Adani: A world class infrastructure & utility portfolio

Transport & Logistics Portfolio
- APSEZ Port & Logistics: 63.5%
- SRCPL Rail: 100%
- NQXT²: 100%
- AAHL Airports: 100%
- ARTL Roads: 100%

Energy & Utility Portfolio
- ATL T&D: 75%
- APL IPP: 75%
- AGEL Renewables: 55%
- AWL Water: 100%
- Data Centre: 100%

Opportunity identification, development and beneficiation is intrinsic to diversification and growth of the group

Adani
Marked shift from B2B to B2C businesses –
- AGL – Gas distribution network to serve key geographies across India
- AEML – Electricity distribution network that powers the financial capital of India
- Adani Airports – To operate, manage and develop eight airports in the country

Locked in Growth 2020 –
- Transport & Logistics: Airports and Roads
- Energy & Utility: Water and Data Centre

Notes:
- Orange colour represents publicly traded listed verticals | Percentages denote promoter holding
- 1. As on Feb 19th, 2021, USD/INR – 73 | Note: Percentages denote promoter holding
- 2. North Queensland Export Terminal | Light purple color represents public traded listed verticals
- 3. ATGL – Adani Total Gas Ltd.
Adani: Decades long track record of industry best growth rates across sectors

Transmission Network (ckm)

<table>
<thead>
<tr>
<th>Year</th>
<th>Industry</th>
<th>Adani</th>
<th>Industry</th>
<th>Adani</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>320,000 ckm</td>
<td>6,950 ckm</td>
<td>7%</td>
<td>21%</td>
</tr>
</tbody>
</table>
| 2020 | 423,000 ckm | 14,837 ckm | 3x | 21%

Port Cargo Throughput (MT)

<table>
<thead>
<tr>
<th>Year</th>
<th>Industry</th>
<th>Adani</th>
<th>Industry</th>
<th>Adani</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>972 MT</td>
<td>113 MT</td>
<td>5%</td>
<td>12%</td>
</tr>
</tbody>
</table>
| 2020 | 1,339 MT | 223 MT | 2.5x | 12%

Renewable Capacity (GW)

<table>
<thead>
<tr>
<th>Year</th>
<th>Industry</th>
<th>Adani</th>
<th>Industry</th>
<th>Adani</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>46 GW</td>
<td>0.3 GW</td>
<td>25%</td>
<td>161%</td>
</tr>
</tbody>
</table>
| 2020 | 114 GW | 14.2 GW | 6x | 161%

CGD® (GAs® covered)

<table>
<thead>
<tr>
<th>Year</th>
<th>Industry</th>
<th>Adani</th>
<th>Industry</th>
<th>Adani</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>62 GAs</td>
<td>6 GAs</td>
<td>30%</td>
<td>45%</td>
</tr>
</tbody>
</table>
| 2020 | 228 GAs | 38 GAs | 1.5x | 45%

ATL

Highest availability among Peers
Op. EBITDA margin: 92%¹³,³
Next best peer margin: 89%

APSEZ

Highest Margin among Peers globally
EBITDA margin: 70%¹,²
Next best peer margin: 55%

AGEL

Worlds largest developer
EBITDA margin: 89%¹,⁴
Next best peer margin: 53%

ATGL

India's Largest private CGD business
EBITDA margin: 31%¹
Among the best in industry

Transformative model driving scale, growth and free cashflow

Note: 1 Data for FY20; 2 Margin for ports business only; Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Financial Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power sales. 5. Operating EBITDA margin of transmission business only, does not include distribution business. 6. Contracted & awarded capacity. 7. CGD = City Gas distribution. 8. Geographical Areas – Including JV. 9. Industry data is from market intelligence.

05
Adani: Repeatable, robust & proven transformative model of investment

<table>
<thead>
<tr>
<th>Phase</th>
<th>Development</th>
<th>Operations</th>
<th>Post Operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Origination</td>
<td>Site Development</td>
<td>Construction</td>
<td>Operation</td>
</tr>
<tr>
<td>Activity</td>
<td></td>
<td></td>
<td>Capital Mgmt</td>
</tr>
<tr>
<td><strong>India’s Largest Commercial Port</strong> (at Mundra)</td>
<td>Site acquisition</td>
<td>Engineering &amp; design</td>
<td>Life cycle O&amp;M planning</td>
</tr>
<tr>
<td><strong>Highest Margin among Peers</strong></td>
<td>Concessions and regulatory agreements</td>
<td>Sourcing &amp; quality levels</td>
<td>Asset Management plan</td>
</tr>
<tr>
<td><strong>Highest availability</strong></td>
<td>Investment case development</td>
<td>Equity &amp; debt funding at project</td>
<td>Redesigning the capital structure of the asset</td>
</tr>
</tbody>
</table>

**Performance**

- In FY20 issued seven international bonds across the yield curve totalling ~USD4Bn
- All listed entities maintain liquidity cover of 1.2x-2x as a matter of policy.

<table>
<thead>
<tr>
<th>Debt profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 2016</td>
</tr>
<tr>
<td>14% PSU</td>
</tr>
<tr>
<td>55% Private Banks</td>
</tr>
<tr>
<td>31% Bonds</td>
</tr>
</tbody>
</table>

| March 2020   |
| 47% PSU      |
| 33% Private Banks |
| 20% Bonds    |

1. FY20 data for commercial availability declared under long term power purchase agreements;
**ATL: A platform well-positioned to leverage growth opportunities in T&D business**

### Development
- **Execution Prowess**
  - Transmission Network of 15,487 ckt km:
  - Longest Private HVDC Line in Asia
- **Operating Efficiency and Strong Margins (9MFY21)**
  - Robust network availability of ~99.87% and supply reliability of 99.99%
  - Transmission EBITDA Margin – 92%
  - Distribution EBITDA Margin – 28%

### Operations
- **Strategic Presence**
  - Transmission - Present in 10 states with 22 transmission lines
  - Distribution - Integrated utility catering to gateway city of Mumbai
- **Consumer-centricity**
  - Integration of Customer and Technology enabling AEML as a supplier of choice
- **Capital Management**
  - Re-designing capital structure though low cost capital and elongated maturity

### Equity Value Creation
- **Healthy pool mix**
  - Transmission (FY20):
    - 52% of EBITDA - Central pool
    - 48% of EBITDA - State pool
- **ESG**
  - Embedded ESG Framework for enhanced value creation
- **Self-funded growth model ensuring efficient capital churn**
  - Every Rs. 1 bn of Equity Invested allows creation of Rs. 2.25 bn of Equity Employed

---

**Note:** 1) Transmission network is as of Dec’20 and includes operational and under-construction assets
**ATL: Manifesting Adani’s Infrastructure Excellence in T&D business**

**Execution Strength and Pan India Presence**
- Pan-India network & only private sector co. to operate 500 KV HVDC in S-E Asia

**Predictable and Annuity Returns**
- INR 314 Bn/ US$ 4.3Bn Total Regulated Asset base\(^{(1)}\) (Fully built)
- 31 years/ 17 years Avg. Residual Concession Life (Transmission/ Distribution)\(^{(4,5)}\)
- 52%/ 48% ROA / TBCB Asset Base\(^{(2)}\)

**Robust Financial performance and strong Balance Sheet**
- 92% (Transmission) 28% (Distribution) EBITDA Margin (9M FY21)
- 99.87% Availability (9MFY21)
- INR 119 bn / US$ 1.6 bn Approved Tariff Order (Fully Built)\(^{(3)}\)
- BBB- / Baa3 International Investment Grade Rating\(^{(5)}\)

**Note:**
- US$ / INR: 73;
- \(^{(1)}\) Fully built estimate based on regulatory approved tariff and bid based tariff profile of operational and under-construction projects of Transmission and Distribution business as of Dec 2020. This excludes HVDC project. No upsides have been assumed on account of operational efficiencies;
- \(^{(2)}\) Competitive Bidding including under-construction assets on project cost basis and existing assets on book value basis; RTM = Regulated Tariff Mechanism;
- \(^{(3)}\) S&P: BBB- / Fitch: BB-/ Moody’s: Baa3;
- \(^{(4)}\) Average residual concession life for Transmission assets is as of FY20;
- \(^{(5)}\) Operational History of 83 years; TBCB: Tariff Based
**ATL at a Glance**

**Contracted Assets**
- **TBCB(2) Assets**
  - 13 Operating TBCB(2) assets
  - 9 Under-construction TBCB(2) Assets
  - Concession Life of 35 years + 30 years of remaining life of asset
  - Transmission network of 9,896(2) ckt kms

**ROA Assets**
- **Transmission Assets**
  - 100% Transmission Assets
  - 4 Operating Transmission Assets
  - Concession Life of 35 years + Remaining Life of Asset
  - Transmission network of 5,051 ckt kms

- **HVDC Transmission line**
  - 100% HVDC Transmission line
  - HVDC Line in Mumbai
  - Transmission capacity of 1,000 MW
  - Under-construction line of 80 kms

- **Consumer-facing Integrated Utility**
  - 74.9%
  - AEML catering to 3 mn+ Connections
  - 1,892 MW of peak power demand
  - 540 ckm lines/ 3,125 MVA transformation capacity

**Notes:** 1) % denotes shareholding; 74% in Aravali Transmission Service Company Limited; 2) TBCB: Tariff based competitive bidding; 3) Network includes operational, under construction as of 31st December 2020

**ADANI INVESTMENT AUTHORITY**
Contracted Assets at a Glance

**Contracted Assets**

<table>
<thead>
<tr>
<th>TBCB (Section 63)</th>
<th>Fixed Tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Assets</td>
<td>Asset Base (Rs. Bn)</td>
</tr>
<tr>
<td>13</td>
<td>68</td>
</tr>
<tr>
<td>Under-construction Assets</td>
<td>Asset Base Fully-built (Rs. Bn)</td>
</tr>
<tr>
<td>9</td>
<td>83</td>
</tr>
</tbody>
</table>

**Stable Business Parameters**

- Steady stream of cash flows
- No throughput risk in Transmission sector
- Payment pooling mechanism thus no counterparty risk
- Mature Regulatory bodies (EA 2003)

**Key Characteristics**

- Asset Life: 35 yrs + 30 yrs of remaining life of asset
- Counterparty: Network Pool
- Payment: Function of line availability
- Efficiency: Availability linked incentive

**Growth levers**

- 100% organic growth with robust under-construction pipeline
- Market-share of 37% in FY20(1) with IRR threshold offers high growth potential in TBCB allocations

---

**Note:**
1) Market share basis estimated project costs for all the TBCB projects that were under bid in FY20.
2) Return on Assets; TBCB: Tariff based Competitive Bidding
ROA assets at a Glance

1. ROA Transmission Assets
   - **Return on Assets (ROA - Section 62)**
     - Counterparty: 3.04 million Consumers
     - Network pool: Perpetual business
     - Asset Life: 35 yrs + 30 yrs remaining life
   - **Key Characteristics**
     - Type of Asset: Regulated Asset (Sec. 62)
     - Asset Life: Perpetual business
   - **Stable Business Parameters**
     - Rate of Return Asset (the asset being the RAB) with no-to-minimal throughput risk (only Retail)
     - 93-year old business with predictable and mature regulatory framework serving 3 mn+ consumers in Gateway City of India
     - Business with inverse regulated capital structure supported by revenue true-up and cost pass-through mechanisms
     - Guided by three pillars of Reliability (Supply), Affordability (Power) and Sustainability (Aiming for 50% RE power by 2025)

2. HVDC Transmission Asset (Mumbai)
   - **Return on Assets (ROA - Section 62)**
     - No. of Assets: 1
     - Asset Base Fully-built (Rs. Bn): ~60-70
   - **Fixed Return**

3. Consumer-facing Integrated Utility (AEML)
   - **Consumer Utility Asset Regulated Asset Base (RAB) and EBITDA**
     - (Rs. Billion)
       - RAB FY20: 8.1 12.3 40.1 1.9 62.4
       - EBITDA FY20: 2.8 2.5 12.7 0.6 18.6
   - **Stable Business Parameters**
     - Rate of Return Asset (the asset being the RAB) with no-to-minimal throughput risk (only Retail)
     - 93-year old business with predictable and mature regulatory framework serving 3 mn+ consumers in Gateway City of India
     - Business with inverse regulated capital structure supported by revenue true-up and cost pass-through mechanisms
     - Guided by three pillars of Reliability (Supply), Affordability (Power) and Sustainability (Aiming for 50% RE power by 2025)
Transformational Journey
**ATL: Transformation nature and journey so far**

### Key Benchmarks

- **Operations**
  - Scale and Wider Presence (largest private sector Transmission and Distribution player in India)
  - World-class Operational Excellence (one of lowest O&M cost per ckt kmst³ globally)
  - Technological Edge and Innovation (ENOC for remote operations and predictive maintenance)

- **Acquisitions**
  - Solid integration and turnaround capabilities:
    - Acquired Transmission lines from KEC, GMR and successfully integrated
    - Acquired Distribution business with more than 2.5x revenue potential and huge consumer base

- **Financial**
  - Growth in Market-cap (superior returns to investors)
  - EBITDA Growth (~24% EBITDA CAGR FY16-20)
  - Elongated Maturity Profile (Average debt maturity of 10.3 years)
  - Capex (Planned Capex of Rs. 15 bn in Transmission and Rs. 9.5 bn in Distribution over next 3-5 years)

### Milestones achieved

- **ATL has grown ~3x in a span of 5 years on Transmission network and has presence in 10 states of India**
- **Track record of consistently maintaining near 100% line availability and supply reliability**
- **Built longest private HVDC line in Asia** with a single hop of ~1000 kms and a capacity to transmit 2500 MW of power

- **Successful integration of various transmission lines acquired**
- **Acquired lines operating at global standards** and generating incentive income
- **Achieved improvement in Distribution loss and SAIDI & SAIFI post acquisition of Distribution business**

- **EBITDA has grown 2.5x over FY2016-2020**
- **Dollarized debt (fully hedged) has risen from 10% in FY16 to 90% in FY20**
- **Debt maturity >5 years** has increased from 12% in FY16 to 88% in FY20
- **Fully-funded capex at AEML and sufficient FCF for Transmission capex**
- **ATL market-cap(2) has grown ~19x and delivered 63% CAGR returns since listing**

**Notes:**
1) Internal peer benchmarking (refer annexure slide no. 16 of [link](#)).
2) Share price as of February 5, 2021 has been taken for m-cap and CAGR calculations.
3) ENOC: Energy Network Operating Center.
**ATL: Operational and Execution Excellence**

**Robust Transmission and Distribution Network**

- Transmission Line (Ckt kms)
- Distribution Consumers (mn)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>9M FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,450</td>
<td>8,600</td>
<td>3 mn+</td>
<td>3 mn+</td>
<td>3 mn+</td>
<td>3 mn+</td>
</tr>
<tr>
<td>ckt kms</td>
<td>ckt kms</td>
<td>३,५६२०</td>
<td>१४,७४००</td>
<td>१५,४८७०</td>
<td>३ mn+</td>
</tr>
</tbody>
</table>

**Transmission business - Average System Availability %**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>99.9%</td>
<td>99.8%</td>
<td>99.8%</td>
<td></td>
</tr>
</tbody>
</table>

**Distribution business - Supply Reliability (ASA) %**

<table>
<thead>
<tr>
<th>Year</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>99.990%</td>
<td>99.990%</td>
<td>99.992%</td>
<td></td>
</tr>
</tbody>
</table>

**Project Excellence**

- Completed HVDC project (~1000 kms) in a record time of 24 months
- Majority of the projects completed within time and budget allowing ATL to command market share of 37% in FY20
- Cost savings at development and O&M allowing RoE optimization (USPP assets)

**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 Center (ENOC)
- Low-cost and condition-based O&M through tools like SCADA and processes like IMS, Disha for robust and sustainable O&M

**Design and Technology Excellence**

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

Notes: 1) Currently at trial stage; LIDAR - Light Detection and Ranging (LiDAR) method; ENOC: Energy Network Operating Center
ATL: Scale driving efficiencies and growth

Operational Efficiencies

- Synergies from wide geographical presence and execution expertise helps *mitigate cost and time overrun risk*
- Economies of scale permits one of the lowest Rs. 0.19 million per ckt kms O&M cost as compared to global peers\(^1\)
- Implemented IMS, ISO, Disha, OMS for process standardization and efficiencies

Cost Optimisation

- **Solid vendor management** and strong relationships adds to business sustainability and avoid cost escalations
- Cost optimization through Capital Management Program (~US$ 2bn worth bond issuances in 18 months) **saved finance cost by 1.6% over 5 years**

Growth

- ATL remains **competitive at bidding stage** due to scale benefits thus having *market share of 37%* in FY20\(^2\)
- Availability of large talent pool and in-house capabilities provides platform for evaluation and to pursue varied growth opportunities

Scalability Potential in Future

- Achieve 20,000 Ckt kms by FY2022 through locked-in projects and strong TBCB pipeline
- Leveraging on 3mn+ households and continuous consumer addition in Distribution business
- Capex opportunity of Rs. 95 bn at AEML to increase equity returns over next 5 years
- Access to large opportunity pool in T&D space through greenfield, acquisitions, franchise opportunities etc.
- **Strategic partnerships** like QIA to strengthen growth and governance aspirations

Notes: \(1\) Internal peer benchmarking (refer annexure slide no. 16 of link); \(2\) Internal Analysis and IDFC Report for Q4FY20; ISO: International Organization for Standardization, IMS: Integrated Management System, OMS: Order Management System
**ATL: Growth and Long-term value creation**

**Track-record of delivering solid EBITDA growth**

Operational EBITDA (Rs. Crs)

<table>
<thead>
<tr>
<th>Year</th>
<th>Transmission</th>
<th>Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td>1,827</td>
<td>1,944</td>
</tr>
<tr>
<td>FY18</td>
<td>1,944</td>
<td>2,051</td>
</tr>
<tr>
<td>FY19</td>
<td>2,857(1)</td>
<td>2,051</td>
</tr>
<tr>
<td>FY20</td>
<td>4,287</td>
<td>2,482</td>
</tr>
</tbody>
</table>

*Margin %: 95% (FY17), 91% (FY18), 91% (FY19), 19% (FY20)*

- **2.5x EBITDA growth in 4 years with world-class margin profile**

**Efficient and Optimal Capital Allocation**

- **FY16**
  - Capital Employed: Rs. 96 bn
  - Equity Invested: Rs. 32 bn invested in 2018

- **FY20**
  - Capital Employed: Rs. 343 bn
  - Equity Invested: Rs. 43 bn

**Locked-in growth for next 3-5 years**

- **Transmission growth**
  - 9 Under-construction TBCB projects worth Rs. 80 bn in transmission business to add annual tariff-revenue of Rs. 9 bn post-operation
  - HVDC project worth ~Rs. 60-70 bn under ROA framework to increase returns

- **Distribution growth**
  - Capex-led growth in Regulated Asset Base (RAB) to drive growth in returns
  - Fully tied-up capex plan of ~Rs. 9,500 Crs. over FY20-25

**Track-record of robust growth coupled with efficient capital churn to create long-term value creation for stakeholders**
**ATL: Improving Cashflow with a focus on Credit Discipline**

### Consolidated Net Debt
- **As of 31st Mar 16**: Rs. 85 bn
- **As of 30th Sep 20**: Rs. 166 bn

### Net Debt to EBITDA (x)
- **As of 31st Mar 16**: 4.6x
- **As of 30th Sep 20**: 4.3x

### Credit Rating
- **As of 31st Mar 16**: BBB/Baa3
- **As of 30th Sep 20**: BBB/Baa3

### Cost of Debt (weighted) %
- **As of 31st Mar 16**: 10.9%
- **As of 30th Sep 20**: 9.2%

### Average debt maturity for LT debt
- **As of 31st Mar 16**: 5.8 years
- **As of 30th Sep 20**: 10.3 years

---

**Note:** Free Cash Flow after WC change and Investing activity. EBITDA includes other income and regulatory income (arrear income and revenue reversal).

*FY19 AEML consolidation is only for 7 months due to acquisition;*
ESG – Embedded in to our actions
ATL: Integrated ESG framework for enhanced value creation

**Environmental**
- Technological advancement for **minimal downtime during maintenance** → better availability → increased EBITDA
- **Renewable Power Procurement at below APPC** → tariff reduction for 12 mn Mumbai consumers
- **Reduction in pollution by fly ash utilization** (~100% in FY20)
- **Better vendor management** → development of local workforce to meet best industry practices
- **100% supply reliability for 12 mn Mumbai consumers** → Consumers shifting to ATLS distribution business
- **24 x 7 consumer care availability** → better responsiveness → lesser consumer attrition → stable cash flows

**Social**
- **Bankruptcy Remote Structure**
- **Board Independence**
- **Related party transactions (RPT) as per covenanted structure**

All the above factors led to the **highest international rating issuer in the transmission sector in India** → leading to lower cost and larger pool of capital

**Governance**
- **TARGET BY SEP 2021**
  - 12x growth in renewable power procurement (from 3% of total power mix to 30%) by FY23
  - Strong focus on social uplift and safety through various community programs and safety initiatives
  - Bankruptcy remote structure to be implemented for all SPVs
  - RPT policy applicable to all subsidiaries
  - Independent directors at all subsidiaries' board and committees

The integrated ESG framework has resulted in access to larger pool of capital at reduced cost >> value accretive returns
Optimizing Carbon Intensity
- Carbon foot-printing and disclosure
- Improving Carbon Efficiency
- Approaching Carbon Neutrality
- Supporting low carbon economy

Resource and Bio-diversity
- Energy Management
- Optimizing Input Consumption
- Approaching Water Neutrality
- Leaving +Ve Impact on Bio-diversity

Waste Management
- Waste Reduction (5R*)
- Circular Economy
- Zero Waste to Landfill
- Optimizing Transmission Energy Loses

Environment Related Factors

Business and future investment aligned to sustainable growth with focus on preserving environment (Disclosure in public domain)
- Carbon disclosure in Public domain.
- ESG disclosures vide corporate sustainability assessment platform of DJSI-S&P Global Adhering to disclosure in CDP.
- Becoming TCFD Supporter and signatory to SBTI.
- Water Neutrality and alliance for water stewardship certification
- Research & Development and Innovation for low carbon technology.
- Biodiversity Management & Conservation
**ESG: Environment awareness and Initiatives**

ATL recognizes that below environment related factors matter to our business model

<table>
<thead>
<tr>
<th>Climate Awareness</th>
<th>Carbon Emissions</th>
<th>Resource Management</th>
<th>Waste Management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Climate Readiness</strong></td>
<td><strong>Reduction in Carbon Footprint</strong></td>
<td><strong>Resource Management</strong></td>
<td><strong>Waste Management</strong></td>
</tr>
<tr>
<td>Technology Driven:</td>
<td><strong>Water</strong> – Rainwater harvesting at substations</td>
<td><strong>Land</strong> – Compact substations in distribution business (Elevated &amp; Underground substations)</td>
<td><strong>Fly ash</strong> – 100% fly ash utilization at Dahanu plant</td>
</tr>
<tr>
<td>• Increase in Renewable procurement for the distribution business</td>
<td>• <strong>Water</strong> – Rainwater harvesting at substations</td>
<td>• &quot;5S&quot; at all locations</td>
<td></td>
</tr>
<tr>
<td>• Promotion of Roof Top Solar at Mumbai</td>
<td>• <strong>Land</strong> – Compact substations in distribution business (Elevated &amp; Underground substations)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Rooftop Solar power of 1.83 MW for aux consumption at all ATL substations</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Climate Alignment

- We are moving into the next stage of sustainability journey with more ambitious plans and targets related to **Preserving environment and measuring GHG emissions**
  - Evaluating & planning for climate change driven adversities
  - **Efficient Energy Solutions for 12 mn Mumbai consuming population**
  - The company has aligned its business plan and is investing in below activities for sustainable growth
  - **Research & Development for Design driven Efficiency**
  - **Biodiversity Management & Conservation**
  - **Optimization of water & energy consumption**
**ESG: Governance – Journey so far and future glide path**

We have charted a glide path to internalise global best practices of governance by September 2021

### Journey so Far

- **Structure for 8 SPVs including AEML, with no cross securities nor cross guarantees**
- **Internal Audit Framework**
  - *Quarterly Audit* conducted on 15 parameters across all subsidiaries, Key Issues highlighted, resolution timelines fixed
- **Compliance Framework**
  - *IT enabled Compliance Management tool* for automated monitoring and reporting to senior management
- **Policies**
  - RPT policy – applicable at listed co.
  - Anti Corruption – for employees of all subsidiaries monitored by Vigilance officer

### Target by SEP 2021

- All transactions between ATL and its SPVs – with highest standards of Governance
- **Policies**
  - RPT policy applicable to all subsidiaries

### Corporate Behaviour

- **Board Constitution**
  - Listed Co. – 3 independent directors
  - Subsidiaries – 5 SPVs incl. AEML have independent directors
- **Board Committees**
  - Audit committee with all 3 independent directors
  - 4 out of 6 committees have independent directors

### Corporate Governance

- **Senior Management Remuneration**
  - Industry benchmarked remuneration, optimal mix of fixed and performance linked pay for long term objectives
- **Board Constitution**
  - Independent directors at all subsidiaries’ board
- **Board Committees**
  - All committees at listed co. and subsidiary level to have independent directors
  - To replicate ATL’s governance model to the extent applicable to other group subsidiaries
Investment Case
ATL: Compelling Investment Case

Stable & predictable cash-flows

- Predictable cash flow with contracted and regulated business
- Long term concession life (~35 years + 30 years of remaining asset life)
- ~52% sovereign-rated counterparties as of FY20

World-class O&M practice

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

Robust Growth Opportunity

- ATL well positioned to capture significant portion of this growth opportunity (FY20 market share of 37%)
- Access to large opportunity pool in T&D space through greenfield, acquisitions, franchise opportunities etc.

Disciplined Capital Allocation

- Disciplined approach towards new project bidding; stringent IRR (returns) threshold
- Commitment to maintain strong credit profile and investment grade rating

ESG Focus

- ESG embedded in operations and committed to sustainable value-creation for all stakeholders
- Robust governance and disclosures (further strengthened by QIA onboarding)

Infrastructure lineage

- Pedigree of Adani Group: leader in infrastructure – transport, logistics, energy and utility space
- Proven track record of excellence in development & construction
Investment Strategy – Focus Areas and Growth
### ATL: Key Focus Areas FY21 and Beyond

#### Liquidity Management
- Focus on maintaining adequate liquidity cover to swiftly mitigate current uncertainties and any unpredictable scenario
- Fully covered in-terms of debt servicing for next 12 months by ensuring liquidity cover of >1.25x
- Sufficient cash balance and working capital lines tied-up
- CTU/STU Pooling mechanism is in place so don’t see major delay in receivables on Transmission side.
- GOI has clarified in its recent order that Discoms continue to remain obligated to pay for power within 45 days of billing

#### Capital Management
- ATL continues to focus on freeing up its equity, reducing cost of debt and bringing in marquee partners to set global corporate practices.
- Continue to add diversity and elongated maturity to firm’s debt profile
- Strong thrust on maintenance of IG rating by constantly improving liquidity ratios ensuring credit quality

#### Growth
- ATL well placed to capture future growth through multiple avenues:
  - Robust under-construction pipeline worth Rs. 150 bn (including Mumbai-HVDC project)
  - Strong growth potential through TBCB transmission projects
  - Acquisition, New License, Franchise and PPP Opportunities in T&D space
  - Capex plan of Rs. 95 bn to grow RAB at AEML by FY25

#### ESG Focus
- Continue to maintain ESG focus and follow defined glide path
- Ensure Climate Awareness, Climate Readiness & Climate Alignment
- AEML has signed a hybrid (solar + wind) 700 MW PPA which has been approved by MERC
- Committed to increasing share of renewable power procurement from current 3% to 30% by 2023 and 50% by 2025 at AEML
**ATL: Strategic Objectives**

**Opportunity Set in Transmission**
- Achieve 20,000 Ckt kms by FY2022
- Strong pipeline of TBCB transmission projects in India, esp. as renewable power grows
- Evaluate any attractive acquisition opportunities

**Opportunity Set in Distribution**
- AEML:
  - Leveraging on 12mn+ consumer base
  - Continuous consumer addition
  - Capex of over Rs. 95bn over 5 years (regulated returns)
- New license opportunities through Discoms privatisation in the form of PPP, Franchise, and Sub-licensing models

**Unregulated growth opportunities (AEML)**
- Efficient Appliances and Demand side Management (DSM)
- Smart Home Products
- E-security and Entertainment on-demand
- Fiber-to-Home
- Safety and Energy Audit at places of congregation and consumers
- One Adani-One Service

**Regulated growth opportunities**

**ATL geared to fully leverage opportunities for disciplined growth**
- Maintain IRR Threshold
- Retain IG Rating
- Maintain Superior Margins
- Self-funded Growth (FCF)
Transmission business: Growth through TBCB pipeline

<table>
<thead>
<tr>
<th>No. of projects</th>
<th>Project cost (Rs. bn)</th>
<th>COD/SCOD</th>
<th>Fully operational tariff (Rs. bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating ROA Assets</td>
<td>4 projects</td>
<td>108</td>
<td>COD: Aug’12-Mar’15</td>
</tr>
<tr>
<td>Operating TBCB Projects</td>
<td>13 projects</td>
<td>68</td>
<td>COD: Dec’13-Aug’19</td>
</tr>
<tr>
<td>Under-construction projects</td>
<td>9 projects</td>
<td>8.0</td>
<td>SCOD: Mar’21-Dec’22</td>
</tr>
<tr>
<td></td>
<td>HVDC project</td>
<td>~6-7</td>
<td>Mar’23-Mar’24</td>
</tr>
</tbody>
</table>

Notes:
1) Fully Operational Tariff for Operating ROA as of FY20 and Operating TBCB and Under-construction projects is fully operational first year tariff.
2) SCOD – Scheduled Commercial Operation Date, COD - Commercial Operation Date.
3) SCOD for 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) EBITDA mix fully built-up includes all projects in-hand are under operation.

EBITDA mix – FY20

- Centre 52%
- State 48%

EBITDA mix - fully built-up

- Centre 50%
- State 50%

Healthy pool mix

Further growth in Transmission from strong TBCB pipeline

Locked-in Cashflow + O&M Efficiencies to drive EBITDA growth
AEML (Integrated Utility): Regulated Growth Opportunities

**Sustainable Growth through RE power**

- Share of Power Procurement
  - FY20: 3%
  - FY25: 50%

- Committed to increasing % of renewable power procurement from current 3% to 50% by FY25

**Reliability from capex led network strengthening**

- Capex Schedule (Rs. bn)
  - Project Capex
  - Replacement & Maintenance capex

- Capex plan of ~Rs.95 bn for FY20-25

**Affordability due to reduced power cost**

- Average Billing Rate (ABR) – Rs. /unit

- Despite capex outlay, overall tariff to fall in real terms

**Notes:** 1) Average billing rate (ABR) in chart excludes impact of past revenue gap and regulatory assets that may be approved for recovery by MERC during the year. Real ABR computed @ 5% inflation rate

Sustainable growth in AEML by maintaining affordable tariffs through optimum power purchase, consumer growth and best O&M practices ensuring alignment with Regulator’s Charter
Capital Management Program
ATL: Key Highlights and Objectives of Capital Management Program

**Development De-risking**
- Significantly reduced green-field risk (mature asset operator)
- No throughput risk in transmission business
- Lower gestation period and development efficiencies ensures efficient capital churn thus higher returns

**Capital Conservation**
- Refinancing risk significantly minimized with debt maturity (>5 year) shifting from 12% in FY16 to 87% in H1FY21
- Weighted avg. cost of debt has come down from 10.9% in FY16 to 9.2% in H1FY21
- Stitched fully-funded capex program

**De-risking to drive lower risk premia and cost of capital**
Significantly lowered its risk profile:
- High visibility of cash flows
- Robust growth pipeline through organic and in-organic route
- Commitment to maintain investment-grade rating
- 2% of total debt profile with short-term maturity (<1 year)
- Fully tied-up capex program for long-term growth

**Strategic Goals**
- On-boarded QIA as a strategic partner emboldening the governance and value creation path
- Deleveraging and Capital De-risking through equity dilution
- Stepping towards sustainable growth through RE power (from 3% to 30% by FY23)

**Credit Quality**
- Consistently maintained investment grade rating since 2016
- Steady performance on various credit metrics like Net Debt/EBITDA, debt service coverage, etc.
- Earnings growth and free cash flow generation to secure coverages
**Case Study:** Development, O&M Efficiencies and Capital Management to create immense shareholder value

### Fully funded Value Creation by Capital Management releasing Equity for Growth

<table>
<thead>
<tr>
<th>Phase</th>
<th>Development</th>
<th>Operations</th>
<th>Capital Management</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Original</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Original Est. Project Cost</td>
<td>Rs. 36 bn</td>
<td>Original Est. Cost</td>
<td>Rs. 0.5 bn</td>
</tr>
<tr>
<td>Actual Project Cost</td>
<td>Rs. 31 bn</td>
<td>Actual Cost</td>
<td>Rs. 0.32 bn</td>
</tr>
<tr>
<td><strong>Performance</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Planned RoE &lt;21%</td>
<td>Executed RoE of 21%</td>
<td>Optimized RoE of 55%</td>
<td></td>
</tr>
</tbody>
</table>

### Case study USPP: Future of ATL Capital Management Program

**Enabling Assets to Ensure Efficient Capital Churn Cycle at ATL**
- New Asset Construction - Construction Financing and Debt Sizing
- Refinancing Stabilized Asset - Sustainable Debt Upsized
- New Asset Construction - Construction Financing and Debt Sizing
- Refinancing Stabilized Asset - Sustainable Debt Upsized

**Value Creation through Replicability and Reinvestment Demonstrated in USPP Pool**
- Cash released for further growth
- Fixed FCFE ensuring regular cash streams

**Every Rs. 1 bn of Equity Invested allows creation of Rs. 2.25 bn of Equity Employed**

- Debt
- One-Off Dividend (Debt)
- Equity
**AEML (Integrated Utility): Significant De-risking through Capital Management**

### Capital De-risking of Asset

**AEML US$ 1 bn bond issue in Jan-20**

#### Key Attributes

- **Debt Diversification and Elongated Profile**
  - Low-cost funding and elongated maturity

- **Capex Reserve Account**
  - Ensures equity required for capex is fully-funded

- **Systemic De-risking**
  - Offers long-term infra funding with flexible covenants

### Underlying Value Creation

**QIA’s acquisition of 25.1% stake in AEML for Rs. 32 bn investment**

#### Key Attributes

- **Value Creation**
  - On-boarded strategic marquee investor QIA by selling 25.1% stake in AEML

- **Deleveraging**
  - Entire equity proceeds of ~Rs. 12 bn used to repay perpetual

- **Capital De-risking**
  - Shareholder subordinated debt of ~Rs. 20 bn offers capital buffer for growth

**Rolling capex facility of $400mn fully-suffice capex plan for next 10 years ensuring smooth execution path**
## ATL: Capital Management Program
**Demonstrating Global Excellence**

<table>
<thead>
<tr>
<th>Highlights</th>
<th>Obligor 1</th>
<th>Obligor 2</th>
<th>USPP</th>
<th>AEML</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>ATIL MEGPTCL</td>
<td>STL, ATRL, CWRTL, RRWTL, PPP-8,9,10</td>
<td>AEML</td>
<td></td>
</tr>
<tr>
<td>FY20 Operational EBITDA (Rs. Crs)</td>
<td>1,683</td>
<td>596</td>
<td>1,805</td>
<td></td>
</tr>
<tr>
<td>Tenor</td>
<td>10 year</td>
<td>16.5 year</td>
<td>30 year</td>
<td>10 year</td>
</tr>
<tr>
<td>Issue size (USD mn)</td>
<td>US$ 500 mn</td>
<td>US$ 500 mn</td>
<td>US$ 400 mn</td>
<td>US$ 1000 mn</td>
</tr>
<tr>
<td>Refinance Risk / Bond Structure</td>
<td>Bullet debt structure</td>
<td>Amortizing debt structure</td>
<td>Amortizing debt structure</td>
<td>Bullet debt structure</td>
</tr>
<tr>
<td>Counterparty Risk / Quality of earnings Risk</td>
<td>EBITDA: 45% from Central projects; 55% from State projects</td>
<td>EBITDA: 78% from Central projects; 22% from State projects</td>
<td>End users</td>
<td></td>
</tr>
<tr>
<td>International Credit Rating</td>
<td>BBB- (S&amp;P, Fitch)/ Baa3 (Moody’s)</td>
<td>BBB- (S&amp;P, Fitch)/ Baa3 (Moody’s)</td>
<td>BBB- (Fitch)/ Baa3 (Moody’s)</td>
<td>BBB- (S&amp;P, Fitch)/Baa3 (Moody’s)</td>
</tr>
</tbody>
</table>
| Robust Structural Protections       | • Clean first ranking security  
• Unique covenants linked to EBITDA performance providing credit quality protection over project life  
• Standard project finance features  
• Detailed reporting covenants |
ATL's Capital Management Program brings diversity and elongated maturity to firm's debt profile

Notes: 1) Debt excludes perpetual equity and shareholder affiliation debt (sub debt)
**ATL** is rated Investment Grade from FY16 and beyond

### International - Obligor Group

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Facility</th>
<th>Rating/Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitch</td>
<td>Dollar Bond</td>
<td>BBB-/Negative</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>Dollar Bond</td>
<td>BBB-/Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Dollar Bond</td>
<td>Baa3/Negative</td>
</tr>
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</table>

### International – USPP

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Facility</th>
<th>Rating/Outlook</th>
<th>Underlying Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitch</td>
<td>Dollar Bond</td>
<td>BBB-/Negative</td>
<td>BBB</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Dollar Bond</td>
<td>Baa3/Negative</td>
<td>-</td>
</tr>
</tbody>
</table>

### International - AEML

<table>
<thead>
<tr>
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<th>Rating/Outlook</th>
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</thead>
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</tr>
<tr>
<td>Moody’s</td>
<td>Dollar Bond</td>
<td>Baa3/Negative</td>
</tr>
</tbody>
</table>

### SPV Ratings - Domestic

<table>
<thead>
<tr>
<th>Company</th>
<th>Rating Agency</th>
<th>Rating</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL</td>
<td>ICRA, India Ratings</td>
<td>AA+</td>
<td>Stable</td>
</tr>
<tr>
<td>AEML</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Stable</td>
</tr>
<tr>
<td>WTGL</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Stable</td>
</tr>
<tr>
<td>WTPL</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Stable</td>
</tr>
<tr>
<td>MTSCL</td>
<td>CARE</td>
<td>A</td>
<td>Stable</td>
</tr>
<tr>
<td>ATSCl</td>
<td>CARE</td>
<td>A</td>
<td>Stable</td>
</tr>
<tr>
<td>ATBSPL*</td>
<td>India Ratings</td>
<td>AA-</td>
<td>Stable</td>
</tr>
<tr>
<td>FBTL</td>
<td>CARE</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>NKTL</td>
<td>Brickwork</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>OBTL</td>
<td>Brickwork</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>APTL*</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Stable</td>
</tr>
</tbody>
</table>

Notes: *ATBSPL rating is provisional; #APTL – Alipurduar Transmission Limited
Regulatory Landscape and Sector Opportunity
ATL: Regulatory Framework

Section 62 (ROA) Tariff Method - Multi Year (5 yr) Tariff

- Costs
  - O&M Expenses
  - Power Procurement Costs
  - All other costs

Return on Capital

Efficiency Gains

Additional incentives linked to efficiencies

Return of Capital

Total @ 90% RAB (Residual Value being actual equity invested)

Depreciation

CERC and SERC established & predictable in maintaining and defining tariffs

- CERC and state regulatory body (e.g. MERC, RERC) determine:
  - Return on assets (ROA)
  - Adopt TBCB tariffs
  - Incentive triggers

MYT Determination

- CERC – 20 years track record
- MERC – 19 years track record

Section 63 (TBCB) Tariff Method – License Period Basis

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

Annual Fixed Tariff for concession period + Escalable Tariff (if any) + Incentives (Linked to Availability) = TBCB (Sec. 63)

Transmission: Payment Pooling Mechanism Reduces Counterparty Risk

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
### Sector Outlook: Indian Transmission Sector
Poised for Significant Growth

**Robust growth outlook driven by strong policy support**

**Significant under-investment in Transmission sector historically**(1)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>% Growth in Generation Capacity (MW)</th>
<th>% Growth in Transmission Line (ckt km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY'92-97</td>
<td>24%</td>
<td>12%</td>
</tr>
<tr>
<td>FY'97-02</td>
<td>22%</td>
<td>17%</td>
</tr>
<tr>
<td>FY'02-07</td>
<td>26%</td>
<td>15%</td>
</tr>
<tr>
<td>FY'07-12</td>
<td>51%</td>
<td>26%</td>
</tr>
<tr>
<td>FY'12-17</td>
<td>64%</td>
<td>22%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Period</th>
<th>India</th>
<th>Global</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Growth</td>
<td>2.3x</td>
<td>7.0x</td>
</tr>
</tbody>
</table>

**Notes:**
1. Source: CEA; Working group report on 12th Five Year Plan; 2. Data upto September 2019; Source - CEA and Internal Analysis.

~**Rs. 8.2 trillion** market opportunity till FY 2029

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

**ATL had 37% market share in transmission bids in FY20**

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

Private sector has won 42 projects out of total 62 awarded since Feb-15**(3)**
Size of Opportunity: Investment of Rs. 8.2 tn/ USD 117 bn expected in Indian Transmission over the Next Decade

Transmission Lines and Transformation Capacity to Grow....

|                | Transmission Lines ('000 ckm)
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>230/220 kV</td>
</tr>
<tr>
<td>FY09</td>
<td>7</td>
</tr>
<tr>
<td>FY14</td>
<td>9</td>
</tr>
<tr>
<td>FY19</td>
<td>16</td>
</tr>
<tr>
<td>FY24 (P)</td>
<td>21</td>
</tr>
<tr>
<td>FY29 (P)</td>
<td>27</td>
</tr>
<tr>
<td>FY34 (P)</td>
<td>33</td>
</tr>
</tbody>
</table>

|                | Transformation Capacity ('000 MVA)
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>230/220 kV</td>
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<td>FY09</td>
<td>10</td>
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<td>FY14</td>
<td>14</td>
</tr>
<tr>
<td>FY19</td>
<td>24</td>
</tr>
<tr>
<td>FY24 (P)</td>
<td>40</td>
</tr>
<tr>
<td>FY29 (P)</td>
<td>59</td>
</tr>
<tr>
<td>FY34 (P)</td>
<td>80</td>
</tr>
</tbody>
</table>

Notes: 1) Internal study, 2) CEA

...requiring Rs. 8.2 tn/ USD 117 bn of investment

Expected Investment Over Next 10 Years

- State Projects
- Central Projects
- INR 4,090 bn/ US$ 58 bn

Large Contribution Expected from Private Sector Over Next 10 Years

- INR 3,030 bn/ US$ 43 bn
- INR 2,870 bn/ US$ 41 bn
- INR 2,280 bn/ US$ 33 bn

Opportunity for Private Sector Players is Rs. 2.3 tn/ USD 33bn
ATL: ESG Quarterly Performance and Initiatives

**ESG Performance (Q3 FY21)**

- **71.70%↑** Auxiliary Power Consumption
- **47.67%↑** Scope 1 Emission
- **37.28%↑** Solar Power Generation
- **1.835 MW** Solar Panel
- **9%↑** Fresh Water Withdrawal

**ESG Initiatives during the year**

- Three substations namely Mundra, Mahendargarh, Koradi achieved ‘Single Use Plastic Free’ Certification from CII.
- ATL became signatory to India Business & Biodiversity Initiative (IBBI) for incorporation of Biodiversity management in business operations.
- ATL submitted first disclosure report on the action taken towards the 10-point declaration for integration of biodiversity into businesses.
- Completed rainwater harvesting at two substations – Akola and Koradi

**ESG Standing**

- Received MSCI Rating Score with ‘BBB rating’
- Engaging with S&P on extensive ESG Evaluation at ATL for Global ESG rating

**ESG Focus Area**

- Improve ESG ratings assigned by agencies such as FTSE, MSCI, DJSI
- Reduction of emission levels
- Zero tolerance for fatalities

Note: 1 Performance compared to Q3FY20; Includes ATL (O&M and Projects), ADTPS, and AEML (T&D)
# ATL: Key ESG Metrics and Initiatives

### Environment

<table>
<thead>
<tr>
<th>CO2 emissions</th>
<th>Water</th>
<th>Waste</th>
<th>Land use (AEML - Dahanu)</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Scope 1 (TCO2e): 31,87,008</td>
<td>• Fresh Water (KL): 18,16,997</td>
<td>• ~40 KL Waste generated of used oil</td>
<td>• ~148 hectares of green belt</td>
</tr>
<tr>
<td>• Scope 2 (TCO2e): 24,509</td>
<td>• Water recycled (KL): 2,04,494</td>
<td>• 100% fly ash utilization at Dahanu</td>
<td>• Planted 2 Cr mangroves</td>
</tr>
</tbody>
</table>

### Social

<table>
<thead>
<tr>
<th>Workforce and diversity</th>
<th>Safety management</th>
<th>Consumer engagement (AEML)</th>
<th>Communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Employee diversity</td>
<td>• Over 57,236 man-hours safety training</td>
<td>• Concessional tariff during religious festivals / community prayers</td>
<td>• Skilling for needy women through National Skill Training Institute (Women)</td>
</tr>
<tr>
<td>• 98,001 man-hours of training</td>
<td>• Zero Accident Vision</td>
<td>• 25 Payment options available</td>
<td>• Providing subsidized education</td>
</tr>
<tr>
<td></td>
<td>• SafeEye, SafeConnect, SafeAlert</td>
<td>• Multilingual (4) service offerings</td>
<td>• Nurture women leaders from the community, who then become change makers</td>
</tr>
</tbody>
</table>

### Governance

<table>
<thead>
<tr>
<th>Structure and oversight</th>
<th>Code and values</th>
<th>Transparency and reporting</th>
<th>Cyber risks and systems</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Independent board</td>
<td>• Code of conduct</td>
<td>• Material events policy</td>
<td>• Customer data protection</td>
</tr>
<tr>
<td>• Business Responsibility Policy</td>
<td>• Whistle blower policy</td>
<td>• Related Party Transactions</td>
<td>• Data privacy audit</td>
</tr>
<tr>
<td></td>
<td>• Anti-bribery and anti-slavery policy</td>
<td>• Integrated Reporting framework</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Remuneration policy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- **TCO2e**: Ton CO2 Equivalent

- **CO2 emissions**
  - Scope 1 (TCO2e): 31,87,008
  - Scope 2 (TCO2e): 24,509

- **Water**
  - Fresh Water (KL): 18,16,997
  - Water recycled (KL): 2,04,494

- **Waste**
  - ~40 KL Waste generated of used oil
  - 100% fly ash utilization at Dahanu

- **Land use (AEML - Dahanu)**
  - ~148 hectares of green belt
  - Planted 2 Cr mangroves
  - Afforestation of ~283 hectares

- **Workforce and diversity**
  - Employee diversity
  - 98,001 man-hours of training

- **Safety management**
  - Over 57,236 man-hours safety training
  - Zero Accident Vision
  - SafeEye, SafeConnect, SafeAlert

- **Consumer engagement (AEML)**
  - Concessional tariff during religious festivals / community prayers
  - 25 Payment options available
  - Multilingual (4) service offerings
  - 99.99% supply reliability
  - Adoption of advanced technologies like SCADA, DMS, OMS and GIS

- **Communities**
  - Skilling for needy women through National Skill Training Institute (Women)
  - Providing subsidized education
  - Nurture women leaders from the community, who then become change makers
**Recent Safety Initiatives**

- **48,110** man-hours of safety training and awareness during Q3
- Training was conducted across the organization on effective usage of Gensuite mobile application
- Environment, Health & Safety (EHS) Annual Performance Report released for the year FY20 to raise safety awareness
- Distribution of safety awareness material at all sites

**Safety Performance in Q3FY21**

<table>
<thead>
<tr>
<th>Safety Parameters</th>
<th>Q3FY21</th>
<th>Q2FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTI</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>LTIFR (LTI Frequency Rate)</td>
<td>0.36</td>
<td>0.413</td>
</tr>
<tr>
<td>LTI (LTI Severity Rate)</td>
<td>2.71</td>
<td>5.99</td>
</tr>
<tr>
<td>Safety training by Safety team (in Men-Hours)</td>
<td>48,110</td>
<td>36,806</td>
</tr>
</tbody>
</table>
Global Benchmarking: Regulatory Framework

**Key Highlights**

- ATL’s rate of return will normalize over the period as our assets mature
- Our financing plan/capital management structure neutralizes a fall in equity returns through covenant structure like backstop, PLCR etc.
- Incentive/penalty over and above regulated return to encourage network efficiency
  - AEMY: 1.5%
  - ATL: ~1.2%

**Regulatory return (ROA) framework for transmission players across geographies**

- **WACC/Rate of return**
  - India: 10.50%
  - South Australia: 5.70%
  - Florida (US): 7.80%
  - California (US): 7.60%
  - UK: 3.95%
  - Hong Kong: 8.00%

- **Depreciation**
  - O&M Tax
  - D/E Ratio (Gearing)
  - Regulated tariff period

- **Pass through**
  - 70/30
  - 60/40
  - 60/40
  - 50/50
  - 60/40*
  - NA

- **Equity portion doesn’t depreciate**

**Note:** ATL return has been taken to represent India; Notional gearing for UK; #Based on ROA – Return on Average Net Fixed Assets irrespective of how they are financed; PLCR: Project Life Cover Ratio

**Source:** Australian Energy Regulator, Florida Public Service Commission, California Public Utilities Commission, OFGEM (UK), Scheme of Control Agreement Hong Kong
Global Benchmarking: Adani Utility Portfolio vs. Global Utility peers

ATL and Adani Utility portfolio fares in line or better on various metrics with global peers

<table>
<thead>
<tr>
<th>Company</th>
<th>Credit Rating</th>
<th>ESG Rating (MSCI)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peer 2</td>
<td>Baa2/BBB/BBB</td>
<td>AAA</td>
</tr>
<tr>
<td>Peer 1</td>
<td>Baa1/BBB+/BBB+</td>
<td>A</td>
</tr>
<tr>
<td>Peer 3</td>
<td>Baa2</td>
<td>BBB</td>
</tr>
<tr>
<td>ATL</td>
<td>Baa3/BBB-/BBB-</td>
<td>BBB</td>
</tr>
</tbody>
</table>

Notes: 1) We have taken NextEra, Duke Energy, AGL Energy as peers for benchmarking analysis; 2) Benchmarking as per internal analysis; 3) Above comparison includes Adani Transmission, Adani Green, Adani Gas and Adani Power as a Integrated Adani Utility Portfolio; 4) Credit Ratings: NextEra: NEE 5.65 05/01/2079; Duke: DUK 3.4 06/14/2029; AGL Energy: AGLAU 5.28 09/08/2025; ATL: Obligor Issue; 5) Consumers, EV/EBITDA and EBITDA margin data is as of Feb’21 sourced from Capital IQ; #Assuming 50% of addressable market (10mn consumers) of Adani Gas will be tapped;
ATL: Harnessing Innovation and Technology to Drive Excellence

Drone Inspection @ M-S-D line
Mahendragarh discovers APFC
Site Surveillance via EFFY App
SCADA usage @ Akola site
Solar installation @ Koradi
Remote Operations at AEML

Cost  Safety  Reliability  Efficiency/Response time

Initiative
▪ Drone Inspection for Asset Maintenance
▪ Usage of drones through Light Detection and Ranging (LiDAR) method for Pre-Bid Survey
▪ Automatic Power Factor Correction (APFC) at Mahendragarh HVDC
▪ Solar Projects Installation for lower carbon footprint & reducing auxiliary power consumption cost
▪ Remote operation (RO) center
▪ Emergency Restoration System (ERS) technique for early operationalisation and higher reliability of systems
▪ SCADA for real-time data gathering, monitoring and analysis
▪ GPS and Surveillance camera system

Impact
ATL: Revenue and EBITDA trend

Operating Revenue performance

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission</td>
<td>10,237</td>
<td>7,532</td>
<td>2,704</td>
</tr>
<tr>
<td>Distribution</td>
<td>6,530(1)</td>
<td>4,270</td>
<td>2,260</td>
</tr>
</tbody>
</table>

Operating EBITDA performance

<table>
<thead>
<tr>
<th></th>
<th>FY20</th>
<th>FY19</th>
<th>FY18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission</td>
<td>4,287</td>
<td>1,805</td>
<td>2,482</td>
</tr>
<tr>
<td>Distribution</td>
<td>2,857(1)</td>
<td>806</td>
<td>2,051</td>
</tr>
</tbody>
</table>

Notes: 1) AEML was acquired w.e.f. Aug 2018 so numbers are not fully comparable on yoy basis.
ATL's Evolution and Operational Asset Portfolio

ATL's Transmission Network (ckt km) has grown 2.8x and Distribution business being acquired in FY19

<table>
<thead>
<tr>
<th>Year</th>
<th>Transmission Network (ckt km)</th>
<th>Distribution Business (mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY17</td>
<td>5,450</td>
<td></td>
</tr>
<tr>
<td>FY18</td>
<td>13,562</td>
<td></td>
</tr>
<tr>
<td>FY19</td>
<td>14,740</td>
<td></td>
</tr>
<tr>
<td>FY20</td>
<td>3 mn+</td>
<td></td>
</tr>
<tr>
<td>Q3FY21</td>
<td>3 mn+</td>
<td></td>
</tr>
</tbody>
</table>

ATL's "Grid-to-Switch" Integrated Platform

- Transmission Line (Ckt kms)
- Distribution Customers (mn)

Adani Transmission Limited

<table>
<thead>
<tr>
<th>Company</th>
<th>Transmission Line Ckt kms</th>
<th>Transformation Capacity</th>
<th>Residual Concession Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATL</td>
<td>3,834</td>
<td>3,063</td>
<td>c. 35 years</td>
</tr>
<tr>
<td>MEGPTCL</td>
<td>1,217</td>
<td>397</td>
<td>c. 35 years</td>
</tr>
<tr>
<td>AEML</td>
<td>540</td>
<td>343</td>
<td>c. 31 years</td>
</tr>
<tr>
<td>ATSSL &amp; MTSSL</td>
<td>1,560 MVA</td>
<td>Fixed tariff</td>
<td>c. 31 years</td>
</tr>
<tr>
<td>WTTL, WTPL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ATBSPL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>ATRL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>RRWTL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>CWRTL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>STL</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>PPP 8/9/10</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Operating Assets

<table>
<thead>
<tr>
<th>Line Length</th>
<th>Capacity</th>
<th>Concession</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.834 ckms</td>
<td>3,063 MVA</td>
<td>c. 35 years</td>
</tr>
<tr>
<td>1,217 ckms</td>
<td>397 MVA</td>
<td>c. 35 years</td>
</tr>
<tr>
<td>540 ckms</td>
<td>343 MVA</td>
<td>c. 31 years</td>
</tr>
<tr>
<td>1,560 MVA</td>
<td>Fixed tariff</td>
<td>c. 31 years</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Recently Commissioned Operating Assets

<table>
<thead>
<tr>
<th>Line Length</th>
<th>Capacity</th>
<th>Concession</th>
</tr>
</thead>
<tbody>
<tr>
<td>278 ckms</td>
<td>611 MVA</td>
<td>c. 34 years</td>
</tr>
<tr>
<td>434 ckms</td>
<td>348 MVA</td>
<td>c. 35 years</td>
</tr>
<tr>
<td>348 ckms</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>413 ckms</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Notes:
ATIL - Adani Transmission (India) Limited; MEGPTCL - Maharashtra Eastern Grid Power Transmission Co. Limited; AEML - Adani Electricity Mumbai Limited (Distribution business); ATBSPL - Adani Transmission Bikaner Sikar Private Limited; STL - Sipat Transmission Limited; RRWTL - Raipur Rajnandgaon Warora Transmission Limited; CWTL - Chhattisgarh WR Transmission Limited; ATRL - Adani Transmission (Rajasthan) Limited; ATSSL - 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; (1) 74% in ATSSL with an option to acquire balance 26% in a manner consistent with Transmission Service Agreement and applicable consents; (2) Asset base for operational assets as of Dec-2020; Mumbai GTD / BSES – as per proposed funding plan.
ATL: Locked-in Growth from Under-construction Asset Portfolio

Adani Transmission Limited

North Karanpura Transmis-

sion System

Fategarh Bhadla

Ghatampur

Obra-C Badaun

WRSS -

XXI (A)

Bikaner -

Khetri

Lakadia -

Bhuj

Bikaner -

Sikar

Lakadia -

Banas-kan-

tha

Lakadia-

Banas-kan-

tha

Jam Kham-

baliya

Jam Kham-

baliya

HVDC#

Khar-

ghar -

Vikhroli

Contract
type

Transformation
capacity

Residual
concession life

Pool

Asset base (1)

SCOD (3)

Notes: HVDC project SPV will be 100% subsidiary of AEML (Adani Electricity)

NKTL – North Karanpura Transco Limited; FBTL – Fategarh Bhadla Transmission Limited; 1) Asset base for under-construction assets – as per the estimated project cost as of March 2020; 2) Small element of 98 ckt kms of GTL line is operational out of total 897 ckt kms as of 1HFY21; (3) Provisional Scheduled Commercial Operation Date (SCOD)

Under Construction

<table>
<thead>
<tr>
<th>Project total line length</th>
<th>Transformation capacity</th>
<th>Residual concession life</th>
<th>Contract type</th>
<th>Pool</th>
<th>Asset base (1)</th>
<th>SCOD (3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>304 ckm</td>
<td>292 ckm</td>
<td>897 ckm (2)</td>
<td>630 ckm</td>
<td>262 ckm</td>
<td>480 ckm</td>
<td>352 ckm</td>
</tr>
<tr>
<td>1,000 MVA</td>
<td>-</td>
<td>-</td>
<td>950 MVA</td>
<td>3000 MVA</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
<td>Fixed tariff</td>
</tr>
<tr>
<td>Centre</td>
<td>Centre</td>
<td>State</td>
<td>State</td>
<td>Centre</td>
<td>Centre</td>
<td>Centre</td>
</tr>
<tr>
<td>INR 6.7 Bn</td>
<td>INR 5.5 Bn</td>
<td>INR 18.2 Bn</td>
<td>INR 7.4 Bn</td>
<td>INR 8.1 Bn</td>
<td>INR 8.5 Bn</td>
<td>INR 7.0 Bn</td>
</tr>
<tr>
<td>Dec-21</td>
<td>Mar-21</td>
<td>June-21</td>
<td>May-21</td>
<td>May-21</td>
<td>May-21</td>
<td>Nov-21</td>
</tr>
</tbody>
</table>

160 MVA ICT-2 foundation work at Badaun Sub-station (Obra line)

 Completion of tower foundation work at North Karanpura- Chandwes (NKTL)

400 kV pooling station work at Fategarh 2 (FBTL Line)

765kV Ghatampur TPS-Agra SC line
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