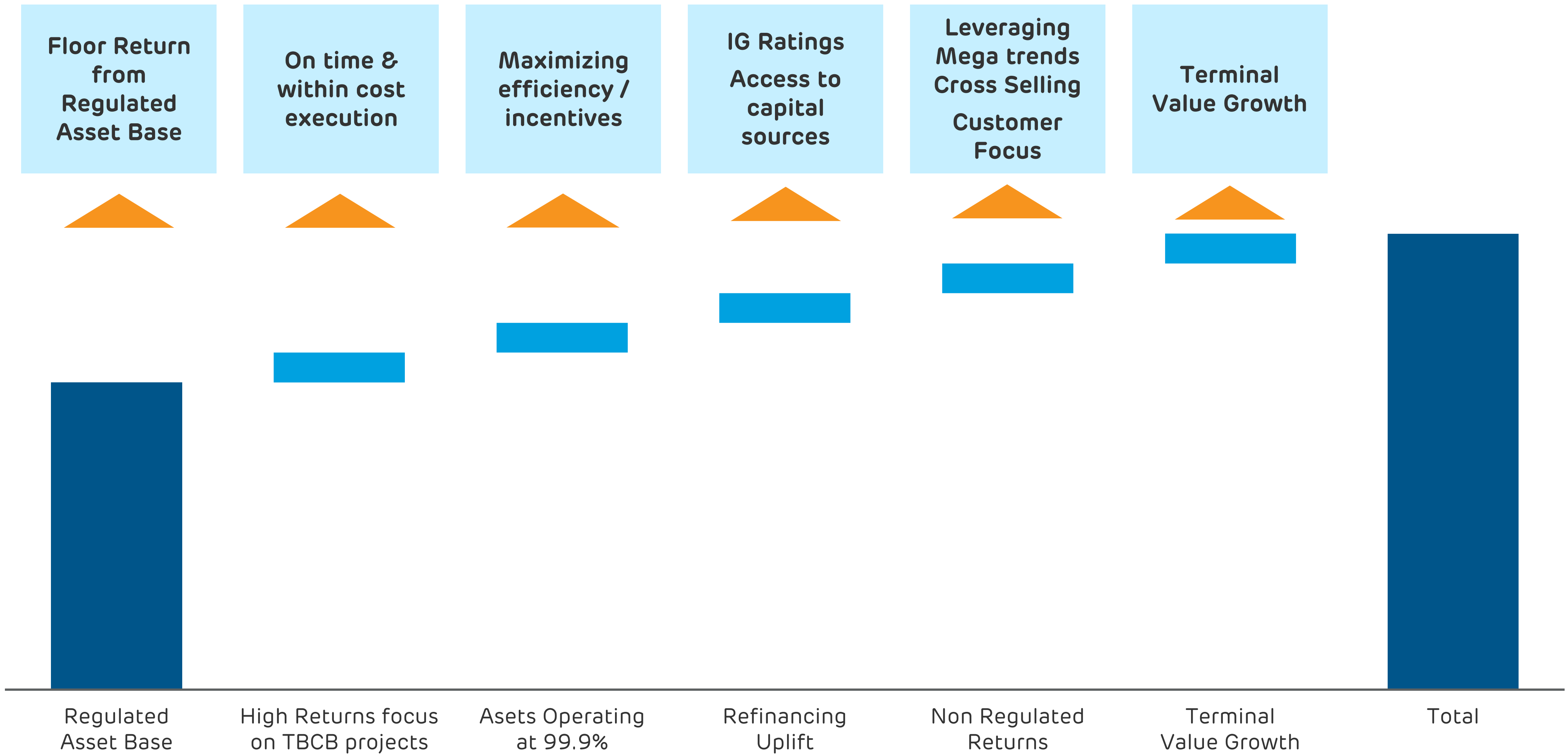
- **Retain market share** in Fixed tariff transmission assets - Inter State, Intra State and Brownfield acquisitions
- Focus on **maximizing returns and operational efficiency**
- **Revisiting** our **geographic strategy** in terms of risk-reward prospective for international projects

Distribution Opportunity – Emerging Mega Trends

- **Pursue New Geographies:** New License Alongside City Gas Distribution Licenses
- **Pursue New Services:** Roof Top Solar, Electric Vehicle Charging station, Smart Home Products etc.
- **Pursue New Customers:** Open Access Customers, Special Economic Zone, Smart Colonies, Smart Grid

ATL's capabilities position it well to leverage opportunities across transmission and distribution.

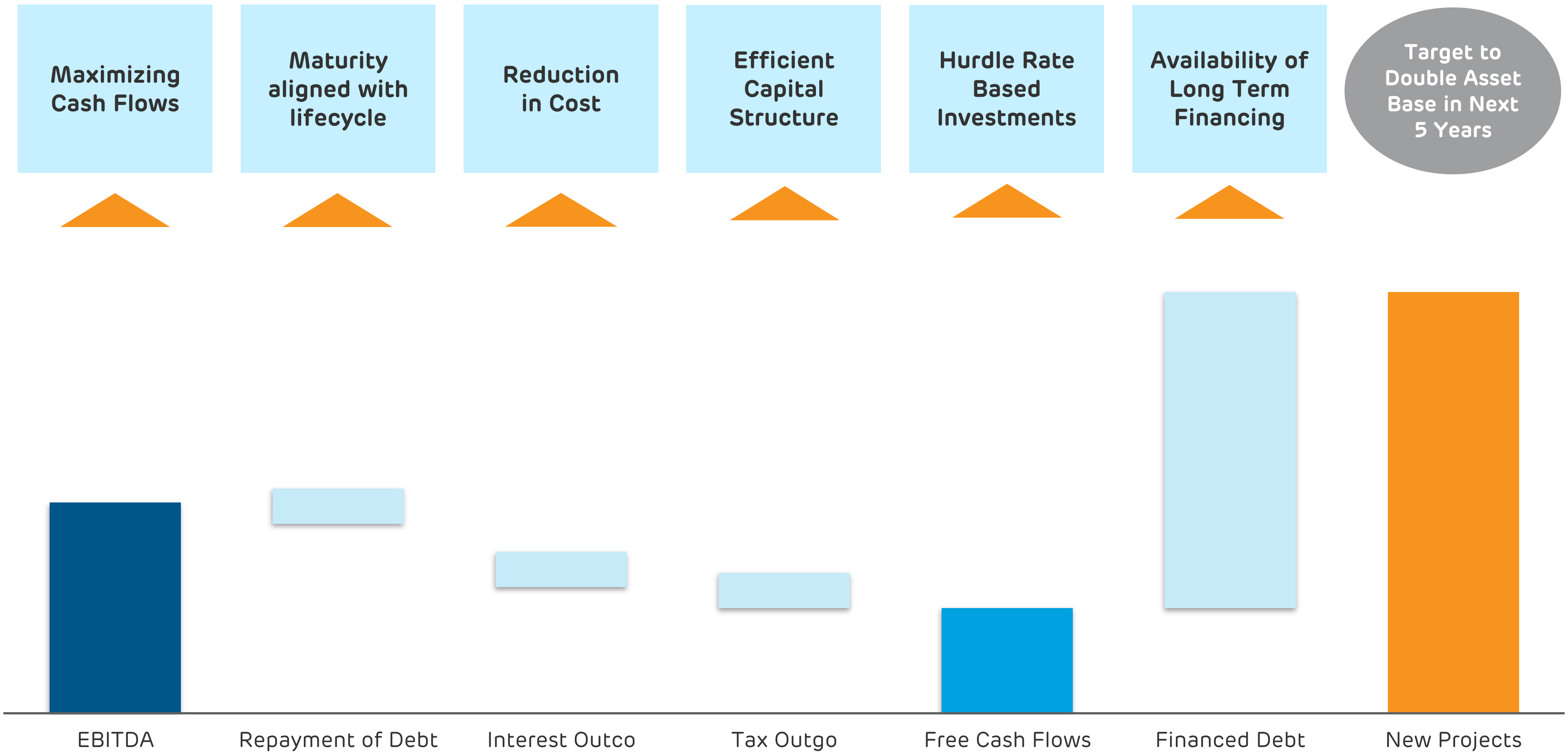
Delivering Significant Growth and Returns



Fixed Tariff Transmission, Distribution and non regulated returns combined with ATL Capabilities to deliver shareholder value

RTM – Revenue & Tariff Model
TBCB – Tariff Based Competitive Bidding

Maximizing Cash Flows to Deliver Strong Growth



Internal Accruals Funded Growth with Prudent Financing Strategy in the Medium Term to Deliver Superior Returns

RTM – Revenue & Tariff Model.
TBCB – Tariff Based Competitive Bidding.

ATL: A Compelling Investment Proposition

adani

Track Record

- Growth
- Performance
- Advanced Technology
- Risk Management Capabilities
- Integration of In-Organic Ventures
- Financing Competitiveness; Internal Accruals Led Growth
- Strong Cash Flow and Accretive Value Creation
- Mature Business Delivering Shareholder Value

Appendix

G

ATL – Business Segment Showcase

1

ATL – Transmission Segment Showcase

Operating Assets – Mature & Stable Asset Profiles

Long Life of Assets and Contracts

1 Completed Assets with Minimal Ongoing Maintainance

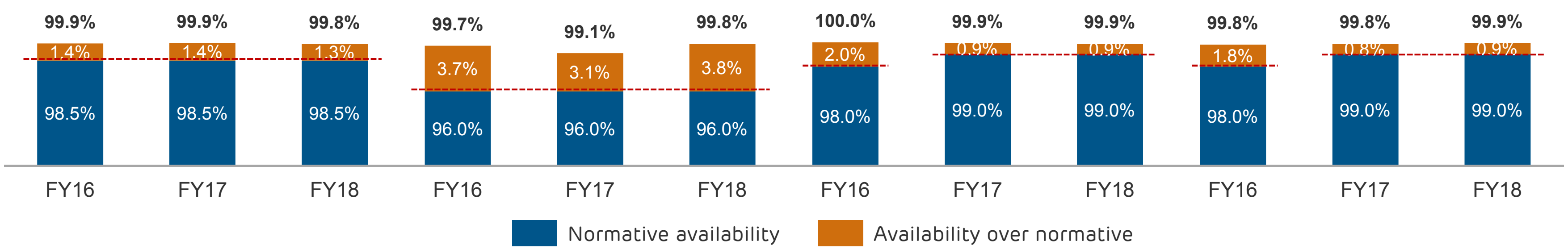
	Mundra – Dehgam	Mundra – Mohindergarh	Tiroda – Warora	Tiroda – Aurangabad
Regulator	CERC	CERC	MERC	MERC
License Period	25 years + 10 years	25 years + 10 years	25 years + 10 years	25 years + 10 years
COD	Jul-2009	Oct-2012	Aug-2012	Feb-2014; Apr-2014; Mar-2015[1]
Ckm	868	2,528	438	1,217
Remaining Life	~26 years	~29 years	~29 years	~31 years

~29 years of average license period remaining for the four operational transmission systems

Excellent Operating History

2 Efficient Operating History

Mundra – Dehgam | Mundra – Mohindergarh | Tiroda – Warora | Tiroda – Aurangabad



Track record of receiving incentive payments for maintaining availability above regulatory requirements

Note: USD/INR: 68; 1. Set 1 and 2A commissioned on February 23, 2014; Set 2B commissioned on April 8, 2014; Set 3 commissioned on March 31, 2015;

Demonstrated Track Record of Value Accretive Acquisitions

Long Life of Assets and Contracts

1 Operational assets – 2 years to full legal ownership

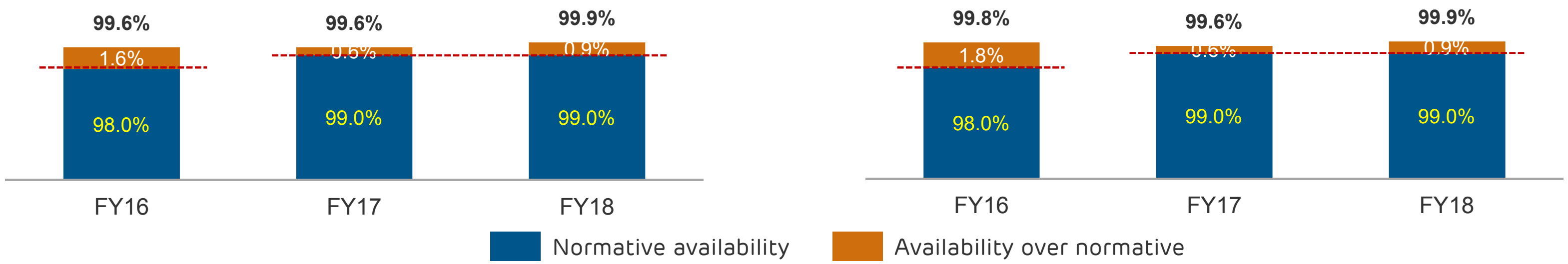
	MTSCL (74%)[1]	ATSCL (74%)[1]
Regulator	RERC	RERC
License Period	25 years + 10 years	25 years + 10 years
COD	Aug-2012	Jul-2014
Ckm	300	97
Remaining Life	~29 years	~31 years

~30 years of average license period remaining for the two operational transmission systems

Excellent Operating History

2 Efficient Operating History

MTSCL | ATSCL



Track record of receiving incentive payments for maintaining availability above regulatory requirements

Note: USD/INR: 68; (1) 2 year to full legal ownership as per TSA - 74% legal ownership but 100% operational control from First Closing

Demonstrated Track Record of Value Accretive Acquisitions

Long Life of Assets and Contracts

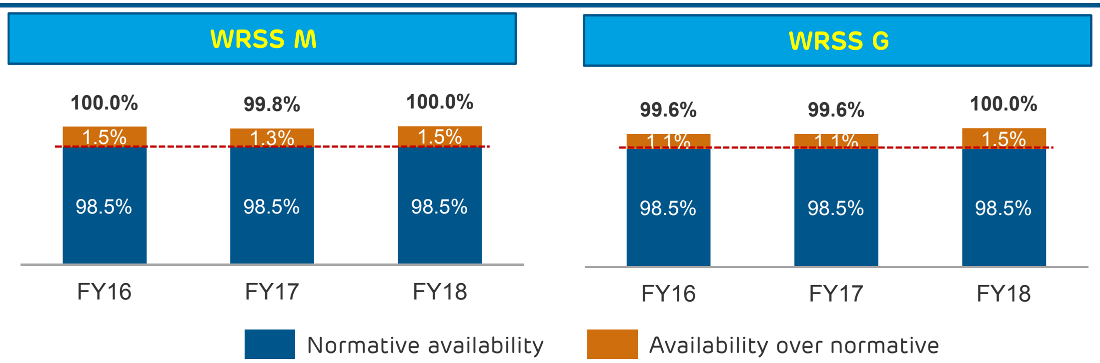
1 Operational assets – Fixed tariff (WRSS M, WRSS G and KEC)

	WRSS M (100%)	WRSS G (100%)	KEC (100%)
Regulator	CERC	CERC	RERC
License Period	35 years	35 years	NA
COD	Jan-2014	Dec-2015	NA
Ckm	2,089	974	343
Remaining Life	~30 years	~32 years	NA

~31 years of average license period remaining for the three operational transmission systems

Excellent Operating History

2 Efficient Operating History



Track record of receiving incentive payments for maintaining availability above regulatory requirements

Note: USD/INR: 68; (1) Financials for FY18 are for 5 months only as assets were acquired during the year

Transmission : Payment Pooling Mechanism Reduces Counterparty Risk

Payment pooling mechanism substantially reduces any counter party default risk – also mitigating concerns around receivables

Payment Pooling Mechanism

- Tariffs collected by either CTU (Inter-state) or STU (Intra-state) Transmission
- Collections distributed in proportion to ARR of each licensee
- No discretion to CTU / STU to withhold payments
- Counterparty risk linked to government owned entities

Credit Support Mechanism and Structural Support

- Transmission costs form lower proportion of the total costs
- Lack of alternate power off-take infrastructure
- Availability linked tariff not related to power flow
- Revolving Letter of Credit based payment mechanism

Transmission System Users

All demand / drawal nodes

+

All generator / injection nodes

Billed as single charge per Generator / Demand Node

Payment (MW / month)

₹

Central Payment Pool

CTU (PGCIL) / STU acts as revenue aggregator

Billed as per regulatory / bid tariff profile

₹

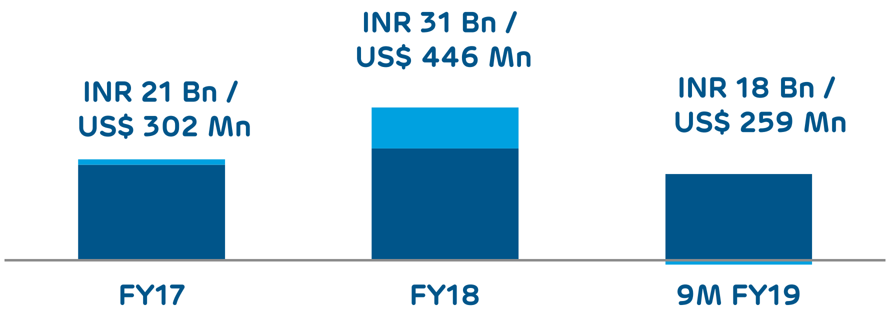
Transmission Licensees

PGCIL + Private Sector Transmission Licensees

Note: ARR – Annual revenue requirement; CTU – Central Transmission Utility; STU – State Transmission Utility

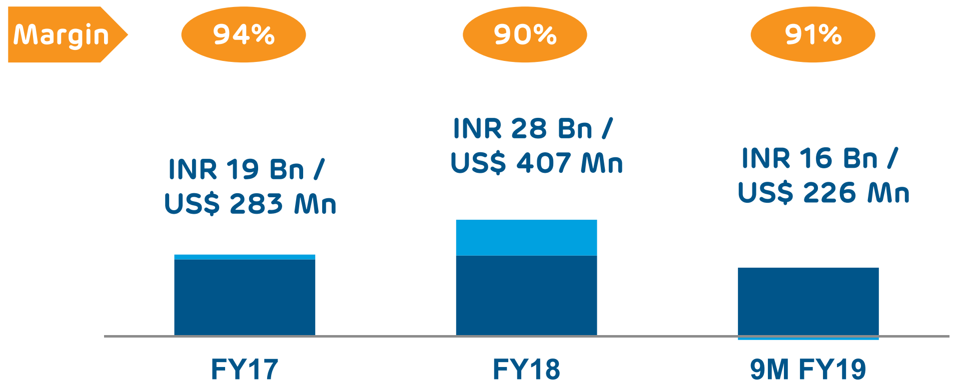
ATL (Consolidated): Robust Historical Performance

Strong Revenue(1) Growth



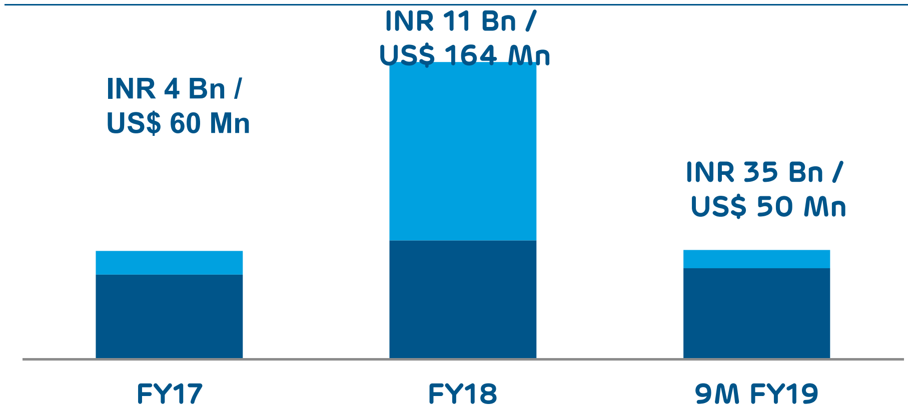
One time arrear of INR 1 Bn / US$ 17 Mn in FY17 and INR 9 Bn / US$ 128 Mn in FY18

High EBITDA(2) Margins



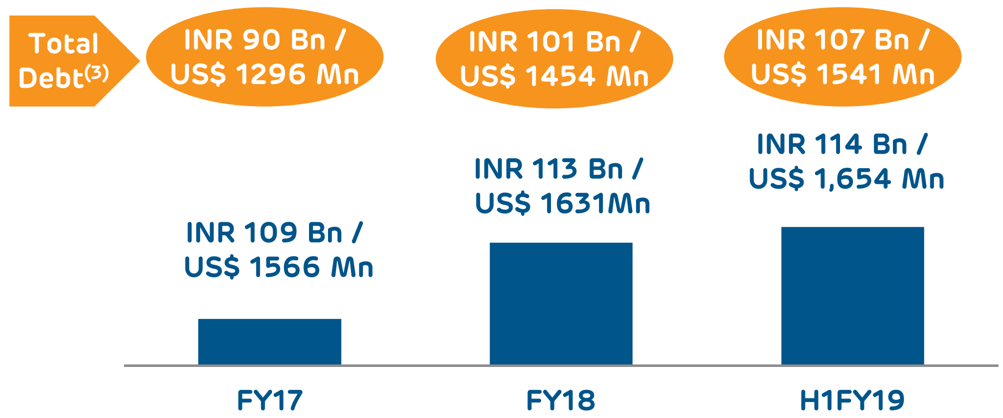
One time arrear of INR 1 Bn / US$17 Mn in FY17 and INR 9 Bn / US$128 Mn in FY18

Significant Improvement in Profitability



One time arrear of INR1Bn /US$13 Mn in FY17 and INR7 Bn/US$101 Mn in FY18

Growing Net Fixed Asset Base



Note: US$/INR: 69; (1) Revenue excludes Trading Revenue; (2) EBITDA = Profit Before Tax + Depreciation + Net Finance Costs – Other Income; (3) Debt figures exclude Intra-Group Borrowings; (4) Excludes BSES

ATL – Distribution Segment Showcase

Adani Electricity – Integration into Distribution Sector

One of the largest private sector power distribution players in the country supplying power to 3 mm customers.

Mumbai Power Generation-Transmission-Distribution

- 1,892 MW of power distribution
- Annual energy requirement of ~10,800 Mus
- c. 3mn customers

- 500 MW of power generation at Dahanu
- LT PPA with Mumbai Distribution
- LT FSA with Coal India

- 3,125 MVA of transformation capacity

- 540 circuit kms 220 kV transmission line

✓ Stable business with assured post tax RoE of 16% approved by MERC

✓ 9 decade old distribution franchisee with license valid till August 2036

✓ Serving 3 mm customers with power reliability of 99.99%

✓ System losses below 9% as compared to India average of ~22%(3)

Adani Electricity marks ATL's foray into distribution space with access to 3+ mn customers providing diversification and stable long term cash flows

(1) LT PPA = Long Term Power Purchase Agreement; (2) LT FSA = Long Term Fuel Supply Agreement; (3). Source: UDAY website

Robust Business Characteristics and Strategy

Distribution business provides the benefits of a long term asset with regulated returns and high cash flow visibility, while also giving the potential of leveraging multiple operational and technological upsides.

Business Characteristics

- High **barriers** to entry
- **Regulated returns**
- **Perpetuity** like **Concession**
- Among the **lowest losses** in industry

Focus on Operations

- Increase **penetration**
- Focus on **high return customers**
- **Enhance efficiency** (AT&C, Finance, Heat Rate and Availability)
- **Low cost supply**

Customer Focus

- **3mm+** retail **customers**
- Strong **credit profile**
- High **propensity to pay** / stickiness
- **Upsell/ cross sell** of FMCG/ solutions

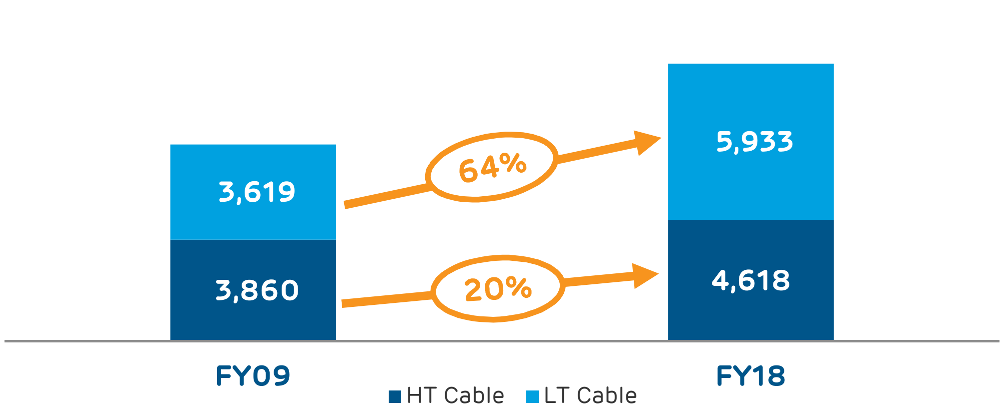
Enhancing Portfolio

- **Smart** grid / metering
- **Ancillary services** (e.g. EV charging)
- **Assets sweating**
- Fibre + Tower **leasing**
- Develop **real estate**

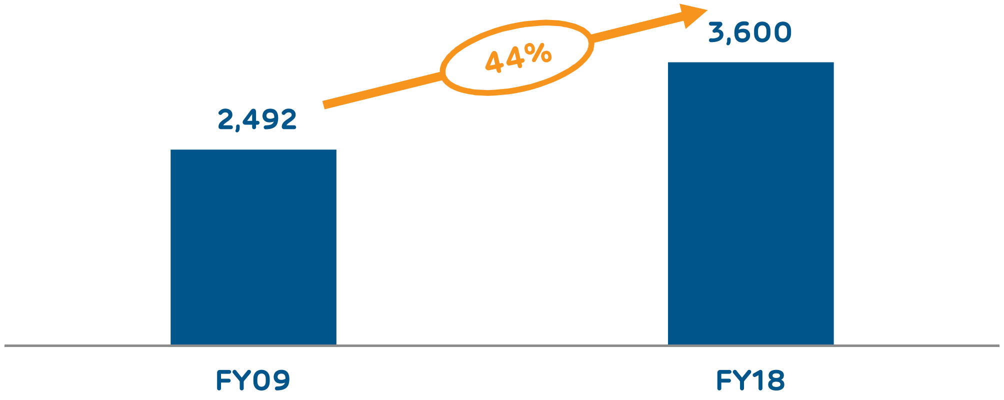
Potential to enhance efficiencies and returns through investments.
Cross sell opportunities providing non regulated return avenues

Distribution – Leveraging Distribution Network and Efficiencies to Deliver Superior Service

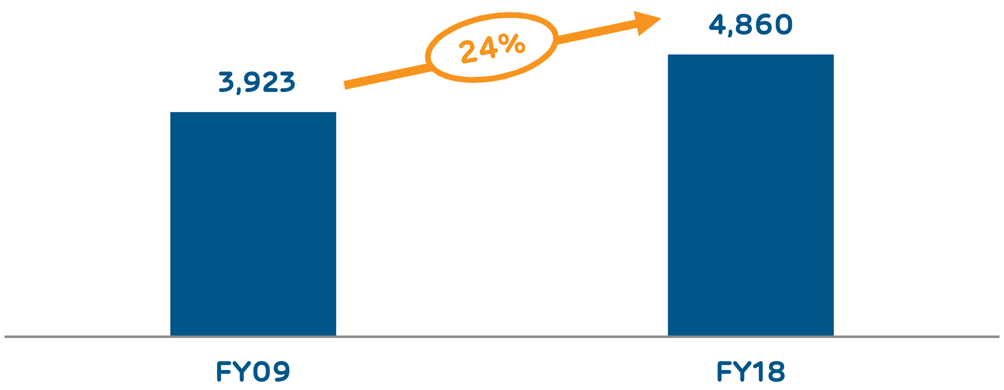
Network Length (Kms)



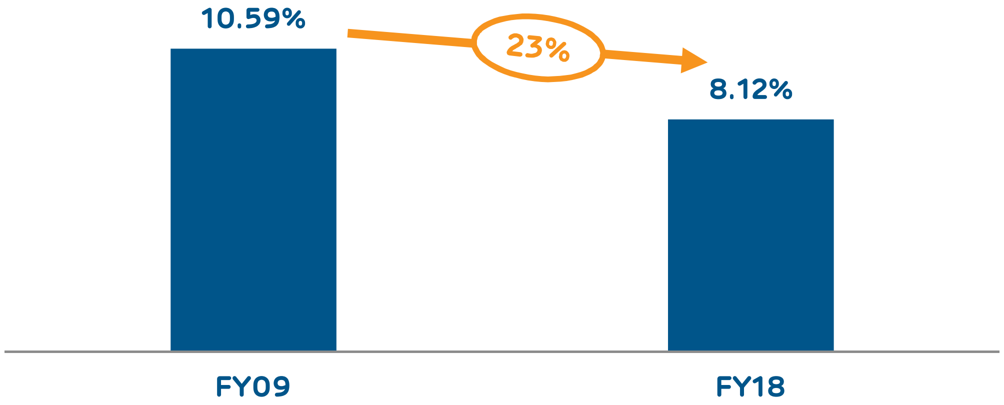
PT Capacity (MVA)



DT Capacity (MVA)



Distribution Loss (%)



Adequate Network Augmentation commensurate with Demand

HT – High Tension, LT – Low Tension, PT – Power Transformer, DT – Distribution Transformer

Embedded Power Plant – One of India's best run station (efficiency and capacity utilization)

Commissioning Year	1995
Capacity	500
No. of units & Size (MW)	2 X 250

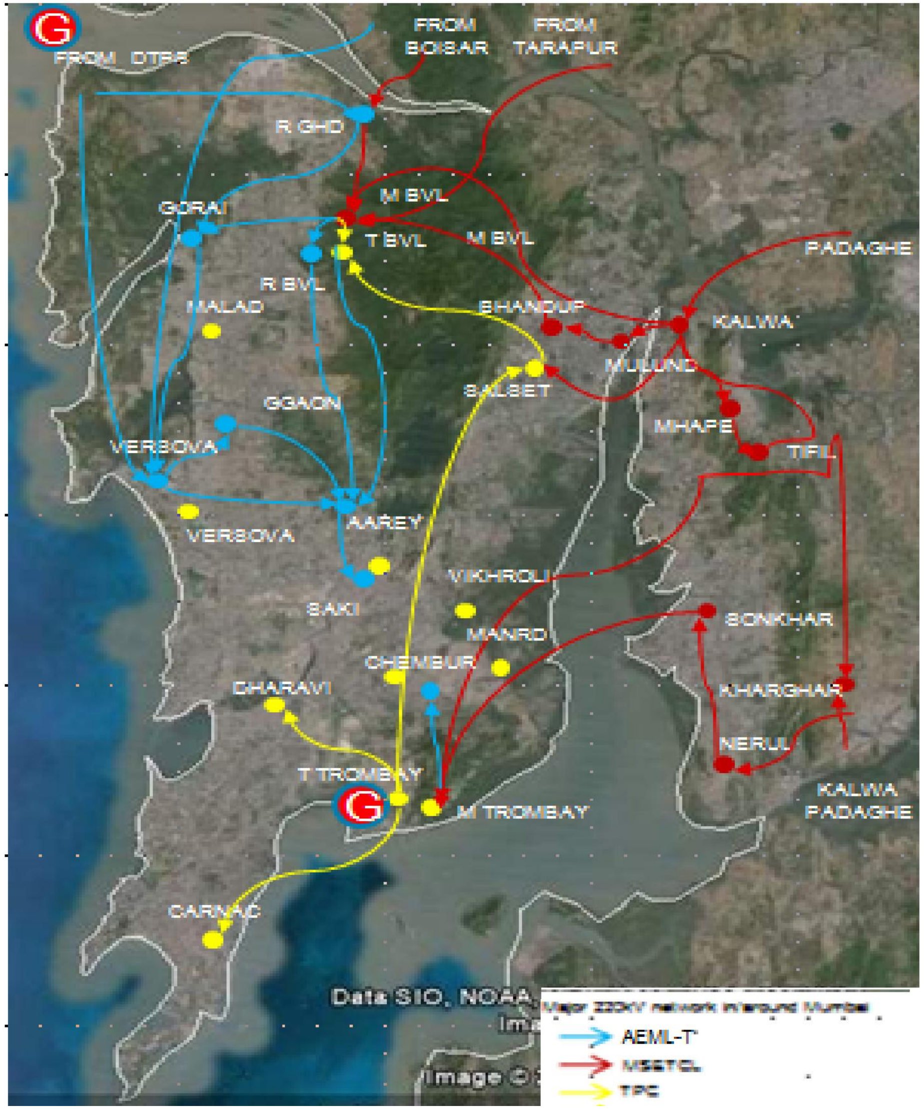
Plant Performance for last 15 years (FY04 – FY18)

Average PLF (%)	96.51
Average Availability (%)	95.65
Gross SHR (kCal/kWh)	2290
Sp. Oil Consumption(ml/kwh)	0.122
Aux Power without FGD(%)	7.67
Aux Power with FGD(%)	8.93
Sp. DM Make up (%)	0.30

PLF – Plant Load Factor. SHR – Station Heat Rate, FGD - Flue Gas De-Sulphurization, DM - De-Mineralized water

adani

Mumbai- Transmission

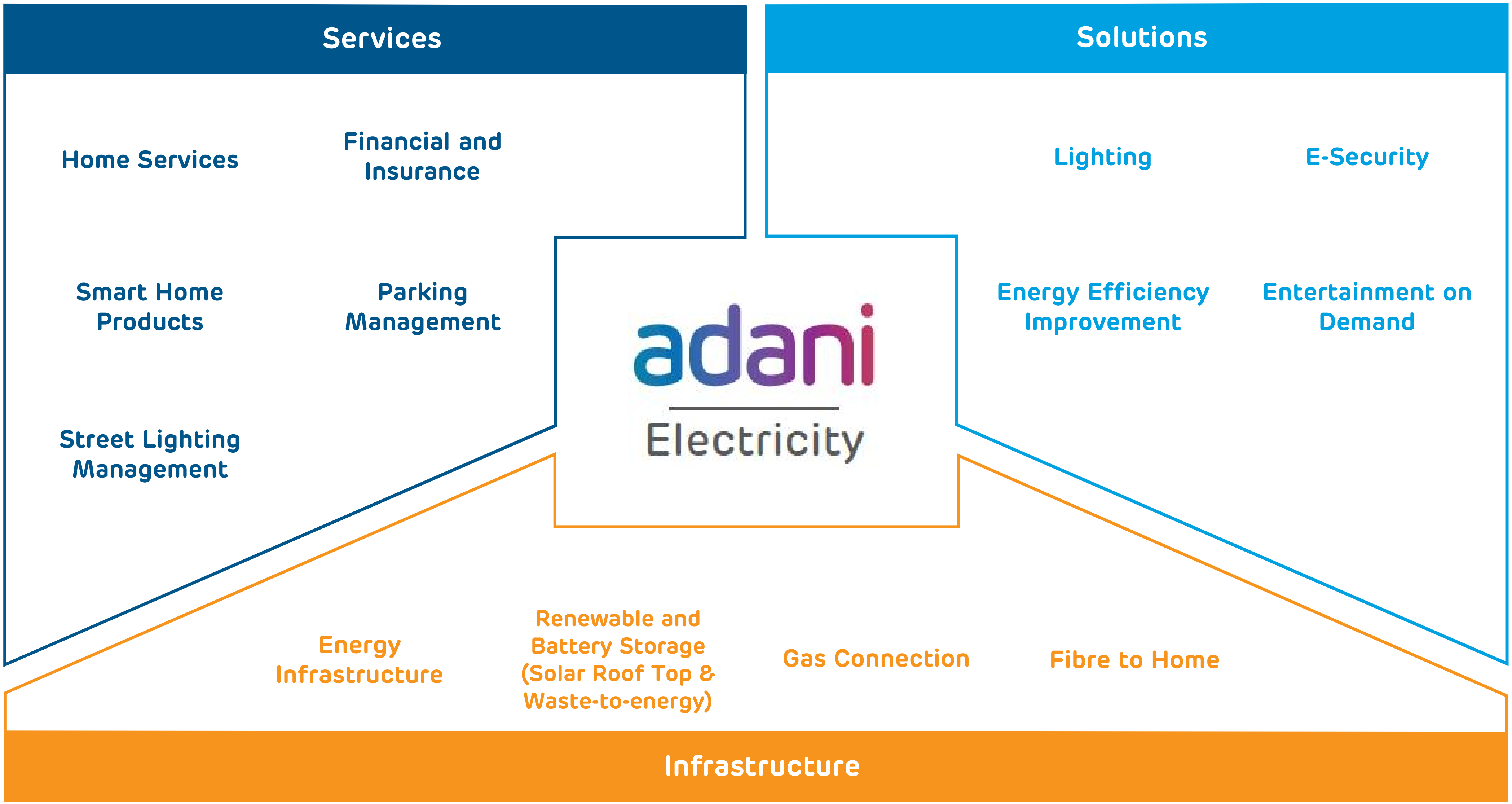


Transformation capacity (MVA)	3,125
Transmission lines (Ckt kms)	540
220 kV Bays (No)	115
33 kV Bays (No)	385
Gross Fixed Assets (Rs. Cr)	1,550
Regulatory Equity (Rs. Cr)	517
System Availability (%)	99.84
Peak Demand (MW)(1)	1,377

Caters ~70% demand of AEML Distribution

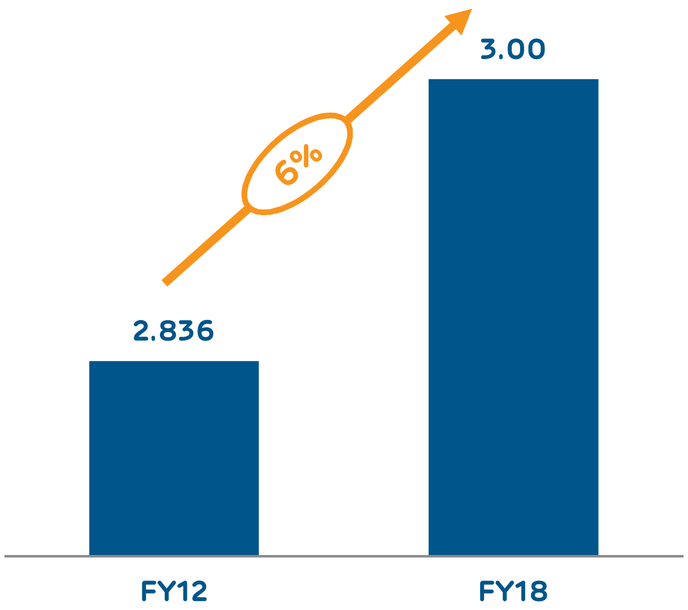
(1) YTM FY19 (till Aug18), Others till FY18.

Focus on Consumer Energy Service

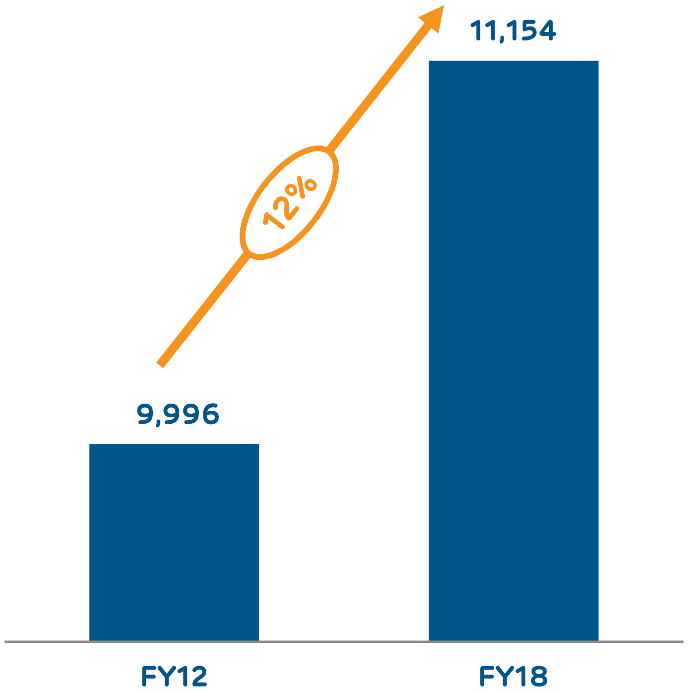


Distribution – Large Customer Base, Growing Energy Consumption

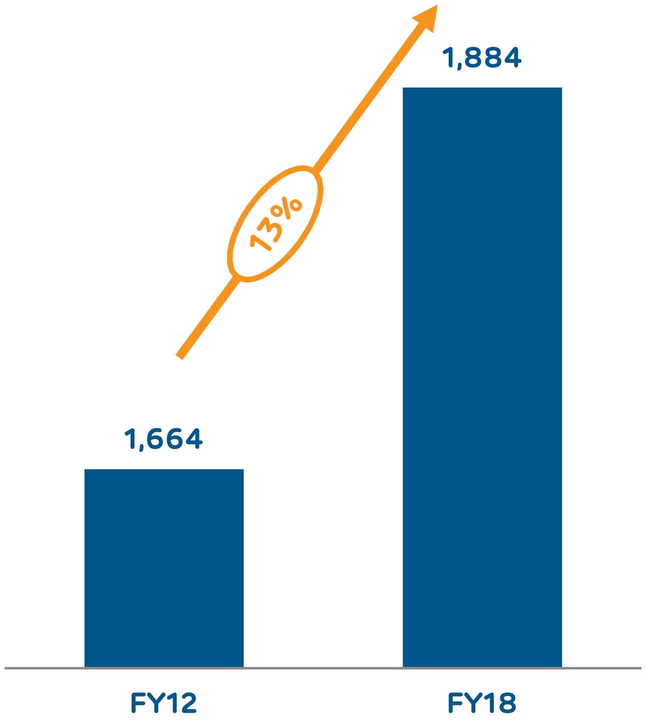
Customers (Mn)



Energy Wheeled (MU)

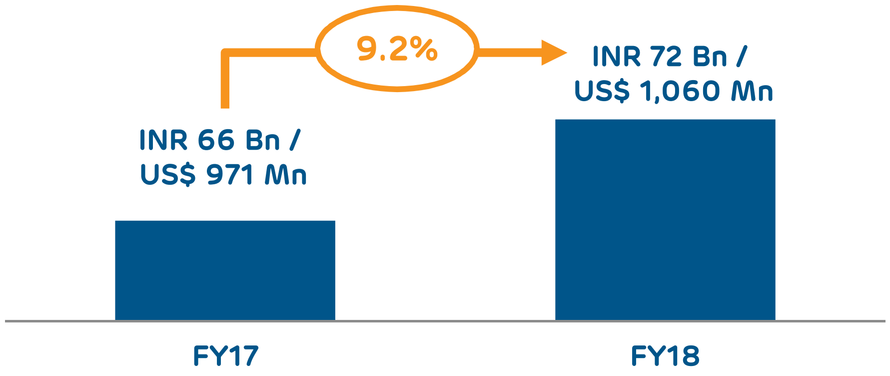


Max Demand (MW)

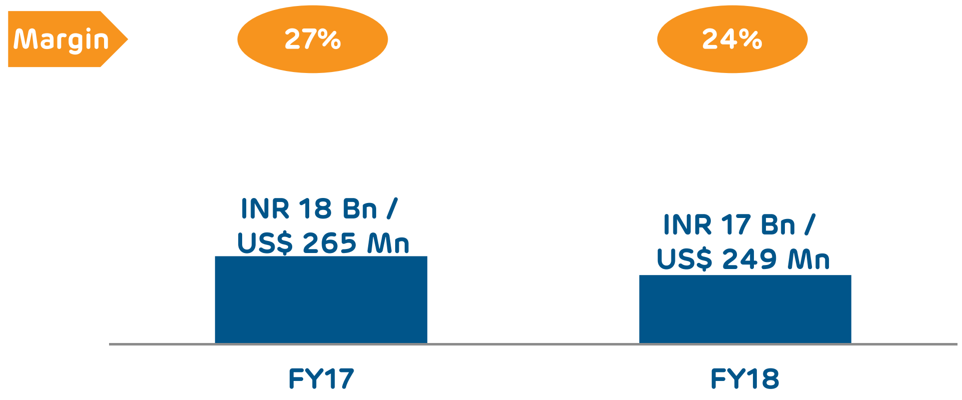


AEML (Distribution): Historical Performance

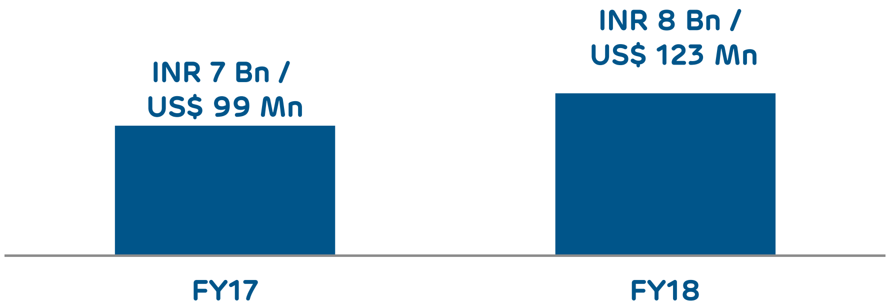
Strong Revenue Growth



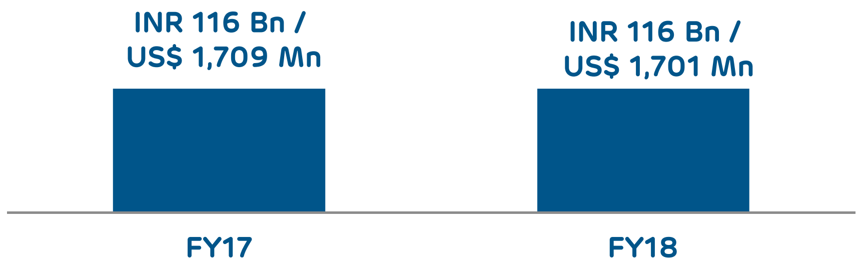
High EBITDA[1] Margins



Improvement in Profitability



Growing Net Fixed Asset Base



Note: US$/INR: 68; Per Indian Accounting Standard (IndAS); (1) EBITDA = PBT + Depreciation + Net Finance Costs – Other Income

ATL Holding Structure

2

ATL: One of India's Largest Private Sector Transmission Player

adani

Adani Transmission Limited

Shareholding as on 31st March 2018
Promoters: 74.92%
Public: 25.08%

	ATIL	MEGPTCL	ATSCL & MTSCL	WRSS M, G	ATRL	Acquired from KEC	RRWTL	CWTL	STL	NKTL	PPP 8/9/10	FBTL	Ghatam-pur	Obra-C Badaun	BSES SPV
Shareholding	100%	100%	74% (1)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Projects	Mundra - Dehgam Mundra - Mohindergarh Tiroda - Warora	Tiroda - Aurangabad	Maru & Aravali lines	WRSS M WRSS G	Suratgarh-Sikar	Bikaner - Sikar	Raipur - Rajnandgaon - Warora	Chhattisgarh -WR	Sipat - Rajnandgaon	North Karanpura Transmission System	New Wins	Fategarh Bhadla	Ghatampur	Obra	AEML
Status	Operating Assets	Operating Assets	Operating Assets	Operating Assets	Operating Assets	Operating Assets	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Under Construction	Operating
A	3,834 ckms	1,217 ckms	397 ckms	3,063 ckms	278 ckms	343 ckms	611 ckms	434 ckms	348 ckms	268 ckms	413 ckms	208 ckms	888 ckms	622 ckms	540 ckms
B	6,630 MVA	6,000 MVA	1,360 MVA	-	-	-	-	630 MVA	-	1,000 MVA	585 MVA	-	-	950 MVA	3,125 MVA
C	c. 28 years	c. 31 years	c. 30 years	c. 31 years	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	c. 18 years
D	Fixed return	Fixed return	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed tariff	Fixed return
E	Centre / State	State	State	Centre	State	State	Centre	Centre	Centre	Centre	State	Centre	State	State	State
F	INR 50 Bn / US$ 730 Mn	INR 58 Bn / US$ 849 Mn	INR 4 Bn / US$ 58 Mn	INR 18 Bn / US$ 268 Mn	INR 1 Bn / US$ 20 Mn	INR 2 Bn / US$ 33 Mn	INR 12 Bn / US$ 178 Mn	INR 9 Bn / US$ 140 Mn	INR 5 Bn / US$ 80 Mn	INR 5 Bn / US$ 69 Mn	INR 4 Bn / US$ 65 Mn	INR 4 Bn / US$ 54 Mn	INR 18 Bn / US$ 269 Mn	INR 7 Bn / US$ 108 Mn	INR 56 Bn / US$ 1,780 Mn

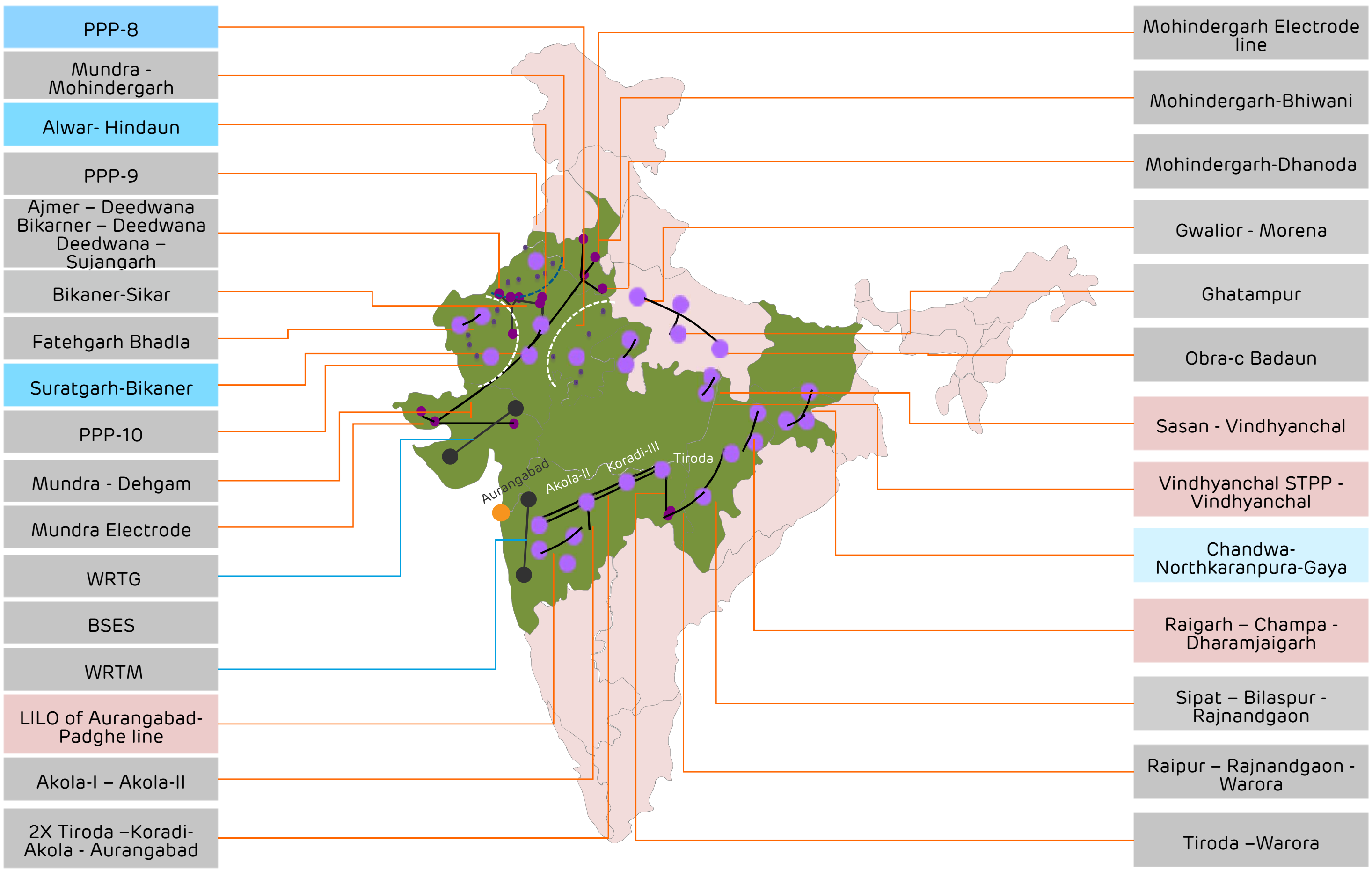
A Transmission line length; B Transformation capacity; C Residual concession life; D Contract type; E Counterparty; F Asset base(2)

Note: USD/INR: 68; ATIL - Adani Transmission (India) Limited; MEGPTCL - Maharashtra Eastern Grid Power Transmission Co. Limited; STL - Sipat Transmission Limited; RRWLT - Raipur Rajnandgaon Warora Transmission Limited; CWTL – Chhattisgarh WR Transmission Limited; ATRL – Adani Transmission (Rajasthan) Limited; NKTL – North Karanpura Transco Limited; ATSCL – Aravali Transmission Service Company Limited; MTSCL – Maru Transmission Service Company Limited, WRSS M – Western Region System Strengthening Scheme Maharashtra, WRSS G – Western Region System Strengthening Scheme Gujarat, FBTL – Fategarh Bhadla Transmission Limited. (1) Option to acquire balance 26% in a manner consistent with Transmission Service Agreement and applicable consents; (2) Asset base for operational assets as of Mar-2018; Under-construction assets – as per the final project cost; Mumbai GTD / BSES – as per proposed funding plan.

Largest Pure-play Integrated Transmission and Distribution Player in India

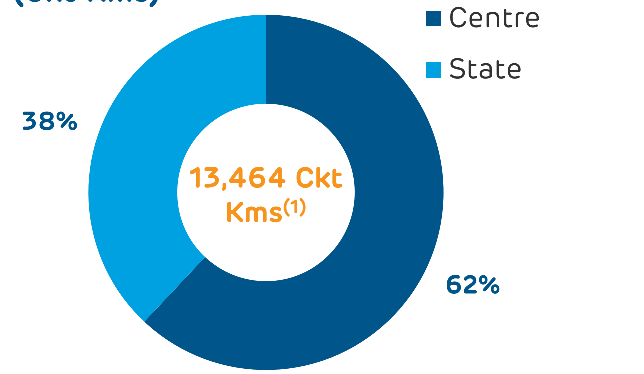
Operational Assets – 9,672 Ckm & 17,115 MVA

Projects Under Execution – 3,792 Ckm & 3,165 MVA



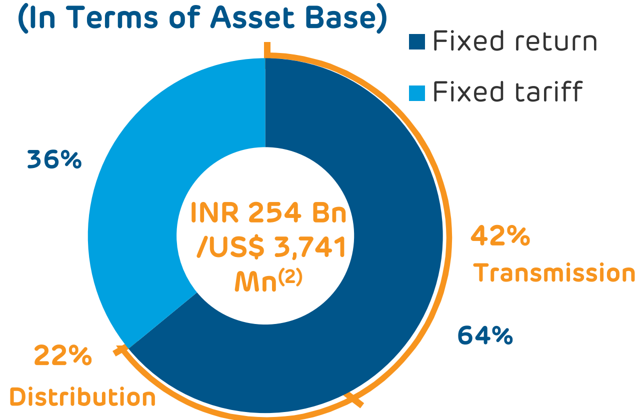
Central vs State Capacity Distribution

(Ckt Kms)



Fixed Return vs Fixed Tariff Distribution

(In Terms of Asset Base)



ATL's presence in transmission provides stable cash flows due to unique pool mechanism, low receivables, high availability of assets and thus earning of applicable incentives pushing returns beyond regulated norms.

Note: US$/INR: 68; (1). Including under-construction and under-acquisition assets; (2) Including under-construction and under-acquisition assets on project cost basis and existing assets on book value basis

Group Capabilities

3

Highly Experienced Board and Management Team

Esteemed Board Membership

Mr. Gautam Adani (Chairman)

Mr. Rajesh S. Adani

Mr. Anil Sardana (MD and CEO)

Mr. K. Jairaj

Dr. Ravindra H. Dholakia

Mrs. Meera Shankar

Strong Sponsorship | **Managing Director** | **Independent Directors**

Skilled and Experienced Management Team

Mr. Anil Sardana (MD and CEO)

Mr. Kaushal Shah (CFO)

Mr. Kandarp Patel (CEO Distribution)

Mr. LN Mishra (COO – Project Head)

Mr. Vivek Singla (BD Head)

Mr. Sudhakar Budharaju (HR Head)

Strong governance framework with focus on transparency and independence