



Adani Transmission  
Limited

← ———— ● ———— →  
Credit Presentation

November - 2022





# CONTENTS



**04-07**

**Adani Portfolio Overview**

04

**09-15**

**About ATL**

09

**17-23**

**ATL Business Philosophy, Capital  
Mgmt and Investment Case**

17

**25-28**

**ESG Framework**

25

**30-36**

**Annexure – Profile, Capital  
Mgmt, Bonds, Ratings, Asset  
Portfolio**

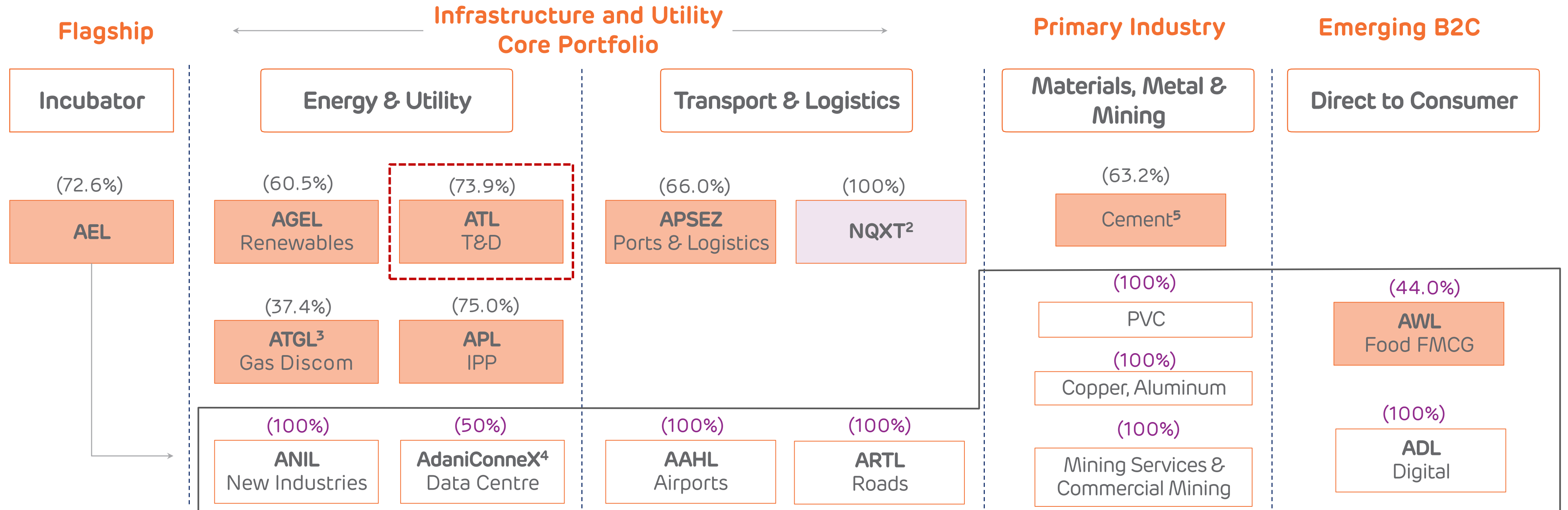
30



# Adani Portfolio Overview

# Adani: A World Class Infrastructure & Utility Portfolio

adani ~US\$ 240 bn<sup>1</sup> Combined Market Cap



(%): Promoter equity stake in Adani Portfolio companies  
 (%): AEL equity stake in its subsidiaries

- Represents public traded listed verticals

**A multi-decade story of high growth centered around infrastructure & utility core**

1. Combined m-cap of all listed entities as on Sept 30, 2022, US\$/INR – 81.55 | 2. NQXT: North Queensland Export Terminal | 3. ATGL: Adani Total Gas Ltd, JV with Total Energies | 4. Data center, JV with EdgeConnex | 5) Cement business includes 63.15% stake in Ambuja Cement which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited. Ambuja and ACC together have a capacity of 66 MTPA, which makes it the second largest cement manufacturer in India

APSEZ: Adani Ports and Special Economic Zone Limited; ATL: Adani Transmission Limited; T&D: Transmission & Distribution; APL: Adani Power Limited; AGEL: Adani Green Energy Limited; AAHL: Adani Airport Holdings Limited; ARTL: Adani Roads Transport Limited; ANIL: Adani New Industries Limited; AWL: Adani Wilmar Limited; ADL: Adani Digital Limited | Note - Light orange color represent public traded listed verticals;

# Adani: Decades long track record of industry best growth with national footprint

## Secular growth with world leading efficiency

## National footprint with deep coverage

**adani**

Ports and Logistics

**Growth 3x**

**EBITDA 70%** <sup>1,2</sup>

**adani**

Renewables

**Growth 5x**

**EBITDA 92%** <sup>1,4</sup>

**adani**

Transmission

**Growth 3x**

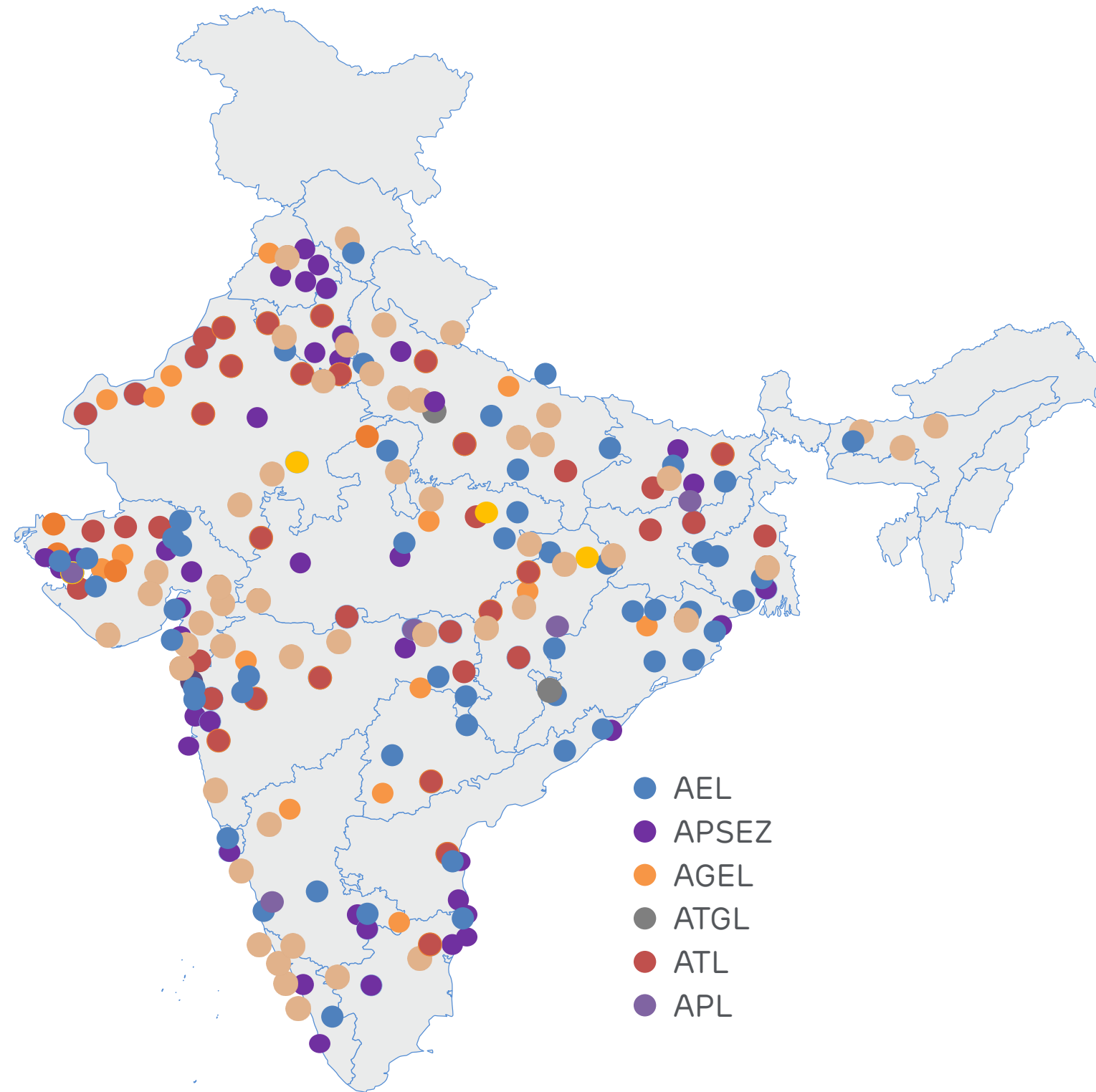
**EBITDA 92%** <sup>1,3,5</sup>

**adani**

Gas

**Growth 1.4x**

**EBITDA 41%** <sup>10</sup>



**adani**

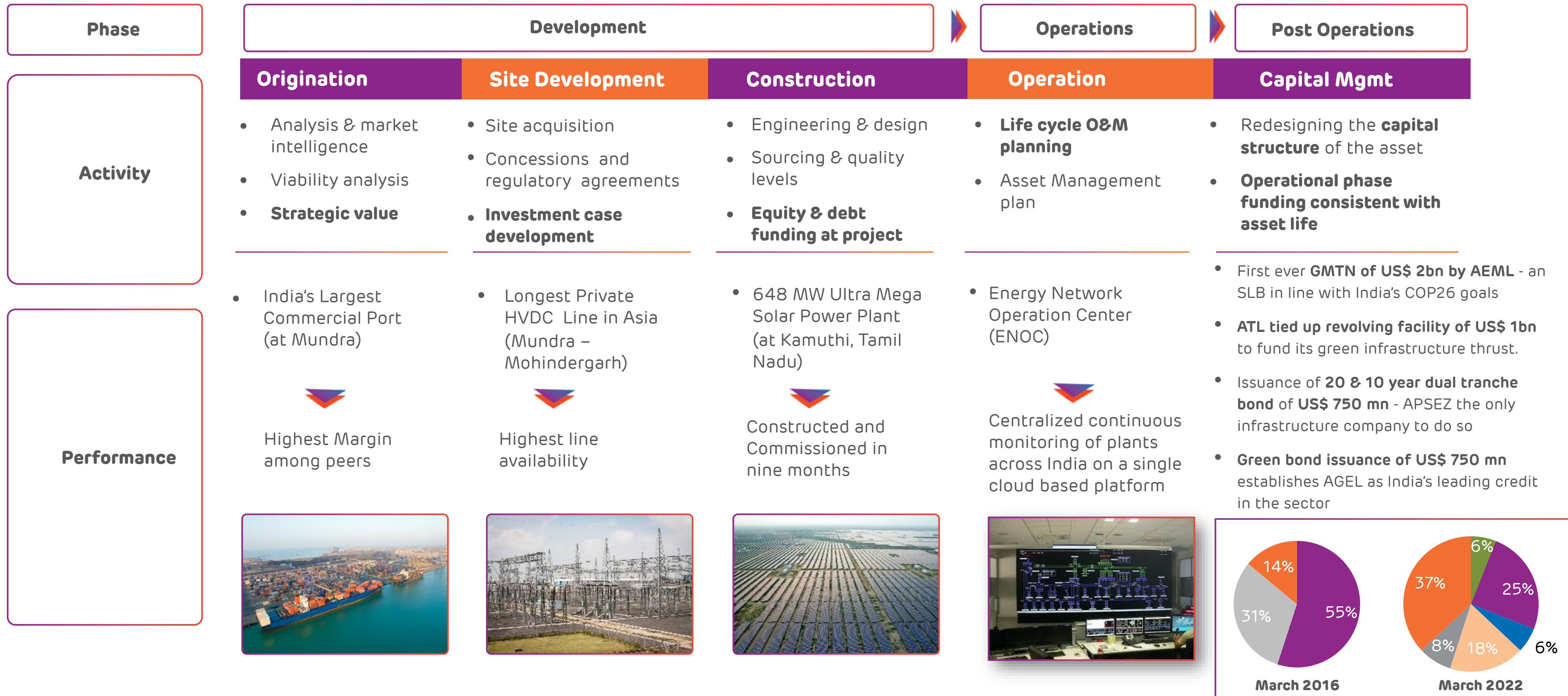
**Core Portfolio**

Utility	92%
Transport	85%
Consumers Served	~400 mn

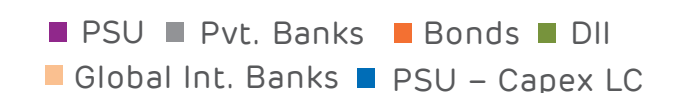
Note: 1. Data for FY22; 2. Margin for ports business only, Excludes forex gains/losses; 3. EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4. EBITDA Margin represents EBITDA earned from power supply 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity 7. CGD: City Gas distribution 8. GAs - Geographical Areas - Including JV | Industry data is from market intelligence 9. This includes 17GW of renewable capacity where PPA has been signed and the capacity is under various stages of implementation and 29GW of capacity where PPA is yet to be signed' 10. Data for FY21



# Adani: Repeatable, robust & proven transformative model of investment

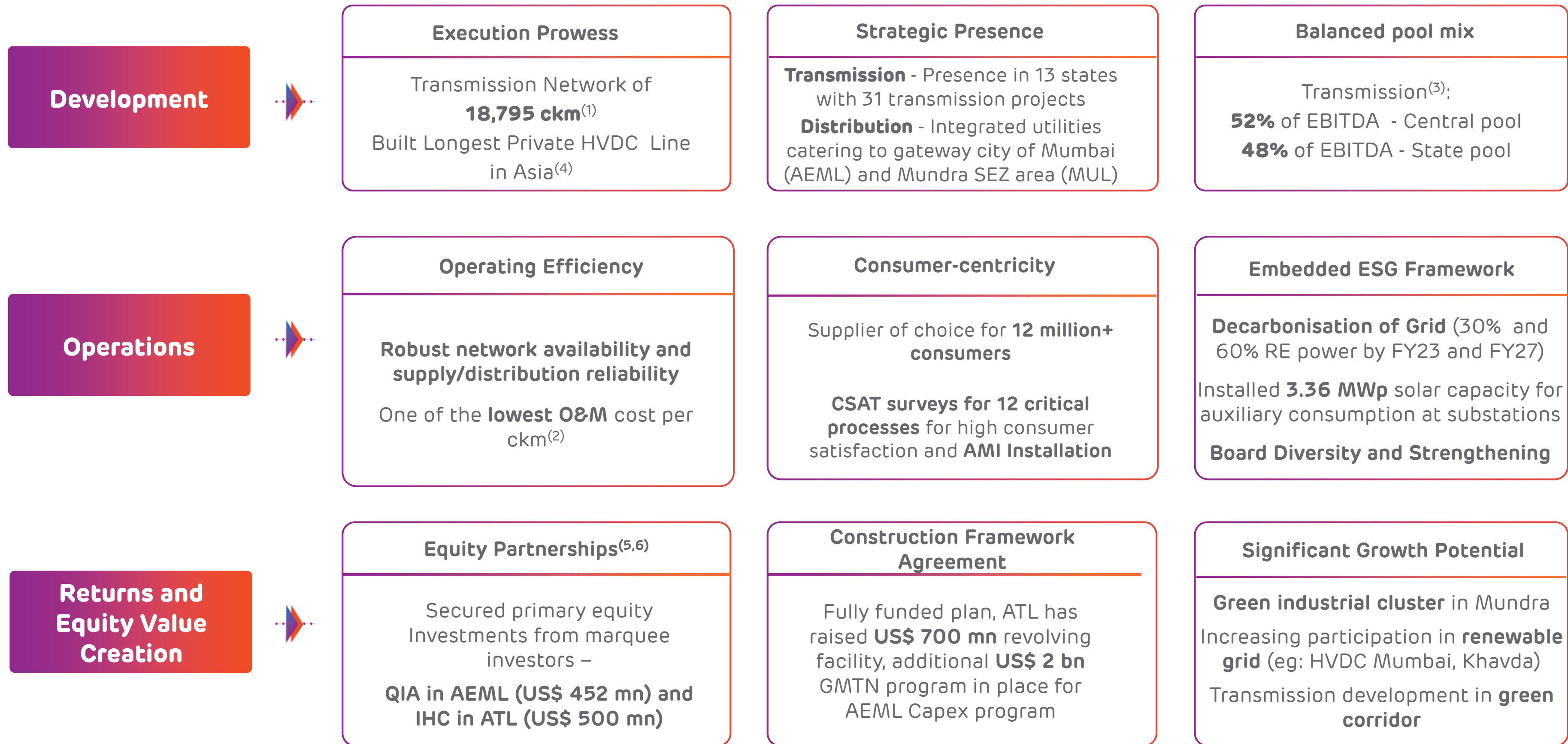


Debt profile moving from PSU's banks to Bonds



Notes: O&M: Operations & Maintenance, HVDC: High voltage direct current, PSU: Public Sector Undertaking (Public Banks in India), GMTN: Global Medium Term Notes, SLB: Sustainability Linked Bonds, AEML: Adani Electricity Mumbai Ltd. IG: Investment Grade, LC: Letter of Credit, DII: Domestic Institutional Investors, COP26: 2021 United Nations Climate Change Conference; AGEL: Adani Green Energy Ltd.

# ATL: A platform well-positioned to leverage growth opportunities in T&D business



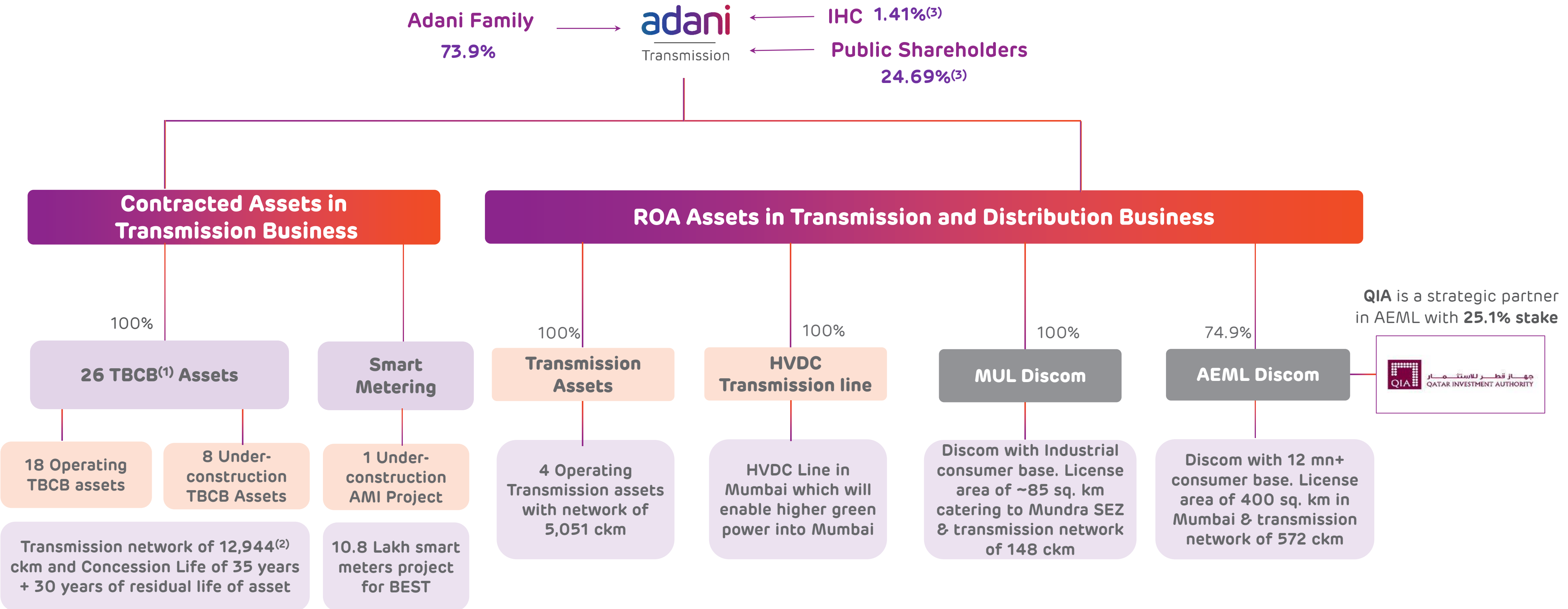
Note: 1) Transmission network is as of Sept 2022 and includes operational, under-construction assets; 2) As per internal benchmarking on global transmission peers; 3) Pool mix as of FY22 4) HVDC : High voltage direct current – Longest at the time of commissioning, 5) QIA's Investment in AEML: Rs 32 bn total investment (US\$ 170 mn of Equity and US\$ 282 mn of shareholder sub-debt); 6) QIA: Qatar Investment Authority, IHC: International Holding Company, SEZ: AMI: Advanced Metering Infrastructure; Special Economic Zone, MUL: MPSEZ Utilities Limited EBITDA : Earning before interest tax and depreciation , O&M: Operation and Maintenance , MW: Megawatt Peak, SS: Sub-station, Ckm: Circuit Kilometer, ESG: Environmental, Social and Governance, ROE :Return on Equity, Mn: Million, GMTN: Global Medium Term Note, AEML: Adani Electricity Mumbai Limited



# About ATL



# ATL: Business Snapshot



Notes: 1) TBCB: Tariff based competitive bidding; 2) Network includes operational, under construction assets as of Sept 2022; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ Utility Limited (Mundra SEZ) ; BEST: Brihanmumbai Electric Supply & Transport Undertaking; HVDC : High voltage direct current , ROA: Return on Assets, Ckm: Circuit Kilometer, SEZ: Special Economic Zone, Sq.Km: Square Kilometer 3) Public shareholding include International Holding Corporation (IHC) holding 1.41% stake for US\$ 500 mn



# AEML: Century old utility serving the "Gateway" city of India

## Largest Integrated utility in India's Commercial Capital - Mumbai

### About Mumbai

- ~11.0% Real GDP CAGR (FY12 - 18)
- ~6.0% of India's real GDP
- 4<sup>th</sup> Most Populous City in World
- 24<sup>th</sup> Richest City in world based on GDP (US\$)

### Mumbai Consumers

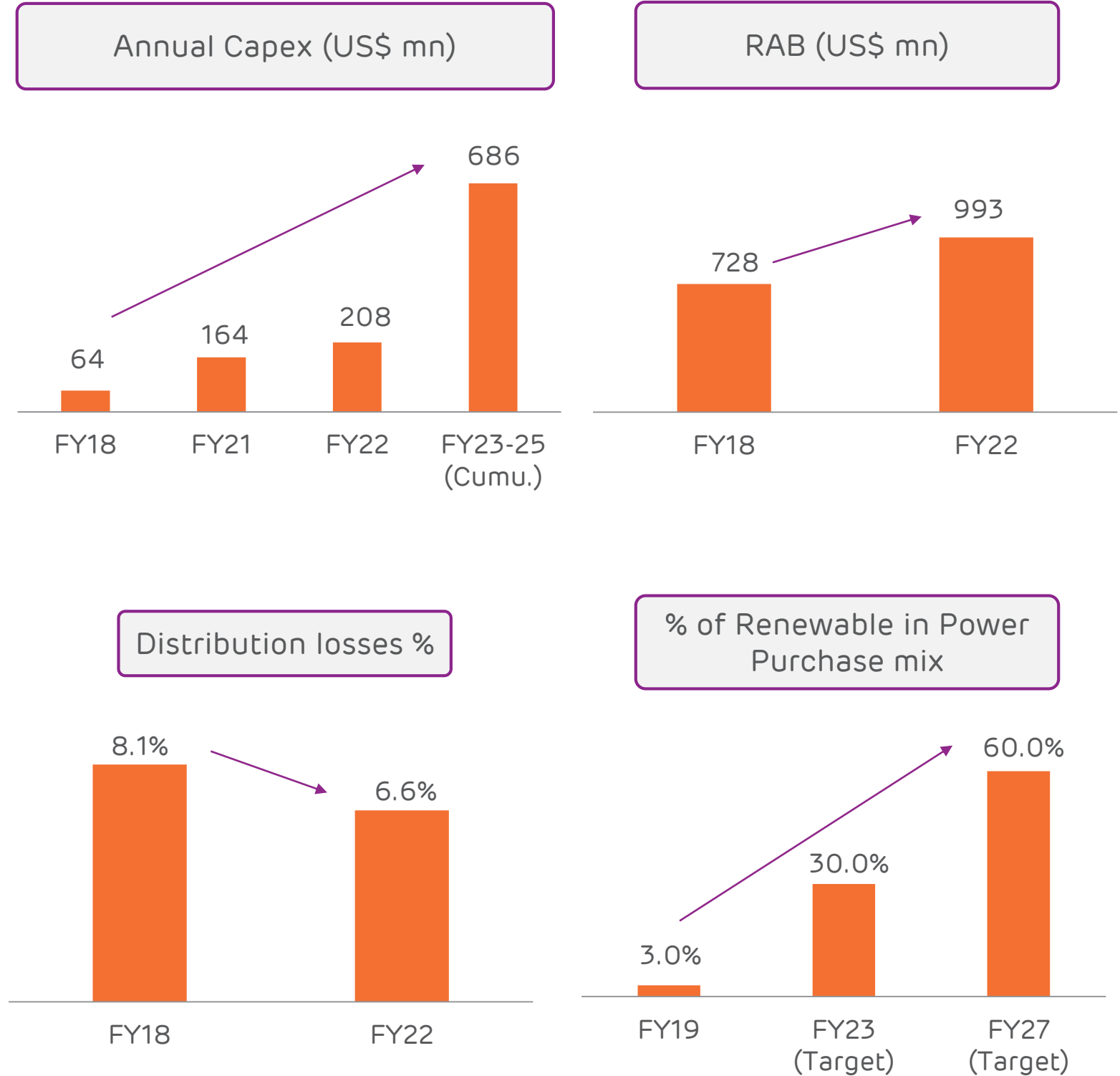
- 2.2x Per capita income of India
- \$ 4,630 Per capita income of Mumbai
- ~ \$ 31 Average Electricity Bill of AEML Consumer for FY21
- ~1% Average electricity bill as % of per capita income

### Consumer Centricity

- CSAT survey for 12 critical processes (Supply restoration, Call Centre, Billing, etc.) to gauge & ensure high consumer satisfaction
- Advanced Metering for 7 lakh consumers in phase 1



## AEML – Key Milestones Since Acquisition in 2018



## Servicing 12 million consumers in Mumbai with Consumer-centric Mindset

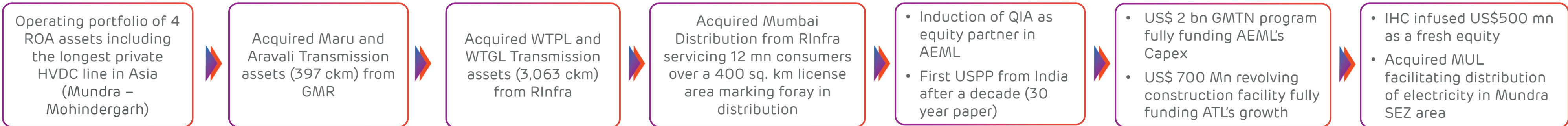
## IG rated Platform with Fully Funded Growth

**Note:** \*- Others include BEST, MSEDCL & Tata Power, AMI – Advanced Metering Infrastructure; BKC – Bandra Kurla Complex, MW- Mega Watt, GDP, GDP – Gross Domestic Product, PU- per unit, ABR- Average billing rate, Source – Population Of Mumbai 2020 (Demographic, Facts, etc.) – India Population 2020, CAGR: Compound Annual Growth Rate, RAB: Regulatory Assets Base, IG : investment Grade; Conversion rate: US\$/INR – 76.0

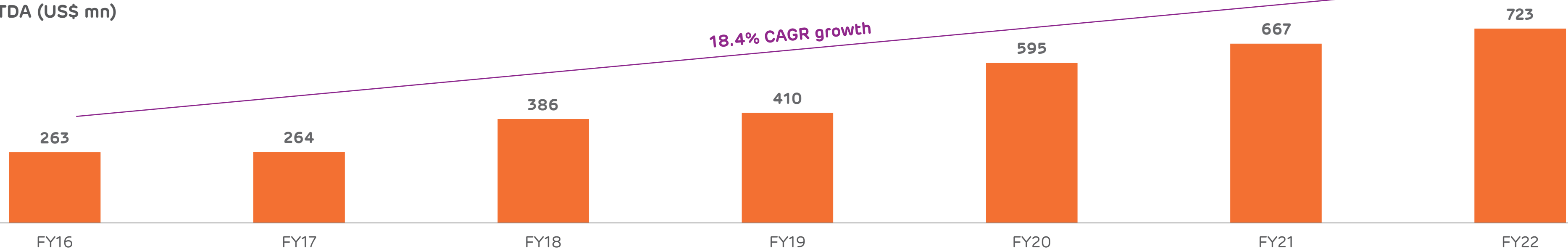


# ATL: Transformational Journey with Robust Growth and Credit Discipline

**ATL has delivered an impressive 18.4% CAGR in EBITDA from FY16-22, while still demonstrating credit discipline and maintaining investment grade rating**



EBITDA (US\$ mn)

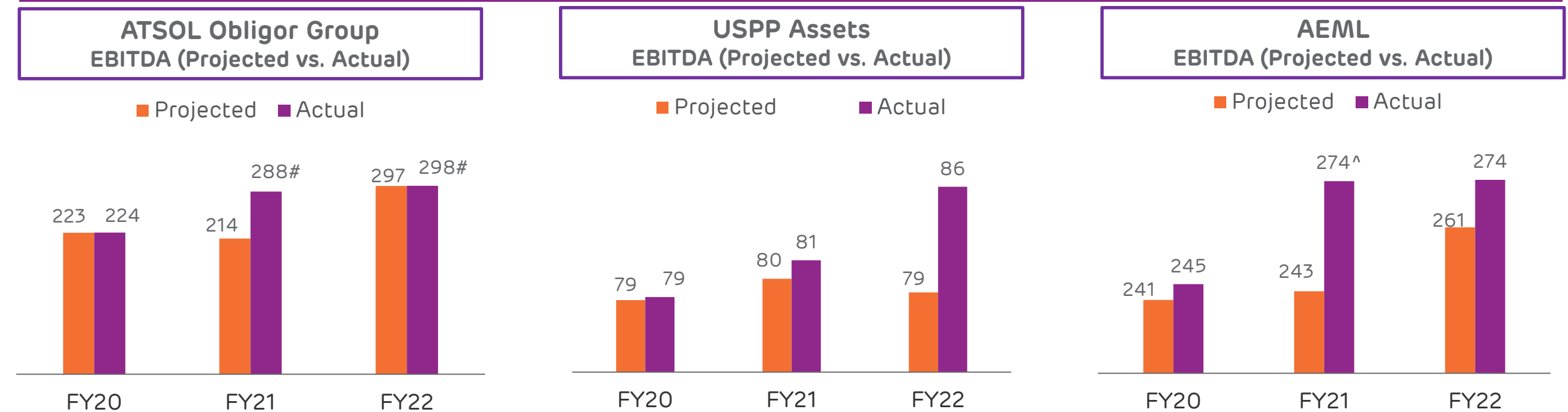


### Investment grade rating maintained

	FY16	FY22
Credit Rating	BBB- / Baa3	BBB- / Baa3
Net Debt to EBITDA (x)	4.6x	4.2x
Cost of debt (%)	10.9%	9.2%
Average Maturity	5.8 years	9.1 years

### Consistent outperformance in operating assets

(All figures in US\$ mn)



Notes: Constant rate of US\$ INR: 76 has been used for US\$ conversion of EBITDA; #Including one time income of INR 3295.2 Mn (US\$ 43 mn) in FY21 and INR 2512 Mn (US\$ 33 mn) in FY22; ^Includes EBITDA for AEML and PDSL - Power Distribution Services Limited; EBITDA projections and actuals are from compliance certificates; ROA: Return on Assets, Ckm : Circuit Kilometer, HVDC : High voltage direct current, EBITDA : Earning before interest tax and depreciation, GMTN: Global Medium Term Note, ATSO: Adani Transmission Step One Ltd., USPP: US Private Placement, CAGR: Compound Annual Growth Rate, QIA: Qatar Investment Authority,



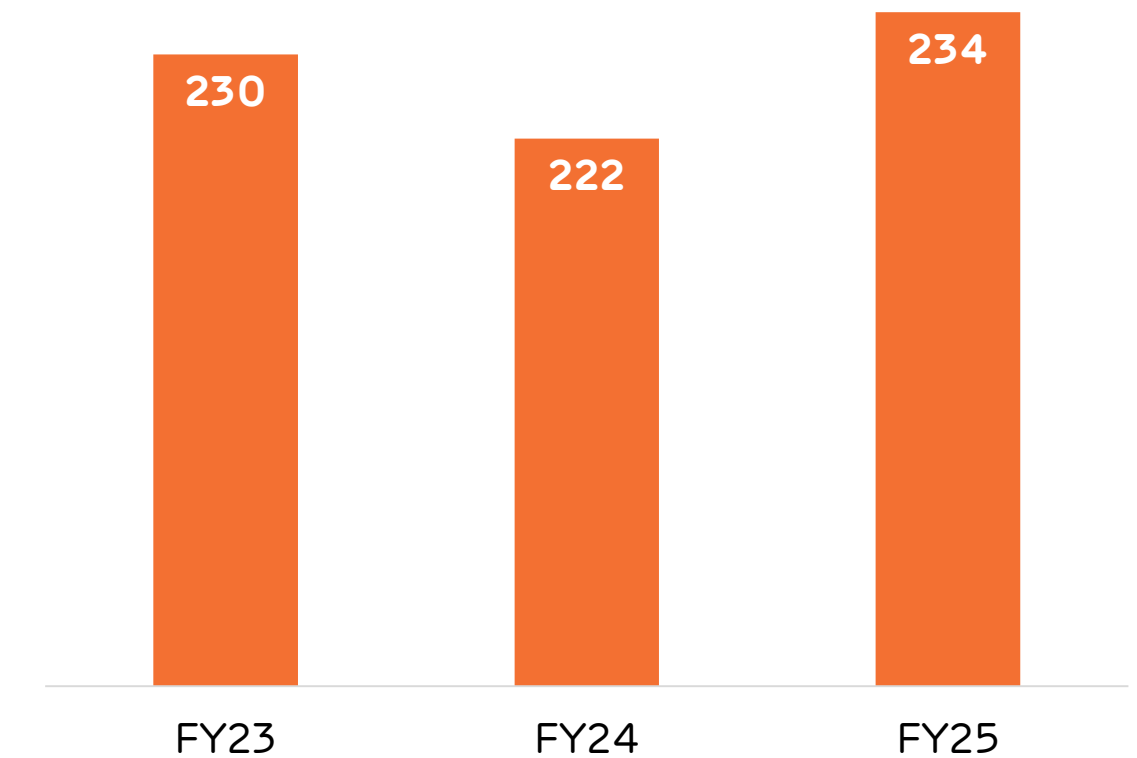
# ATL: Solid Locked-In Growth in both Transmission and Distribution

## Transmission Project Pipeline (US\$ mn)

	No. of projects	Project cost (US\$ mn) <sup>(4)</sup>	COD/ SCOD <sup>(2,3)</sup>	Fully operational tariff (US\$ mn) <sup>(1)</sup>
<b>Operating ROA Assets</b>	4 projects	1,408	COD: Aug'12- Mar'15	245
<b>Operating TBCB Projects</b>	18 projects	1,527	COD: Dec'13- Sep'22	189
<b>Under-construction projects (Est.)</b>	8 projects	1,403	COD <sup>3</sup> : May'22- Jan'24	143
	1 HVDC project	921	April'25	ROA

**Locked-in tariff + O&M Efficiencies to drive EBITDA growth**

## AEML Capex Schedule (US\$ mn)



- Fully funded capex plan of US\$ 686 mn over FY23-25
- Capex-led growth in Regulated Asset Base (asset hardening) to drive growth in returns
- Significant Smart Metering Opportunity

**Capex is focused around consumer-centricity**

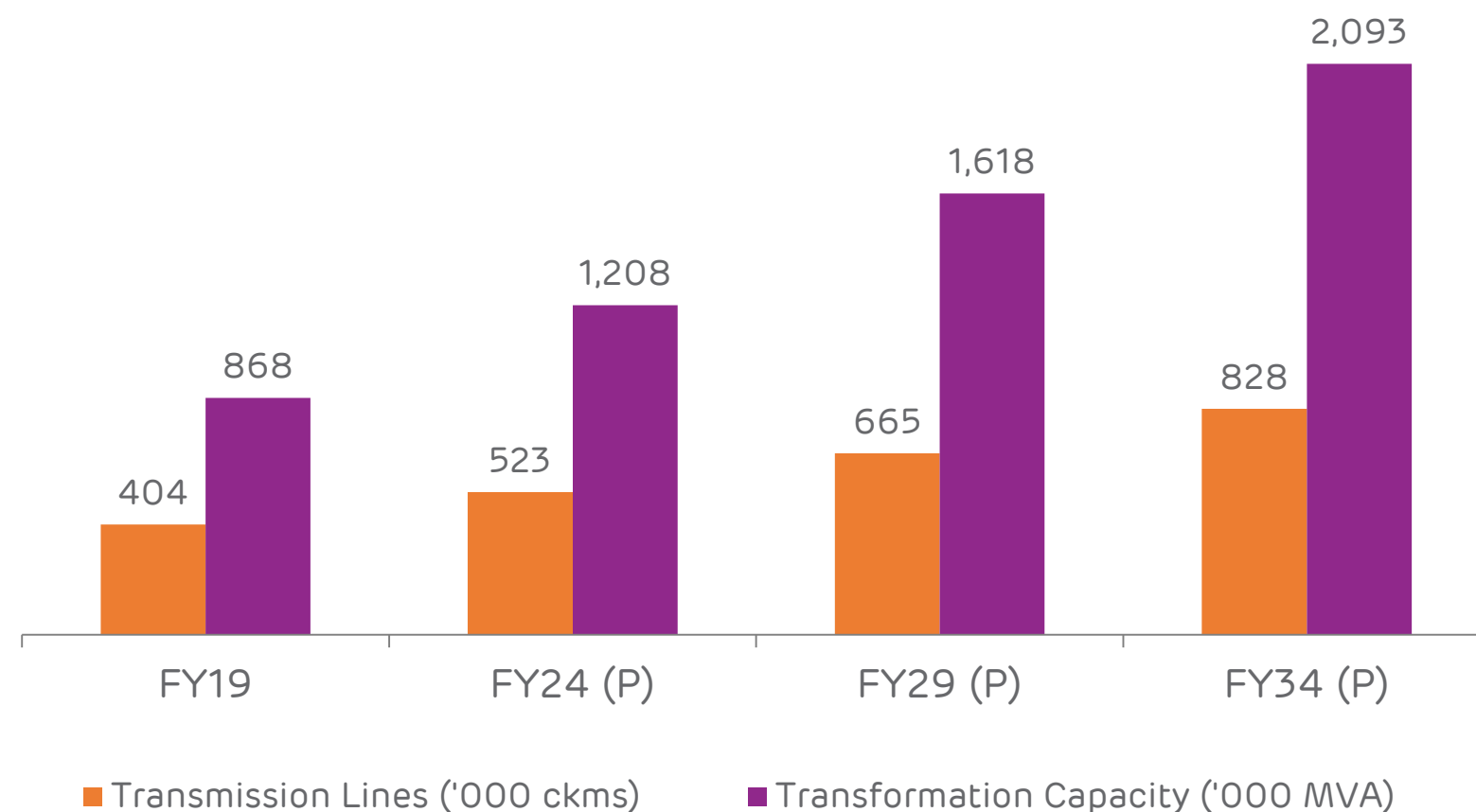
Notes: 1) Considered actual revenue for Operating ROA and Operating TBCB assets as of FY22 and for under-construction projects considered fully operational first year tariff; 2) SCOD – Scheduled Commercial Operation Date, COD - Commercial Operation Date; 3) SCOD for some under-construction projects have been extended by five months due to Covid-19 in line with extension offered by government on central projects; SCOD is tentative and subject to change; 4) Considered actual project cost including any escalations if any; 5) ROA: Return on Assets, TBCB: Tariff base competitive bidding, HVDC : High voltage direct current, O&M : Operation and Maintenance, EBITDA: Earning before interest Tax & Depreciation; Conversion rate: US\$/INR – 76.0

# ATL: Size of Transmission Opportunity for Private Players is ~US\$ 30 bn worth projects over FY21-30

## Attractive Industry Opportunity backed by strong policy support

- Mandatory competitive bidding introduced since 2006 (TBCB) has created a level playing field for private players
- Private sector has won 35 projects out of total 54 transmission TBCB projects awarded since April-15<sup>(1)</sup>.
- Identified TBCB opportunity in near-term is about Rs. 520 Bn / US\$ 6.9 Bn out of which Rs. 134 Bn / US\$ 1.8 bn is under RFP/RFQ stage
- Schemes like UDAY, 24x7 Power for All, Village Electrification etc. strengthening the value chain

## Growth in transmission lines and transformation capacity

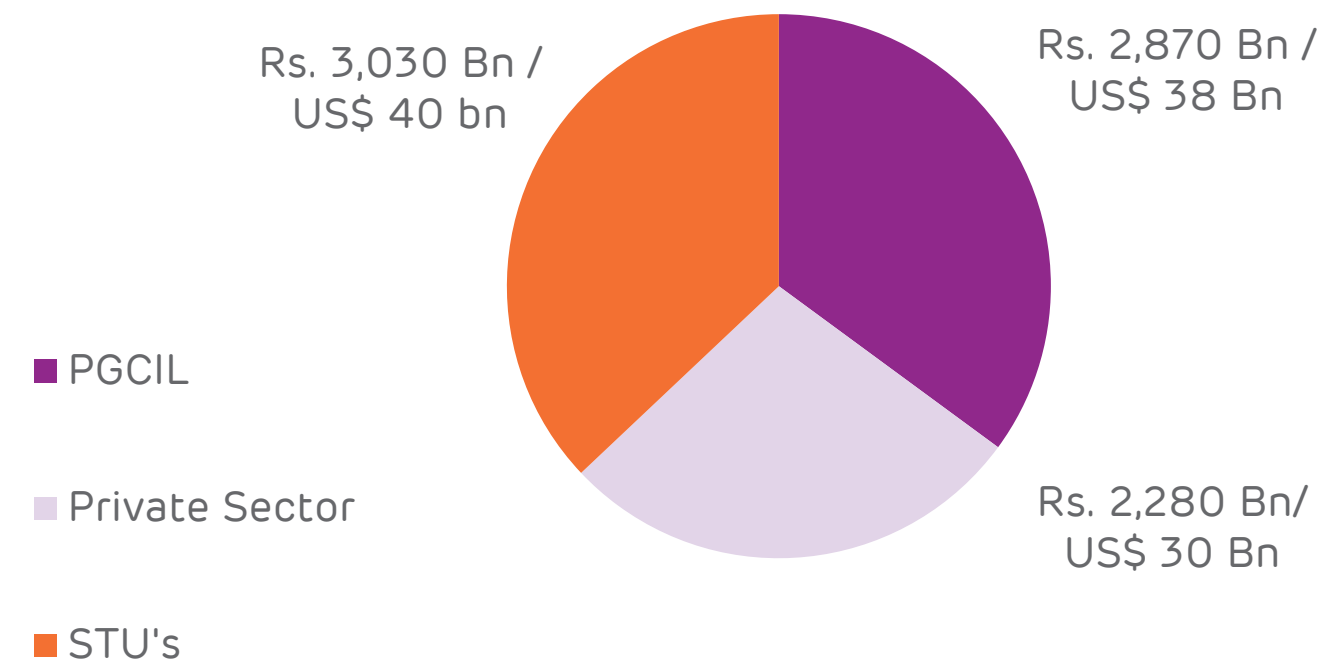


## Renewable penetration to further boost requirement for transmission infrastructure strengthening

### India has committed to sourcing 50% of its energy requirements from RE by 2030 targeting renewable capacity of 500 GW

- Renewable capacities concentrated in western and southern regions of the country
- Due to intermittent nature and to provide grid stability, there is a requirement of dedicated transmission corridors for renewable evacuation
- 15 projects of Rs. 153 Bn / US\$ 2 bn are Inter State Green Energy Corridor projects under bidding currently

**Overall investment of Rs. 8,180 Bn / US\$ 109 bn over next 15 years**



**Opportunity for Private Sector Players is Rs. 2,280 Bn / US\$ 30 bn**

Notes:: 1) Opportunity size as per internal study conducted by Deloitte in Jan 2019, 2) CEA; 3) Conversion rate: US\$/INR – 76

4) TBCB: Tariff base competitive bidding, RFP/RFQ : Request for Proposal/ Request for Quotation, Ckms: Circuit Kilometers, MVA: Mega Volt Ampere, RE: Renewable Energy, GW: Giga Watt , PGCIL: Power Grid Corporation of India Ltd



# ATL: Distribution Privatization Opportunity and Other Drivers

- Power distribution is one of the largest consumer facing sectors in the country. 96.7% of ~270 mn households in India are connected to the grid.
- Discoms in India have been primarily owned and operated by state governments
- **Government of India power ministry recently issued the standard bidding documents for privatisation of power discoms**
- **Privatization being undertaken** under Atmanirbhar Bharat scheme, starting with Union territories. Government has completed tendering process for Chandigarh Discom, Dadra & Nagar Haveli Discom
- **Smart Metering Opportunity** – Estimated Market Size of 25 Crs (3.3 million) Meters requiring investment of Rs. 2.2 Lakh Crs / US\$ 29 billion by FY26<sup>(5)</sup>. ATL won smart metering project worth Rs. 13 billion to install 10.8 Lakh smart meters for BEST in October 2022.

## Current Inefficiencies Faced by Discoms

**State owned distribution utilities (Discoms) plagued by structural issues and financial inefficiencies**

High leverage levels, inefficient capital structure

Tariff inadequacy, resulting in requirement for high subsidies

Payout of subsidies typically delayed, due to budget deficits

High levels of operational inefficiencies (AT&C loss<sup>(1)</sup>), low network reliability

High Cost overheads against regulatory targets

## How Privatisation Will Help Reform The Sector

**Privatization to help turn around Discoms through operational efficiencies, higher investment and better consumer services<sup>(2)</sup>**

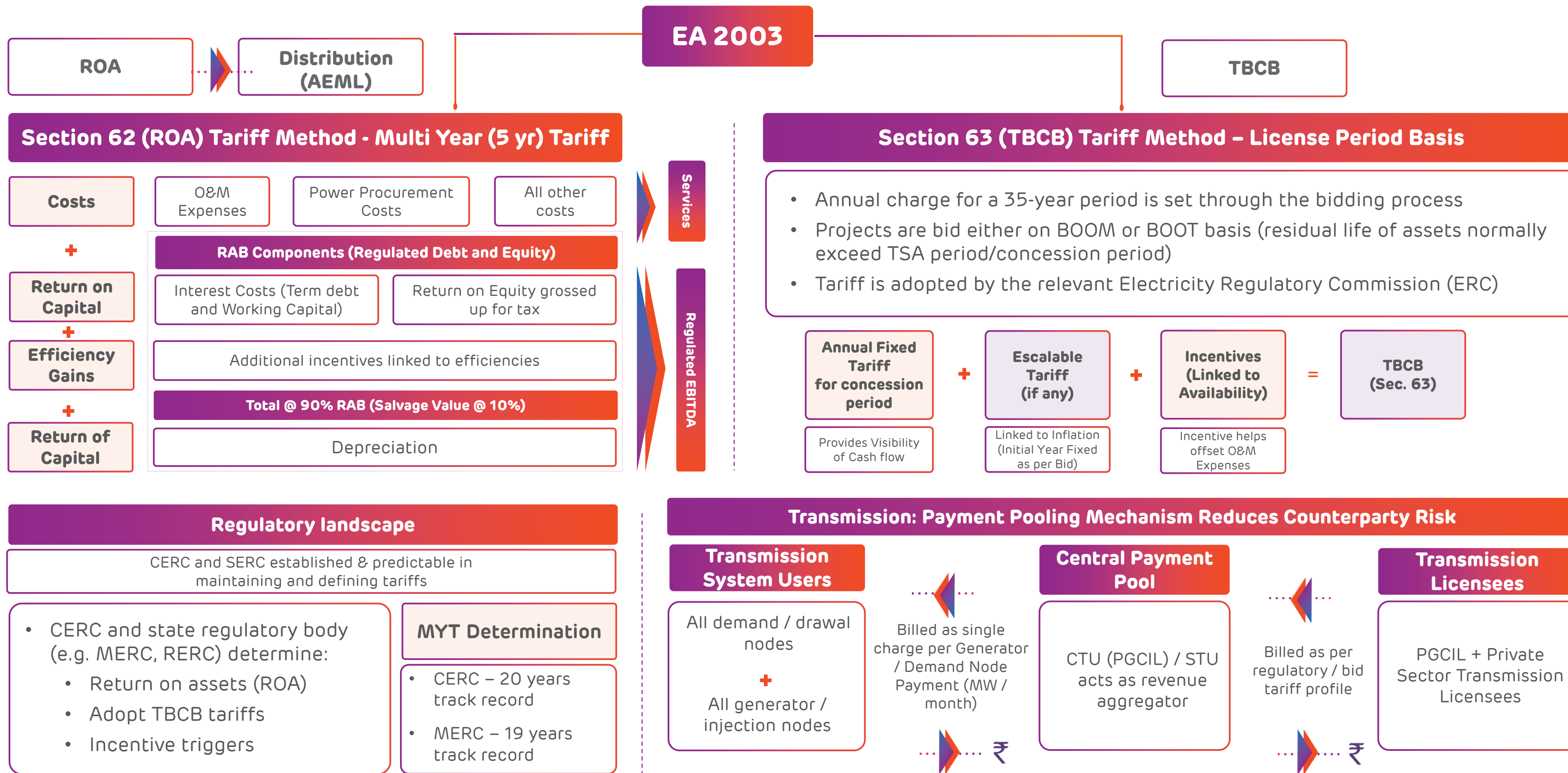
**Operational efficiencies:** Reduce AT&C losses, improve collection efficiencies, reliability metrics (SAIDI<sup>(4)</sup>, SAIFI<sup>(4)</sup>)

**Power purchase:** Optimisation in power mix to reduce power purchase cost and in turn reduce consumer tariff

**Investment to strengthen network:** Above efficiencies will allow investment towards improving network reliability

**Better consumer services:** Faster responsiveness, consumer-centric service delivery model, quick redressal of consumer grievance

# ATL: Attractive Industry Opportunity supported by an Evolved and Stable Regulatory Regime



1) MYT – Multi Year Tariff; CTU – Central Transmission Utility; STU – State Transmission Utility; CERC – Central Electricity Regulatory Commission, MERC – Maharashtra Electricity Regulatory Commission, RERC - Rajasthan Electricity Regulatory Commission; BOOM – Build, Own, Operate and Maintain, PPA – Power Purchase Arrangement, BOO – Build, Own and Operate, BOT – Build Operate and Transfer



# **ATL Business Philosophy**

# ATL: Business Philosophy focusing on De-risking at every stage of project lifecycle

## DE-RISKING AT EVERY STAGE

### Route Identification & Survey

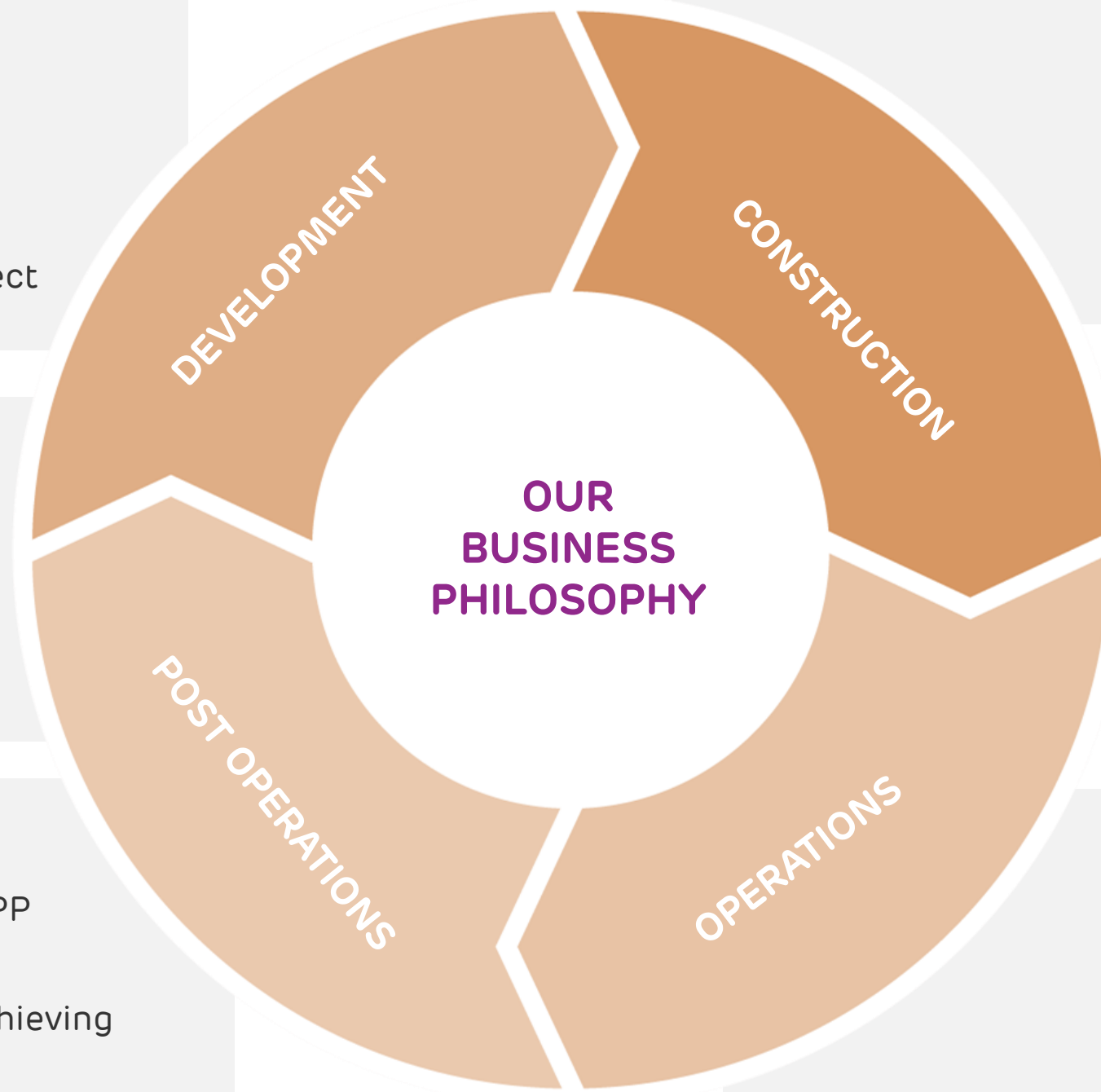
- **Route alignment** on topographic maps to optimize route & identify key parameters
- Utilization of Drones for route survey
- **Robust site diligence and route planning** to minimize project cost and ROW issues

### Project Planning & Scheduling

- **Robust Pre bid estimation** of ROW, Project Cost and Timelines resulting in **assurity of returns**
- **Solid vendor management** and strong relationships adds to business sustainability and **avoid cost escalations**

### Capital Management

- **Takeout of construction debt** post commissioning (eg: USPP issuance)
- Maintained international **investment grade rating** while achieving impressive growth



### Project Execution

- **Complex projects experience:** Completed HVDC project (~1000 kms) in a record time of 24 months
- Contracting methodology focused on derisking – competitively awarded on **fixed price & fixed time basis**
- Availability of large talent pool and in-house capabilities

### Construction Finance

- Derisked financing through **fully-funded plan**
- Revolving Construction facility of US\$ 700mn for transmission and GMTN facility of US\$2 bn for AEML
- LC facility to **reduce financing cost & optimize funding schedule**

### Tech Enabled Operations

- Life cycle O&M planning
- Reliability centered Maintenance
- **Remote operation of sub-stations** and integration with Energy Network Operating Centre

## DE-RISKING AT EVERY STAGE



# ATL: Technology enabled O&M Excellence

## Execution Excellence

### Design and Technology Excellence

- In-house design team capable of designing towers using software tools like **PLS Tower and STAAD-PRO**
- **Drone inspection** for Asset maintenance and Pre-bid survey (LIDAR method)<sup>(1)</sup>
- **ERS tool for emergency restoration** of lines up to 765Kv within 48 hours for higher reliability and incentive income

### Project Excellence

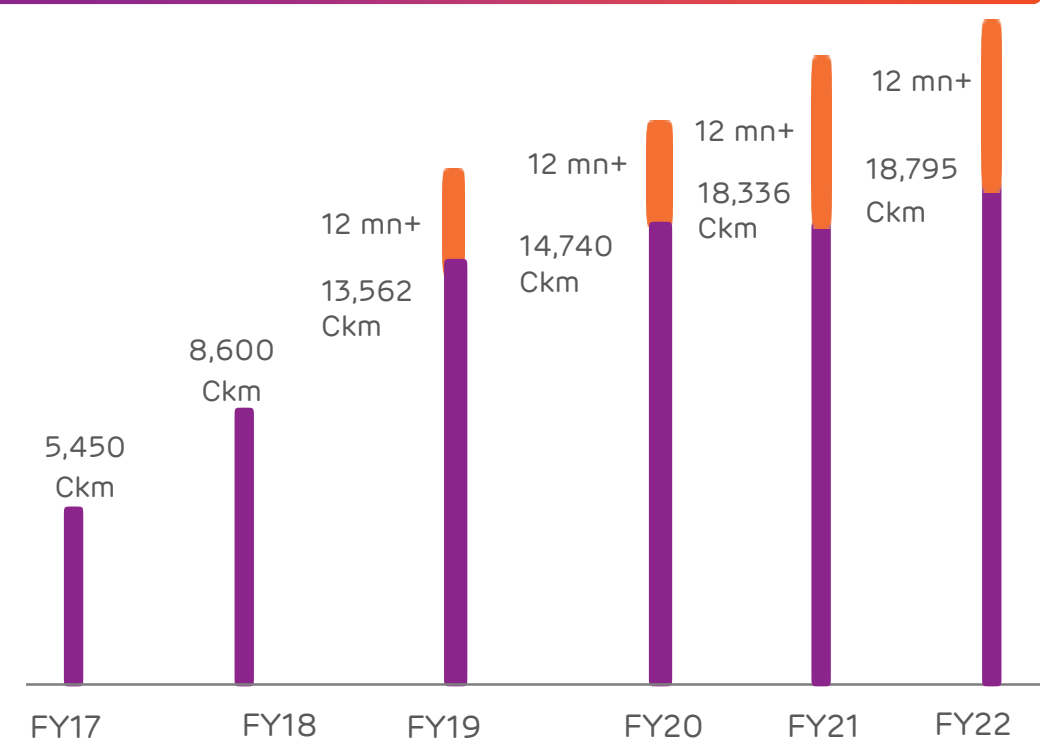
- Completed HVDC project (~1,000 kms) within **record time of 24 months**
- Majority of the projects completed within time and budget allowing ATL to maintain high **market share of 35% in FY21 and 22% in FY22**
- Cost savings at development and O&M allowing RoE optimization

### O&M Excellence

- In-house team with vast O&M experience
- **Remote operation of sub-stations** (Rajasthan assets) and **predictive maintenance** through Energy Network Operating Centre (ENOC)
- **Low-cost and condition-based O&M** through tools like SCADA and processes like IMS, Disha for robust and sustainable O&M

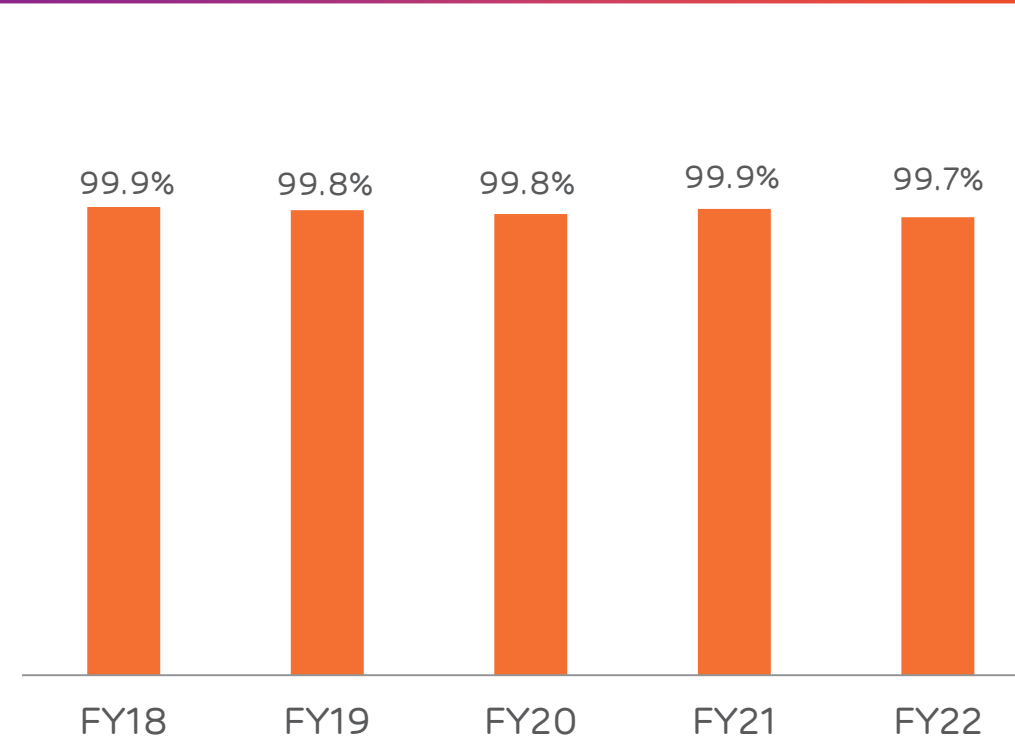
## Operational Excellence

### Robust Transmission and Distribution Network

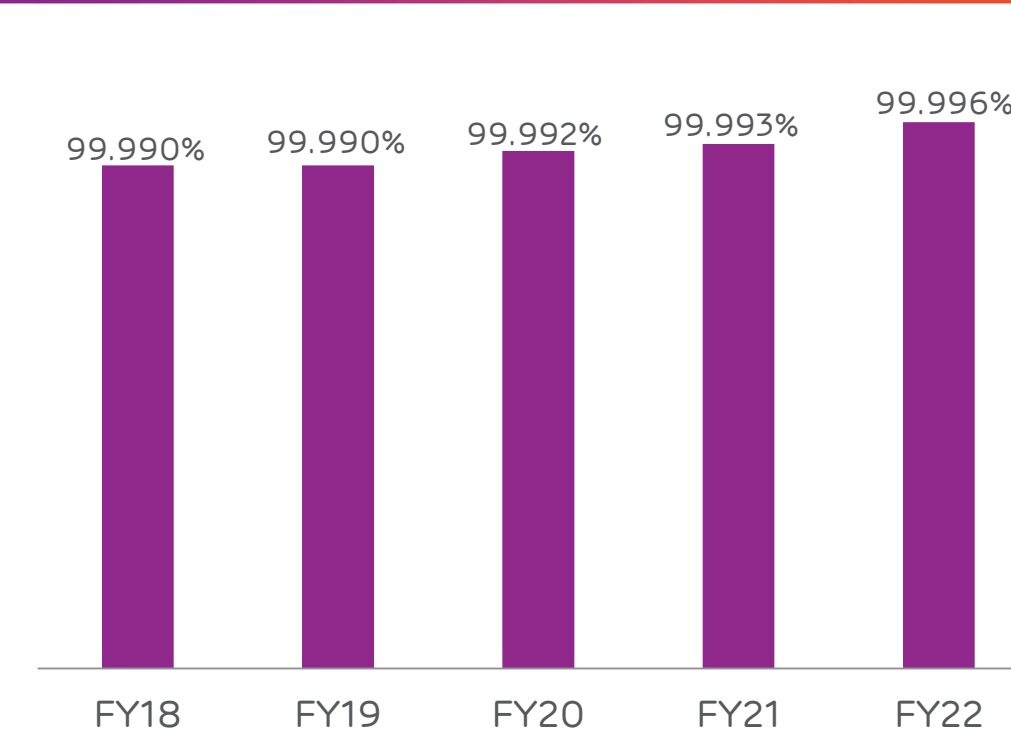


● Transmission Line (Ckm) ● Distribution Consumers (mn)

### Transmission business - Average System Availability %



### Distribution business - Supply Reliability (SAI) %

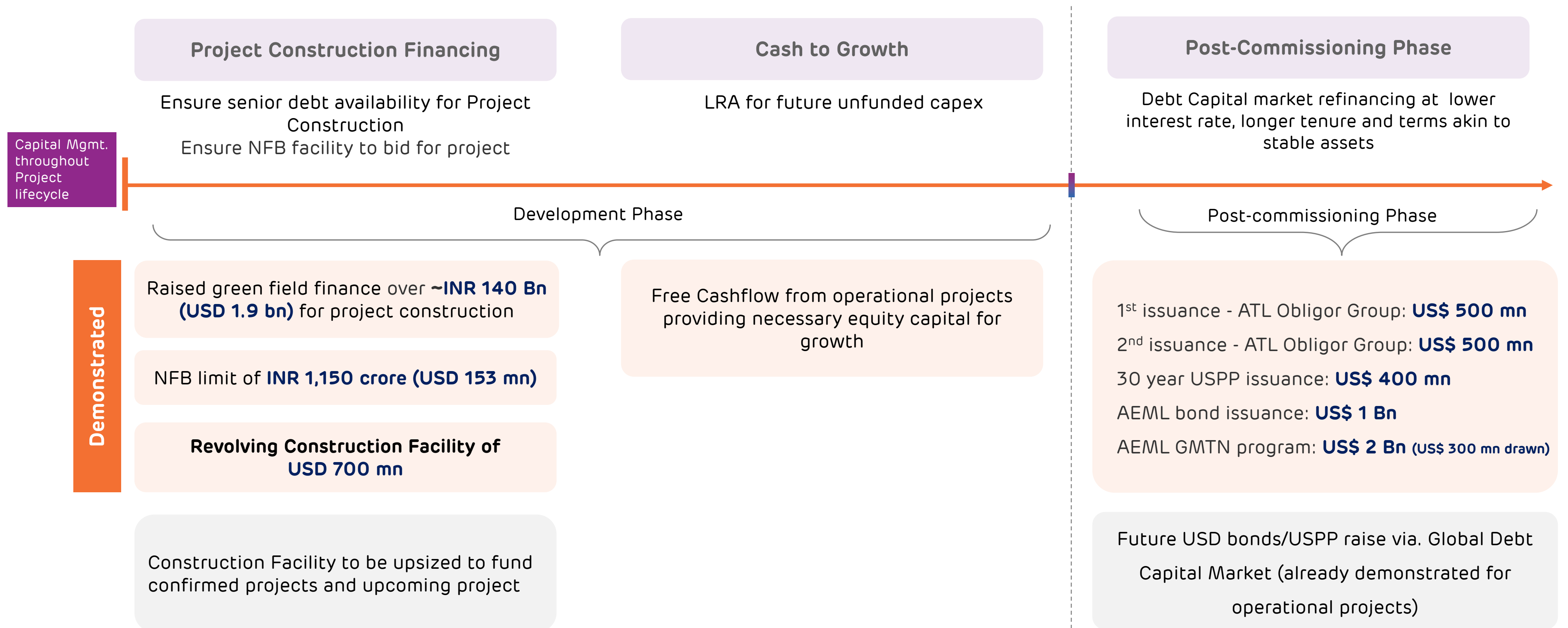


**Notes:** 1) LIDAR: Light Detection and Ranging - currently at trial stage; IPMS: Integrated Project Management Solution; ENOC: Energy Network Operating Center; SCADA: Supervisory Control and Data Acquisition; ABEM (Adani Business Excellence Model); AHM: Asset Health Management; IoT: Internet of Things; IMS: Integrated Management Systems; ERS: Emergency Restoration System; Ckm: Circuit Kilometer, RoE : Return on Equity, O&M: Operation and Maintenance , HVDC : High Voltage Direct Current

# ATL: Capital Management Philosophy to achieve growth at scale with capital discipline

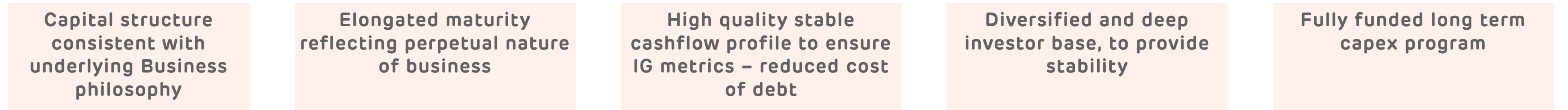
## ATL is the only private sector transmission and distribution company in India with International IG Rating

- Long life contracted assets with sovereign counterparties in a stable regulatory regime (Transmission: 35 year concession, Distribution: Perpetual life)
- Capital structure designed through debt financing at longer tenure matching concession life and terms akin to stable assets

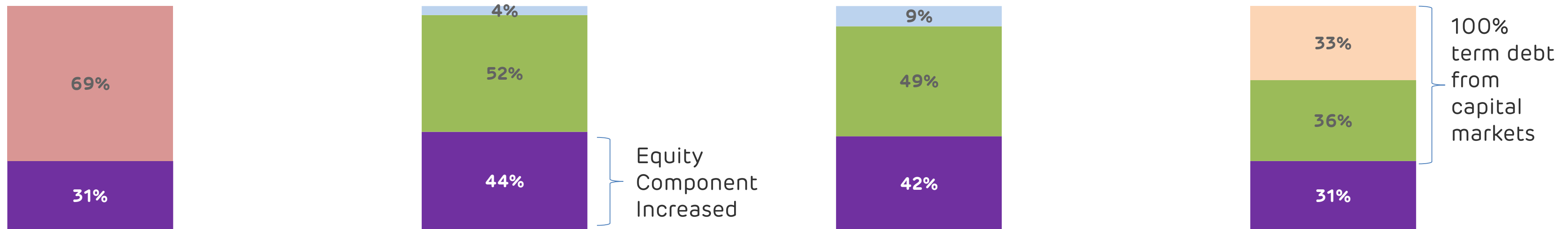




# ATL: Transformational Capital Management Plan in AEML resulting in value unlocking



Equity Bond Bank ECB GMTN



Stage-1 (Acquisition)

Stage-2 (Post -Acquisition)

Stage-3 (June 2021)

Stage-4 (Proposed 2025)

## Stage - 1 (Acquisition): Aug-18

- On acquisition, introduced efficient capital structuring - debt financing of USD 1.1 bn
- Debt from Domestic Banks
- Fresh capex debt (D/E 70:30) at **competitive pricing**

## Stage - 2 (Post Acquisition): Feb-20

- **QIA's** acquisition of 25.1% stake
- **Debt reduction** through shareholder sub-debt of US\$ 282 mn
- **Refinancing** through US\$ 1 bn IG non amortizing bond
- US\$ 400 mn ECB Capex revolver facility to **fully fund** Capex program

## Stage - 3 (Recent): Jun-21

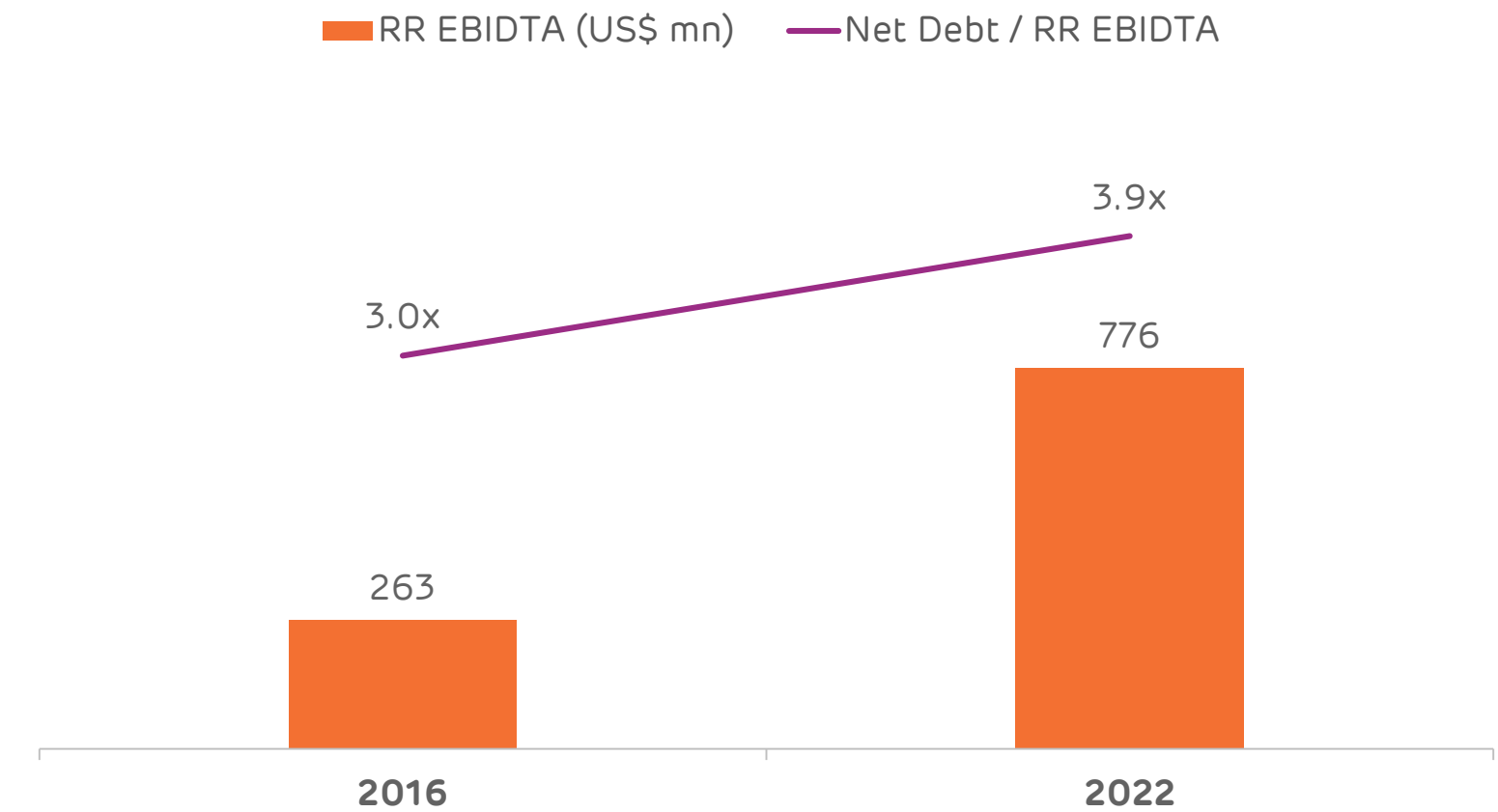
- Revolving ECB Capex facility used for **RAB growth**
- Asset hardening improved operational efficiency promoting affordable tariff
- Successfully placed **US\$ 2bn GMTN program** to replace ECB in July 2021

## Stage - 4 (Proposed): Mar-25

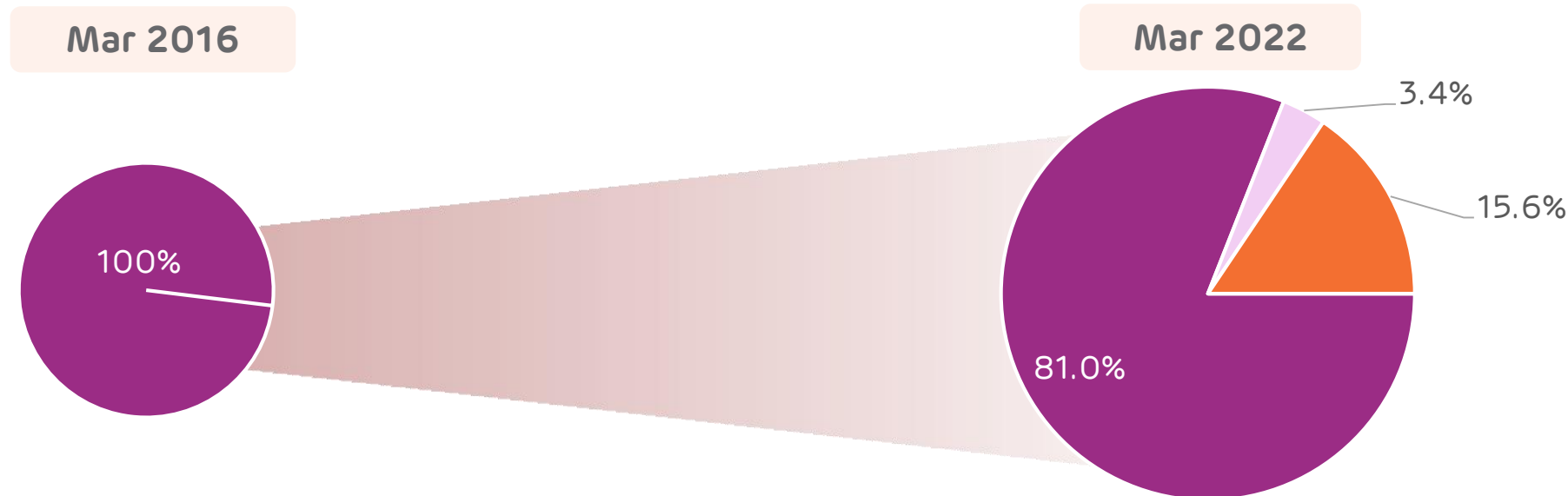
- **100%** of term debt placed in **international capital markets**,
- Diversified global investor base to provide stability
- Elongated maturity → liquidity
- Prudent Capital Management plan to enhance credit quality

# ATL: Transformation in Credit Quality

	Mar 2016	Mar 2022
<b>Rating</b>	ATL Rating was Global IG	Highest Rated Asset – Domestic AAA
<b>RR EBITDA</b>	US\$ 263 mn	US\$ 776 mn
<b>Net Debt</b>	US\$ 790 mn	US\$ 3,040 mn
<b>Debt (% age ) &lt;5 Years</b>	39%	16%



## Quality of RR EBITDA Mix



- **18% CAGR growth in RR EBITDA** for past 6 Years
- Improved maturity profile in line with **Capital Management Plan**
- **42% of the Equity value is fully protected** from any risk related to the Capital employed



# ATL: Capital Management based Credit Philosophy

	% Debt	% RR EBIDTA
Completely de-risked EBIDTA covering Debt maturity > 20 Years	16.66%	11.50%
Project Life matching Debt & EBIDTA with rate risk > 20 Years	5.03%	4.77%
No Tenor & Rate Risk EBIDTA covering Debt maturity > 10 Years	14.44%	14.81%
Rate risk EBIDTA covering Debt maturity > 10 Years	12.49%	10.57%
Partial Tenor/ Rate Risk EBIDTA covering Debt maturity 5 - 10 Years	40.58%	42.20%
Partial Tenor & Rate Risk EBIDTA covering Debt maturity < 5 Years	15.83%	16.14%

~42% of the Equity value is fully protected from any risk related to the Capital employed.

# ATL: Compelling Investment Case

## Favorable Industry Landscape

- Significant growth opportunities in Transmission and Distribution with **favourable government policy** and strong T&D infrastructure demand with **increasing shift to renewable energy**
- Evolved and stable regulatory regime conducive for infrastructure investment

## Development and Construction Expertise

- Proven track record of excellence in development & construction
- ATL remains **competitive at bidding stage** due to scale benefits. Synergies from wide geographical presence and execution expertise helps **mitigate cost and time overrun risk**
- **Solid vendor management** and strong relationships adds to business sustainability and avoid cost escalations

## Operational and Execution excellence

- **Robust operational metrics** - line availability, supply reliability, distribution loss
- One of the **lowest O&M cost through predictive maintenance** and technology excellence

## Capital Management Philosophy

- Capital structure designed through debt financing at longer tenure matching concession life and terms akin to stable assets
- ATL is the only private sector transmission and distribution company in India with **International IG Rating**

## Capital Allocation and turnaround capability

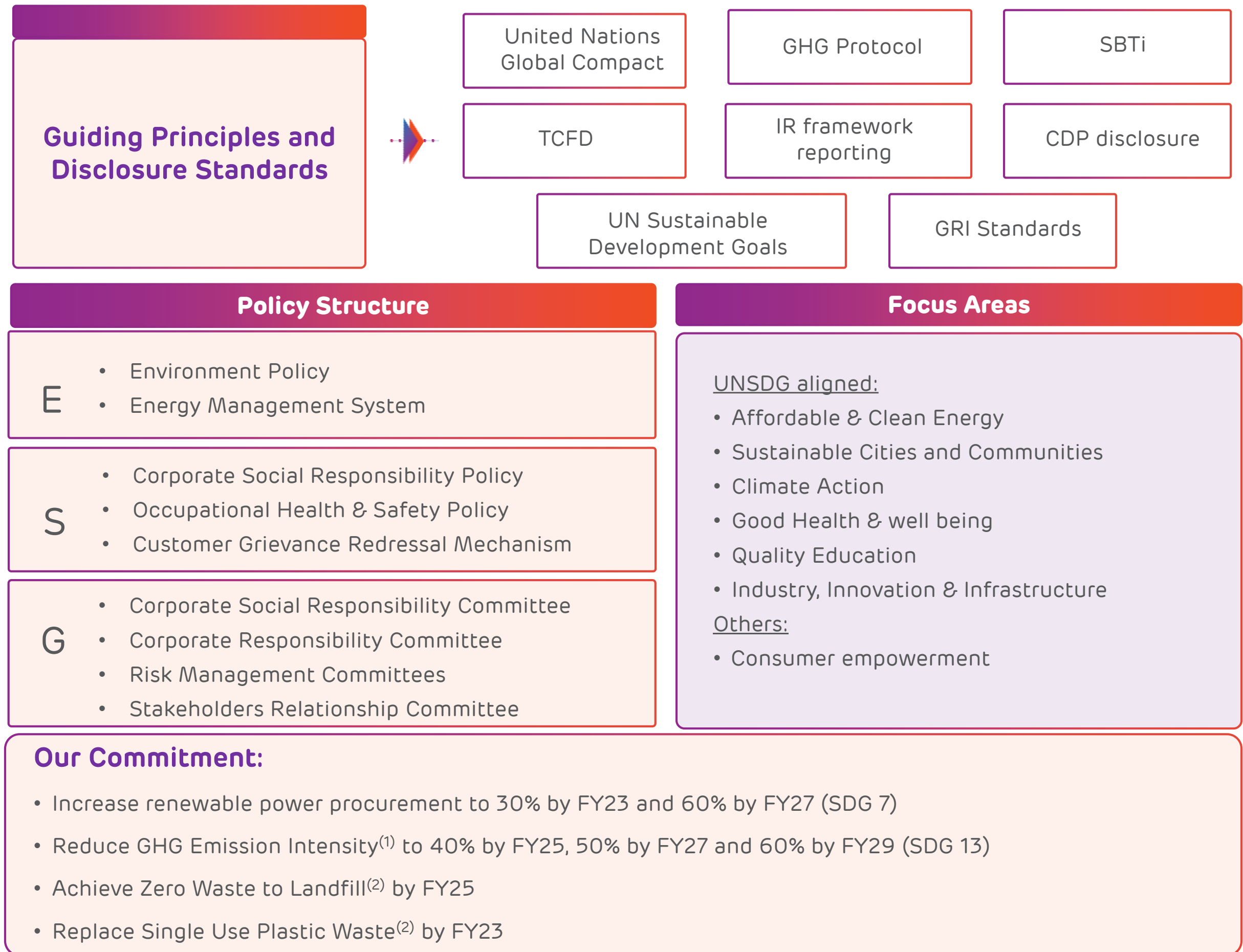
- Disciplined approach towards new project bidding and acquisitions; stringent IRR (returns) threshold
- Commitment to **maintain strong credit profile and investment grade rating**
- Strong track record of acquisition and turn around of transmission and distribution assets



# ESG Framework

# ATL: ESG Framework

ESG



**ESG Ranking**

- S&P CSA (2022) **scored 63/100** vs. world electric utility average of 32
- FTSE (2021): **3.3/5** (world utilities avg. 2.6/5)
- MSCI (2021): **BBB**

Notes: 1) GHG Emission Intensity = tCO2 / Rs Cr EBITDA; 2) Scope: Business activities under O&M phase; 3) AEML, being subsidiary of ATL with ~40% of reported EBITDA share, reports disclosures through ATL; 4) AEML is in process to adopt the guiding principles for independent reporting. Targeted by FY22 | UNSDG – United Nation Sustainability Development Goals | TCFD - Task Force on Climate-Related Financial Disclosures | SBTi - Science Based Targets initiative | CDP - Carbon Disclosure Rating GHG – Green House Gas



# ATL: Key Environmental Indicators and Milestones

Key Performance Indicators	Current Status	Baseline	Medium to Long-term Targets
<b>Energy Mix &amp; Emission Intensity</b>			
- RE share in power procurement	AEML has <b>achieved 22% renewable</b> in power mix as of Sep'22	3%	30% by FY23 60% by FY27
- GHG Emission Intensity Reduction	The target for GHG emissions reduction is in line with Nationally Determined Contribution (NDC) for climate change. Disclosed in terms of a reduction in GHG per unit of revenue.	-	40% by FY25 70% by FY30
<b>Waste Reduction and Biodiversity Management</b>			
- Zero waste to landfill (ZWL)	Dahanu Power Plant <b>attained ZWL status</b>	No certification in FY19-20	Achieved <b>ZWL for all O&amp;M</b> sites in FY22
- Single use plastic (SuP) free sites	Following site <b>attained SUP free status</b> : <ul style="list-style-type: none"> <li>Dahanu Power Plant</li> <li>Major Substations (Mundra, Mahendragarh, Koradi)</li> </ul>	No certification in FY19-20	To achieve SuP free for all sites by FY22-23
- India Business Biodiversity Initiative (IBBI) and ensure no net loss to biodiversity	<ul style="list-style-type: none"> <li>Signatory to IBBI and submitted first progress report in 2020</li> <li><b>Afforestation of 441 hectares area</b> in FY21-22</li> </ul>	FY20-21 289 hectares	No net loss to biodiversity and 100% alignment with IBBI and IBBI principles based public disclosures by FY23-24
- Water Neutrality (Water conservation)	<ul style="list-style-type: none"> <li>Achieved <b>'Water Positive' status for 30 substations and 07 TL clusters</b> under UNSDG 6</li> <li>Carried-out rainwater harvesting feasibility study and implemented water metering across all sites</li> </ul>	No water neutrality in FY 19-20	Net Water Neutrality Certification for all O&M sites by FY22-23
<b>Energy Efficiency and Management</b>			
- Reduction in auxiliary consumption through solar power	<b>3.362 MWp solar capacity</b> at Mahendragarh, Akola, Koradi, Sami, Morena, Rajnandgaon	Solar capacity of 1.7 MWp in FY19-20	Coverage across all transmission Sites

# ATL: Key Social Indicators and Milestones

Social

Material Categories	Material Themes	Key Performance Indicators	Baseline	Target (FY22-23)
Health & Safety	Work related injury	Rate of fatalities per million hours worked	Zero (FY 20-21)	Zero
		Rate of recordable work-related injuries per million man-hours worked	0.33 (FY 20-21)	Zero
	Safety awareness and training	Average hours of training provided per person on health and safety	15.6 (FY 20-21)	Further improve from baseline
Diversity and Inclusion	Measurement of Diversity and Inclusion Metrics and Enforcement of policies	Women as a percentage of new hires and total workforce (%)	New Hire: 5 % Total Workforce: 5%	New Hire: 10% Total Workforce: 6%
Human Rights	Training on human rights	Employees trained in human rights policies or procedures (%)	-	100%
Skills for the future	Skill development trainings	Training and development expenditure for employees (INR)	Rs 3.81 Cr (FY 20-21)	Rs 4.69 Cr
Responsible Procurement	Proportion of spending on local suppliers (%)	Spend on local suppliers against the total procurement budget (%)	99.4 % (FY 20-21)	Maintain FY21 Performance
	Supplier screening on ESG metrics	Suppliers screened on ESG criteria (%)	100% (Critical Suppliers)	100% (Critical Suppliers)

# ATL: Key Governance Indicators and Milestones

Governance

Material Categories	Material Themes	Key Performance Indicators	Baseline	Actions Taken and Goals
<b>Board Gender Diversity</b>	Board Gender Diversity	Balance the board composition in terms of men and women directors	16.6% - women directors in board as of FY21	<ul style="list-style-type: none"> <li><b>% of women directors in board improved to 28.5%</b></li> </ul>
<b>Board Independence</b>	Great Board Independence and Improved Disclosures	<ul style="list-style-type: none"> <li>Improve board strength and independence</li> <li>Incorporate non-statutory committees</li> <li>Enhance disclosures in board &amp; committee meetings</li> </ul>	<ul style="list-style-type: none"> <li>6 directors as of FY21</li> <li>Only statutory committees as of FY21</li> </ul>	<ul style="list-style-type: none"> <li>Board now comprises of <b>total 7 directors with 4 independent directors</b></li> <li>Enhanced disclosures through formation of <b>new committees</b> with min. 50% IDs (CRC, RMC, PCC, IT &amp; Data Security)</li> <li>Committees chaired by Independent Directors (Audit, NRC, STC)</li> </ul>
<b>Code of Conduct</b>	Corruption and Bribery Cases	<ul style="list-style-type: none"> <li>Number of Corruption cases and Bribery and Associated Risks</li> <li>Adoption of Anti Corruption and Bribery Policy</li> <li>% of Governance body members and employees trained on anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>Zero corruption cases</li> </ul>	<ul style="list-style-type: none"> <li>Zero Case on Corruption and Bribery</li> <li>Board Adopted Anti Corruption and Bribery Policy</li> <li>Identification and Assessment of risks</li> </ul>
<b>Anti-competitive Practices</b>	Fines and Settlements	<ul style="list-style-type: none"> <li>Fines or settlements paid related to anti-competitive business practices (INR)</li> </ul>	Zero as of FY21	<ul style="list-style-type: none"> <li>Zero in FY23 and beyond</li> </ul>
<b>Customer orientation and satisfaction</b>	Consumer Satisfaction	<ul style="list-style-type: none"> <li>Affordable tariffs</li> <li>Service reliability</li> <li>Sustainable power</li> </ul>	Distribution loss reduction, CSAT surveys, Reliability metrics	<ul style="list-style-type: none"> <li>Competitive tariff through RE power</li> <li>Option to switch to Green power tariff</li> <li>Advanced metering implementation for 12 million consumers</li> </ul>
<b>Corporate Governance Standing</b>	ESG Ratings	Improvement in ratings through improved disclosures and adoption of best practices	CSA: 63/100; FTSE: 3.3/5	Target FY23: CSA – 67/100 and FTSE: 3.6/5

**Notes:**

- A) List of non-statutory committees – CRC: Corporate Social Responsibility & Sustainability Committee; PRC: Public Consumer Committee; Information Technology & Data Security Committee; RMC: Risk Management Committee;  
 B) List of statutory committees: SRC: Stakeholders' Relationship Committee NRC: Nomination and Remuneration Committee; STC: Securities and Transfer Committee; Audit Committee;  
 C) Sub-committees under Risk Management Committee: Mergers & Acquisitions Committee; Legal, Regulatory & Tax Committee; Reputation Risk Committee





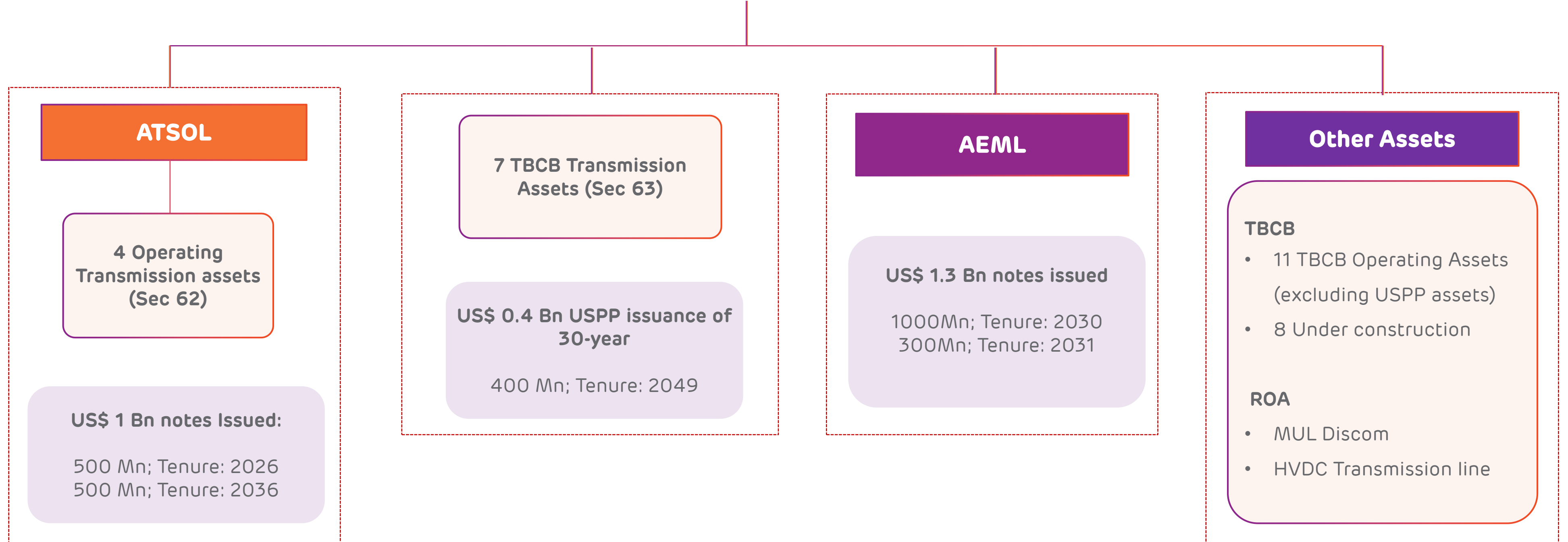
**adani**

Transmission

## List of Annexure:

- Profile
- Capital Management
- Bond Portfolio
- Credit Ratings
- Asset Portfolio

## adani Transmission





# ATL: Transmission Business at a glance

	Operating Assets	Under construction
<b>TBCB Assets (Sec 63)</b>	18 Assets	8 Assets
	Assets base → US\$ 1.5 Bn	Assets base → US\$ 1.3 Bn
<b>ROA Assets (Sec 62)</b>	4 Assets	1 Asset
	Assets base → US\$ 1.4 Bn	Asset base → US\$ 0.93 Bn

### TBCB - Business Parameters

- **Steady stream of cash flows**
- No throughput (supply) risk
- Mitigated counterparty risk through payment pooling mechanism
- **Market share<sup>(1)</sup> of 35% in TBCB bids in FY21 and 22% in FY22**

### Return on Asset (ROA) - Business Parameters

- ROA model with **assured cash flows** after considering all operating and O&M costs
- **Efficiency-linked incentives** to boost returns
- Section 62 assets governed by **regulators with strong track record** (CERC, MERC)

Notes: Market share basis levelised tariff of TBCB projects under bidding in FY21 and FY22; ROA: Return on Assets; TBCB: Tariff based Competitive Bidding; CERC: Central Electricity Regulatory Commission; MERC: Maharashtra Electricity Regulatory Commission; Asset Base as of Mar'22



# ATL and AEML Bond Portfolio

Highlights	Obligor 1 – US\$ 500 mn	Obligor 2 – US\$ 500 mn	USPP – US\$ 400 mn	AEML – US\$1 bn	AEML – US\$ 300 mn
<b>Assets</b>	ATIL MEGPTCL		STL, ATRL, CWRTL, RRWTL, PPP-8,9,10	AEML	AEML, PDSL
<b>FY22 EBITDA (US\$ mn)</b>	297		86	274	274
<b>Tenor</b>	10 year	16.5 year	30 year	10 year	10 year
<b>Issue size (US\$ mn)</b>	US\$ 500 mn	US\$ 500 mn	US\$ 400 mn	US\$ 1000 mn	US\$ 300 mn (GMTN)
<b>Ratios (As of FY22)</b>	FFO to Net Debt: 20.4%; DSCR: 3.2x; FFO cash coverage: 2.9x		FFO to Net Debt: 15.6%; DSCR: 1.8x	FFO to Net Debt <sup>(1)</sup> : 4.96%; DSCR: 5.5x	
<b>Refinance Risk / Bond Structure</b>	Bullet debt structure	Amortizing debt structure	Amortizing debt structure	Bullet debt structure	Bullet debt structure
<b>Counterparty Risk / Quality of earnings Risk</b>	EBITDA: 45% from Central projects 55% from State projects		EBITDA: 78% from Central projects; 22% from State projects	End users	End users
<b>International Credit Rating</b>	BBB- (Fitch)/ Baa3 (Moody's)	BBB- (Fitch)/ Baa3 (Moody's)	BBB- (Fitch)/ Baa3 (Moody's)	BBB- (S&P, Fitch)/ Baa3 (Moody's)	BBB-(Fitch)/ Baa3 (Moody's)
<b>Robust Structural Protections</b>	<ul style="list-style-type: none"> <li>• Clean first ranking security</li> <li>• Unique covenants linked to EBITDA performance providing credit quality protection over project life</li> <li>• Standard project finance features</li> <li>• Detailed reporting covenants</li> </ul>				

Notes: 1) FFO to Net debt before WC changes is 17.26% in FY22; GMTN - Global Medium Term Notes, EBITDA: Earning before interest tax and Depreciation, FFO: Free fund from Operation, DSCR: Debt Service Coverage Ratio

# ATL and AEML Credit Ratings

## International – ATSOL Obligor Group (Transmission business) (Reg S/ 144A)

Rating Agency	Facility	Rating/Outlook
Fitch	Dollar Bond	BBB-/Stable
Moody's	Dollar Bond	Baa3/Stable

## International – ATL USPP (Transmission business) (Reg D)

Rating Agency	Facility	Rating/Outlook	Underlying Rating
Fitch	Dollar Bond	BBB-/Stable	BBB
Moody's	Dollar Bond	Baa3/Stable	-

## International – AEML US\$ 1 bn (Reg S/144A) and US\$ 300 mn GMTN (Distribution)

Rating Agency	Facility	Rating/Outlook
Fitch	Dollar Bond (for both)	BBB-
S&P	Dollar Bond (US\$ 1 bn)	BBB-/Stable
Moody's	Dollar Bond (for both)	Baa3/Stable

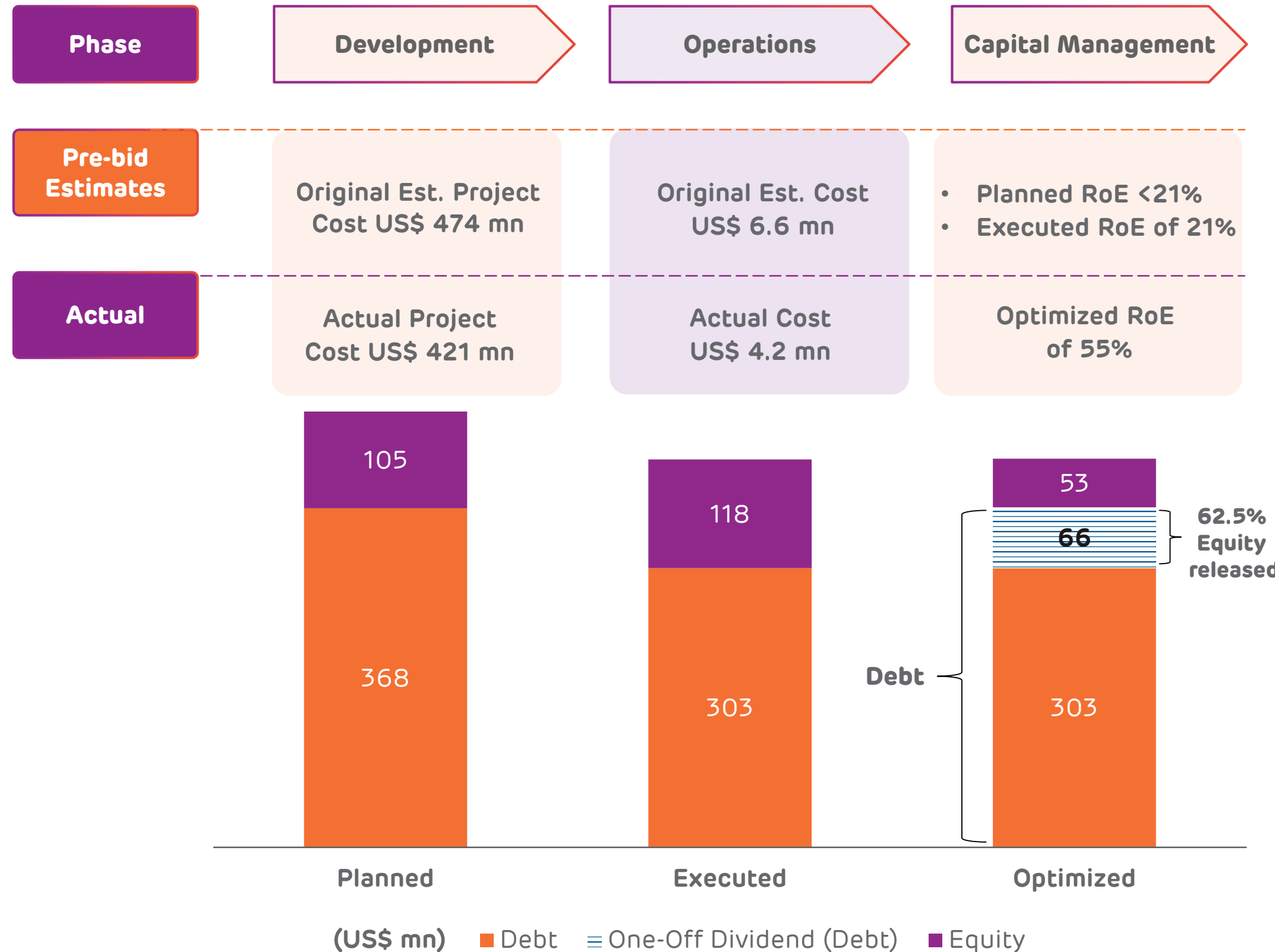
## SPV Ratings - Domestic

Company	Rating Agency	Rating	Outlook
ATL	India Ratings / Brickworks	AA+	Stable
ATL	ICRA	A1+	Stable
MEGPTCL	India Ratings	AA+	Stable
ATIL	India Ratings	AA+	Stable
WTGL	India Ratings	<b>AAA</b>	Stable
WTPL	India Ratings	AA+	Stable
MTSCL	India Ratings	AA-	Stable
ATSCL	CARE	A	Stable
ATBSPL	India Ratings	AA-	Positive
FBTL	CARE	A+	Positive
OBTL	CARE/Brickworks	A-	Positive
NKTL	Brickwork	A-	Stable
AEML	India Ratings	AA+	Stable
JKTL	India Ratings	A-	Stable
BKTL (LC)	CARE	A1+	Stable
GTL (LC)	India Ratings	A1+	Stable
WKTL	India Ratings	A-	Stable
Alipurduar	India Ratings	<b>AAA</b>	Stable

# Case Study: TBCB portfolio takeout through USPP

USPP: 30 years USD notes (USD 400 mn) issued by restricted group of 7 subsidiaries of ATL (2,084 ckm network) with fixed coupon and amortizing structure matching the concession period & revenue profile of the issuer companies

## Case study USPP: Fully funded Value Creation over lifecycle -> Reinvestment in Growth

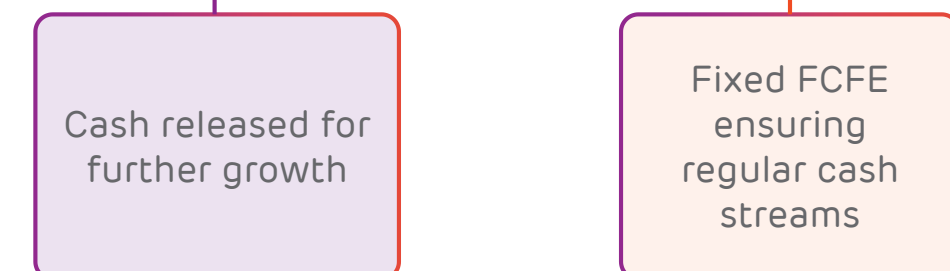


## Future of ATL Capital Management Program

### Enabling Assets to Ensure Efficient Capital Churn Cycle at ATL

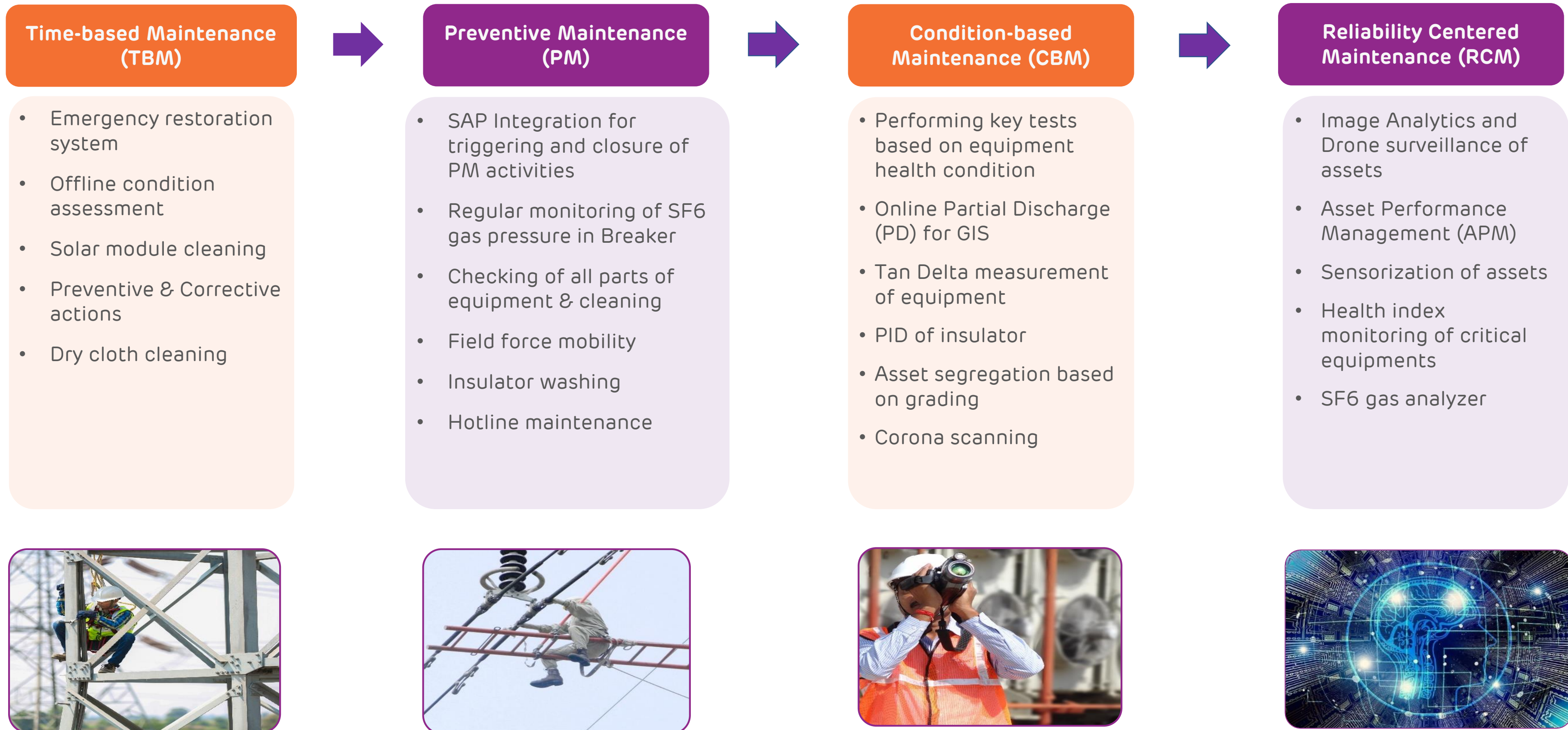


### Value Creation through Replicability and Reinvestment Demonstrated in USPP Pool





# ATL: As a matured O&M player, shifting from Time-based Maintenance to Reliability Centered Maintenance



Harnessing Cutting-edge Technology for advanced O&M

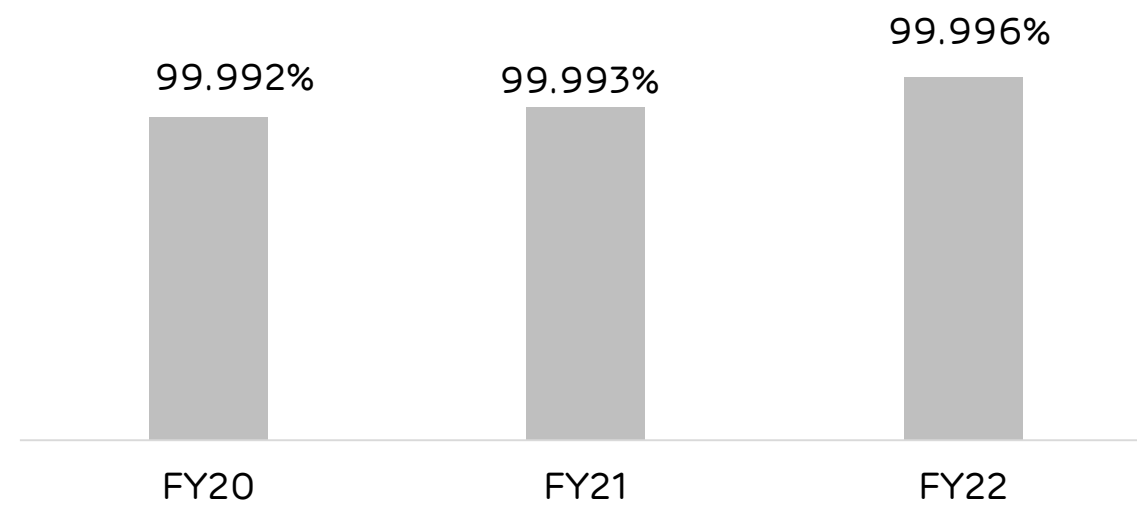
# AEML Business philosophy: Sustainability, Reliability and Consumer Focus (Affordability & Responsiveness)



## Reliability

- Pioneer in adoption of **advanced technologies**
- Only utility with **integrated GIS, WMS, OMS, CRM**
- **Redundancy** built at 3 levels (N-1 -1 Cluster wise)
- **100% unmanned remote operated stations**
- **Islanding scheme** insulating consumers from external grid outage
- Installed capacity is **twice of maximum demand**
- Sustainable Regulated Asset Development ensuring **asset hardening**
- **100% underground network**

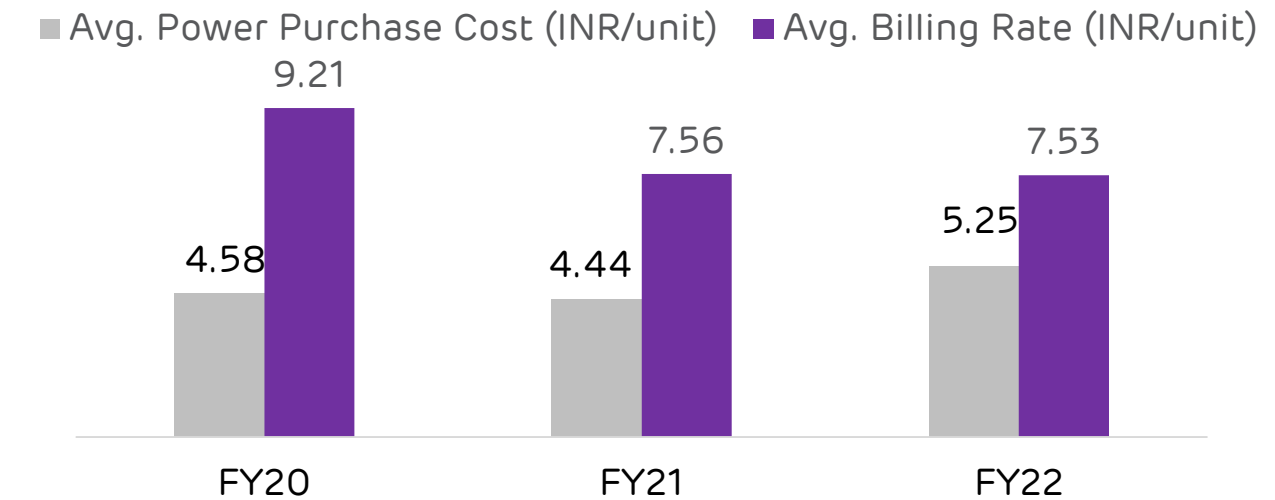
## High Supply Reliability



## Affordability & Responsiveness

- **Consumer-centric service** delivery model → Emerging as **“supplier of choice”**
- **Consumer Affair Committee** for Consumer satisfaction
- Widening **Digital Payment** avenues
- Long term **renewable power tie up** at lower cost
- **Asset hardening** ensures operational excellence → Higher consumer base → **Lower tariff**
- Smoothing of FAC resulting in **tariff stability**

## Consistent decline in tariff



Sustainability

Sustainability

# 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.

## Investor Relations:

**MR. VIJIL JAIN**

Lead Investor Relations

✉ [Vijil.Jain@adani.com](mailto:Vijil.Jain@adani.com)

☎ +91 79 2555 7947





adani  
Transmission

Thank You