Table of Contents

A. Introduction to Adani Group
B. Introduction to ATL and Growth Levers
C. Value Creation through Capital Management
D. ESG Showcase
E. ATL: A Compelling Investment Proposition
A) Introduction to Adani Group
Adani: Leading Infrastructure and Utility Portfolio

- No 1 in Ports, Transmission & Distribution and IPP (Thermal and renewables) in India
- Independent verticals with independent boards: Integrating ESG into value creation
- Addressable market size (customers): ~12mn in Adani Transmission, ~10mm in Adani Gas & ~125mn in Airports

Notes: APSEZ: Adani Ports and Special Economic Zone Limited; AAPT: Adani Abbot Point Terminal Pty Ltd; SRPCL: Sarguja Rail Corridor Private Limited; ATL: Adani Transmission Limited; APL: Adani Power Limited; AGEL: Adani Green Energy Limited; AGL: Adani Gas Limited; AAHL: Adani Airports Holdings Limited; ATrL: Adani Transport Limited; AWL: Adani Water Limited. Note: (1) Part of Adani Enterprises Limited (AEL) which is a listed entity; (2) Market Cap. as on October 31, 2019 * Adani Family shareholding as of 30 Sept 2019
Adani: Repeatable, Robust and Proven business model

<table>
<thead>
<tr>
<th>Phase</th>
<th>Development</th>
<th>Operations</th>
<th>Post operations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity</td>
<td>Origination</td>
<td>Site development</td>
<td>Construction</td>
</tr>
<tr>
<td>- Return based disciplined bidding strategy</td>
<td>- Resource assessment</td>
<td>- Template based design</td>
<td>- RONC based analytics and intelligence</td>
</tr>
<tr>
<td>- Target off-taker mix</td>
<td>- Connectivity permits</td>
<td>- Strong project management skills</td>
<td>- Real-time diagnostics</td>
</tr>
<tr>
<td>- Target fuel mix</td>
<td>- Land acquisition</td>
<td>- Strong vendor engagement</td>
<td>- Cluster based management</td>
</tr>
<tr>
<td>Performance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Portfolio with high quality sovereign equivalent off-takers</td>
<td>- Successfully developing large scale remote site locations</td>
<td>- Complex developments on time &amp; budget e.g. Kamuthi Solar</td>
<td>- Best-in-class performance</td>
</tr>
<tr>
<td>- Diversified fuel mix</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
</tbody>
</table>

Low capital cost, time bound & quality completion providing long term stable cashflow & enhanced RoE

APSEZ, ATL and AGEL – only private sector Infrastructure assets in India with IG rating
...Applied Consistently to Drive Value

Key Business Model Attributes

- Development at scale and within time and budget
- Excellence in O&M leading to superior returns
- Diverse financing sources – only Indian infrastructure portfolio with three Investment Grade (IG) issuers

Successfully Applied Across Infrastructure and Utility Platform

- India’s Largest Commercial Port
- Longest Private HVDC Line in Asia
- Largest Private Integrated Utility in India
- 648 MW Ultra Mega Solar Power Plant
- Largest Single Location Private Thermal IPP

APSEZ
- Highest Margin among Peers in the World
- EBITDA margin: 65% (1), (2)

ATL
- Highest availability among Peers
- EBITDA margin: 91% (1), (3)

AEML
- Consistently high supply reliability of 99.99%

AGEL
- Constructed and Commissioned in 9 months
- EBITDA margin: 90% (1), (4)

APL
- Competitive capex / MW as compared to Peers

Notes: 1. Data for FY19; 2. Excludes forex gains/losses; 3. EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4. EBITDA Margin represents EBITDA earned from power sales and excludes other items

March 2019

- PSU: 42%
- Private Banks: 33%
- Bonds: 25%

March 2016

- PSU: 55%
- Private Banks: 31%
- Bonds: 14%
B) Introduction to ATL and Growth Levers
ATL manifests Adani’s Infrastructure Excellence in T&D business…

**Execution Strength and Pan India Presence**
- 3 million+ Retail Electricity Households
- AEML - One of the best-run 93-year old integrated utility catering to gateway city of Mumbai
- 765 KV, 400 KV, 220 KV EHT AC Pan-India network & only private sector co. to operate 500 KV HVDC in S-E Asia

**Predictable and Annuity Returns**
- 54%/ 46% ROA / TBCB (2)
- 31 years/ 17 years Avg. Residual Concession Life (Transmission/ Distribution)(4,5)
- INR 281 Bn/ US$ 4.0Bn Total Regulated Asset base(1) (Fully built)

**Robust Financial performance and strong Balance Sheet**
- 91% EBITDA Margin (FY19)
- ~99.84 % Availability (FY19)
- INR 117 bn / US$ 1.7 bn Approved Tariff Order (Fully Built)(5)
- BBB- / Baa3 International Investment Grade Rating(5)

Notes: US$/INR: 70; (1) Fully built estimate based on regulatory approved tariff and bid based tariff profile of operational, under-construction and under-acquisition projects of Transmission and Distribution business. No upsides have been assumed on account of operational efficiencies; (2) Including under-construction and under-acquisition assets on project cost basis and existing assets on book value basis; RTM – Regulated Tariff Mechanism; (3) S&P: BBB- / Fitch: BBB- / Moody’s: Baa3; (4) Average residual concession life for Transmission assets is as of FY19; (5) Operational History of 93 years
**Phase**

- **Development**
  - **Origination**
    - Return based disciplined bidding strategy
    - Healthy off-taker mix
    - Moving towards benign fuel mix
  - **Construction**
    - In-house tailor-made design capabilities
    - Strong project management skills
    - Strong vendor engagement
  - **O&M and Technology**
    - Remote operation of pan-India assets being pursued for enhanced efficiency and higher availability
    - High Focus on reliability of the supply demonstrated by SAIDI, SAIFI and distribution losses
  - **Consumer Engagement**
    - Time-bound Consumer Redressal Mechanism
    - Integrating Consumer Service through Web, Chatbot, Mobile App and Social Media
    - Consumer Data Analytics to improve process efficiency
  - **Capital Mgmt**
    - Reduction of cost of debt
    - Project life-cover based debt funding
    - Investor reporting and engagement
    - AEML: Investing significantly towards network strengthening

- **Performance**
  - 54% of total Transmission portfolio EBITDA with high quality sovereign equivalent off-takers
  - Longest Private HVDC Line (± 500 DC) in Asia ~ 1,980 kms from Mundra-Mohindergarh
  - Availability higher than national avg. and AT&C losses well below national avg.
  - AEML – Robust network with supply reliability of 99.99%
  - Consistent improvement in AT&C losses, SAIDI and SAIFI metrics resulting into lower outage
  - AEML emerging as a ‘supplier of choice’ for consumers
  - Enabled AEML as a significant power off-taker under parallel licensing in Mumbai
  - Ops phase funding consistent with asset life

**Efficient project execution, high quality asset management, consumer-centricity translating to enhanced RoE & lower cost of capital**

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Notes: SAIDI - System Average Interruption Duration Index, SAIFI - System Average Interruption Frequency Index, M&D – Monitoring and Diagnostics center; IG: Investment Grade

ATL – Adani Energy Day 2019
...Delivered ~2.5x EBITDA Growth over 3.5 years

A platform well-positioned to leverage growth opportunities in the market

ATL’s “Grid-to-Switch” Integrated Platform

<table>
<thead>
<tr>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY 19</th>
<th>H1 FY 20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Base (Rs. Bn)</td>
<td>105.6</td>
<td>120.0</td>
<td>130.3</td>
<td>271.0</td>
</tr>
<tr>
<td>EBITDA (Rs. Bn)</td>
<td>18.6</td>
<td>18.2</td>
<td>19.4</td>
<td>28.5</td>
</tr>
</tbody>
</table>

Note: *2.5x growth based on EBITDA for H1FY20 being annualized; Asset base includes ROA and TBCB assets
ATL: Growth through TBCB pipeline

Transmission: ROA and TBCB Assets

Transmission Asset Base (Rs. Billion)

- ROA: 163
- TBCB: 224

FY19

- ROA: 55
- TBCB: 108

Fully Built-up

- ROA: 108
- TBCB: 108

Notes:
1) Fully Operational Tariff for Operating ROA as of FY19 and Operating TBCB and Under-construction projects is fully operational first year tariff.
2) Transmission Asset Base comprises projects based on regulatory tariff order, and includes fully-built, under-construction projects.
3) SCOD = Scheduled Commercial Operation Date, COD = Commercial Operation Date.

Further growth in Transmission from strong TBCB pipeline
AEML: Utility Business Growth

AEML regulated growth opportunities

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

- Regulated Asset Base (Rs. bn)
  - Regulatory Equity
  - Regulatory Debt

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

AEML unregulated growth opportunities

- 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

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

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

Self-contained growth in AEML through capex while maintaining affordable tariffs through optimum power purchase, consumer growth and best O&M practices
C) Value Creation through Capital Management
ATL: Value Creation through capital management

**Capital management philosophy**

- Raising **project finance debt** for under-construction assets from Indian / Foreign banks on non-recourse basis
- **Refinancing** of operating project debt for
  - Lower cost
  - Longer maturity
  - Distribution friendly covenants
  - Infra capital management has released equity for growth requiring no additional capital
- Strategic divestment of minority stake in operating assets

**Leading to prudently levered structure**

- **Total debt** Rs. 258 bn
- **RAB** Rs. 309 bn

**Total Debt to Regulated Assets**(1)

- 0.84x

- Prudently levered portfolio with a huge runway for growth
- Enabling **self-funded value accretive growth**

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Note: (1). Total Debt – For Operational projects as per FY 19 Financials and for Under Construction projects based on D:E ratio. Regulated Asset are projects based on regulatory tariff order
Case Study 1: ATL Obligor Group US$ Bonds

Extinguished capital refinancing risk by long-term US$500mn 4.25% 16.5y
Amortizing Senior Secured Bond issued in November 2019

Annual Debt Obligation (Incl. Interest and Repayments) (Rs. Bn)

<table>
<thead>
<tr>
<th>Year</th>
<th>Pre-bond</th>
<th>Post-bond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year 1</td>
<td>11.2</td>
<td>11.0</td>
</tr>
<tr>
<td>Year 2</td>
<td>9.4</td>
<td>8.3</td>
</tr>
<tr>
<td>Year 3</td>
<td>10.8</td>
<td>8.1</td>
</tr>
<tr>
<td>Year 4</td>
<td>10.6</td>
<td>7.9</td>
</tr>
<tr>
<td>Year 5</td>
<td>10.4</td>
<td>7.7</td>
</tr>
</tbody>
</table>

FCFE increase of INR 13.3 bn in first 5 years

Maturity Profile (Rs. Bn)

<table>
<thead>
<tr>
<th>Pre-bond</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less Than 1 Year</td>
</tr>
<tr>
<td>35.2</td>
</tr>
</tbody>
</table>

Post-bond (Rs. Bn)

<table>
<thead>
<tr>
<th>Less Than 1 Year</th>
<th>1-5 years</th>
<th>More than 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>58.2</td>
<td>7.7</td>
<td>10.7</td>
</tr>
</tbody>
</table>

Extended Maturity, Back-ended Repayment

Releasing Equity to Pursue Future Growth

Short-term balance refinancing obligation is less than 5% of EBITDA

Note: (1). Total Debt – For Operational projects as per FY 19 Financials and for Under Construction projects based on D:E ratio. Regulated Assets are projects based on regulatory tariff order.
Case Study 2: Leveraging Group's Infra Philosophy – Execution, O&M and Capital Management to create immense shareholder value

Fully funded Value Creation by Capital Management releasing Equity for Growth Commanding Higher Multiples

**Phase**
- **Original**
  - Planned RoE <21%
  - Executed RoE of 21%
  - Optimized RoE of 55%

**Development**
- Original Est. Project Cost Rs. 36 bn
- Actual Project Cost Rs. 32 bn

**Operations**
- Original Est. Cost Rs. 0.5 bn
- Actual Cost Rs. 0.32 bn

**Capital Mgmt.**
- Planned RoE <21%
- Executed RoE of 21%
- Optimized RoE of 55%

![Diagram showing planned, executed, and optimized costs and equity released](#)

- **Planned**
  - Debt: Rs. 28 bn
  - One-Off Dividend (Debt): 8
  - Equity: 8

- **Executed**
  - Debt: Rs. 23 bn
  - One-Off Dividend (Debt): 9
  - Equity: 9

- **Optimized**
  - Debt: Rs. 23 bn
  - One-Off Dividend (Debt): 4
  - Equity: 4

62.5% Equity released
D) ESG Showcase
ATL ESG Philosophy

Environmental

- Reduction of carbon footprint
  - Increase in Renewable procurement for the distribution business to be compliant with the Paris Accord at company level and also promotion of Roof Top Solar
  - Rooftop Solar power of 1.83 MW for aux consumption at all substations of ATL
- Resource Management
  - Rain water harvesting at substations
  - Compact substations in distribution business (Elevated & Underground substations)
- Waste Management
  - 100% fly ash utilization at Dahanu plant

Social

- ATL in association with Adani Foundation participates in various social upliftment activities
  - Education – Adani Vidya Mandir and Adani Public school provide subsidized education
  - Community Development - Association with NABARD covering 11 villages of Dahanu, 1000 land owning families, Creation of self help groups for women
- Safety for employees - HT / LT Arc Flash suits, Cable Avoidance Tool and other modern equipment provided to field employees → 0 Fatalities in FY19
- Safety for 12 mn consumers – awareness through Electrical Safety Week, Electrical safety Video; Safety Audit of places of congregation; #SafetyCulture
- Skilling for needy women through Indian Institute of Women Skills

Governance

- Bankruptcy Remote Structure for 8 SPVs including AEML
- ATL has board independence at listed company level including Audit committee of only independent directors (5 SPVs incl. AEML have independent directors as well)
- Rigorous audit process followed
  - Quarterly audit conducted on 15 parameters across all subsidiaries
  - Key Issues are brought to the management’s notice and resolution timelines are decided regarding the same
- Stricter implementation of related party transactions policy
ATL – Environment awareness and initiatives

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

**Climate Awareness**

**Climate Readiness**

**Climate Alignment**

**ATL recognizes that below environment related factors have major impact on its business model**

**Carbon Emissions**

- **Reduction in Carbon Footprint**
  - **Technology Driven:**
    - Increase in Renewable procurement for the distribution business
    - Promotion of Roof Top Solar at Mumbai
    - Rooftop Solar power of 1.83 MW for aux consumption at all ATL substations

**Resource Management**

- **Water** – Rainwater harvesting at substations
- **Land** – Compact substations in distribution business (Elevated & Underground substations)

**Waste Management**

- **Fly ash** – 100% fly ash utilization at Dahanu plant
- "5S" at all locations

**ATL recognizes that below environment related factors have major impact on its business model**

**Waste Management**

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**ATL recognizes that below environment related factors have major impact on its business model**

**Waste Management**

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- "5S" at all locations

**Resource Management**

- **Water** – Rainwater harvesting at substations
- **Land** – Compact substations in distribution business (Elevated & Underground substations)

**Carbon Emissions**

- **Reduction in Carbon Footprint**
  - **Technology Driven:**
    - Increase in Renewable procurement for the distribution business
    - Promotion of Roof Top Solar at Mumbai
    - Rooftop Solar power of 1.83 MW for aux consumption at all ATL substations
AEML Dahanu Plant Case Study
Climate management system amongst the best in the country

Dahanu TPP is amongst the most environmentally friendly plants in India

- >100% fly ash utilization
- Amongst the **tallest chimneys** in India (~ 275m)
- **1st in India** to install FGD to prevent sulphur emissions / acid rain
- ESP : 99.9% efficiency to collect fly ash → minimum exposure to consumers
- 4 Ambient Air Quality Monitoring Stations keeps in check health of local consumers

### Climate Awareness and Climate Readiness

AEML to be Cop 21 compliant DISCOM by 2022

AEML to procure 30% of power from renewable power sources, change implemented within a year of acquisition

Climate Awareness and Climate Readiness

12x growth in renewable power procurement

FY19

~ 280 MUs

3% of total power mix

Climate Alignment

Current

- Presently, renewable energy sources contribute ~280 MUs of power procurement mix of AEML (~ 3% of total energy procured)
- Since the FGD installation in 2007, DTPS has been generating power in strict environmental compliance

Ongoing initiatives

- Recently concluded bid for 700 MW renewables procurement. AEML is on path to procure 3,300 MUs of renewable power by 2022 (10x from present 280 Mus)

Serving ~12 Mn consumers in compliance with COP 21 target

FY22

3,300 MUs

30% of total power mix

Equivalent to making the population of Norway and Finland put together, COP 21 compliant.

AEML has taken steps for climate alignment to be compliant with the COP21 targets ahead of schedule

Notes: FGD – Flue Gas Desulphurization, MU – Million Units. DTPS – Dahanu Thermal Power Station; Source – Hybrid PPA
## Education

- **ATL** in association with Adani Foundation has been providing quality education to the underprivileged community
- **Adani Vidya Mandir** for free and quality education to > 2,100 students annually
- **Adani Public School** providing subsidized education

## Community Related

- Supplementary livelihood opportunity to fisherfolk community
- **Creation of self help groups for women**
- Mobile health care units, rural clinics and other medical facilities, serving more than 400,000 people annually
- Association with NABARD covering 11 villages of Dahanu,1000 land owning families
- 835 candidates trained (773 employed in garments)

## Employee Safety

- **HT / LT Arc Flash suits** - to protect against flashover hazards
- **Cable Avoidance Tool** - to detect the depth of live underground cable
- Internal training & awareness programs
- 0 fatalities reported in FY19
- #SafetyCulture

## Consumer Safety

- **Electrical Safety Week** in association with Industrial Labour & Energy department, Maharashtra
- **Mahacharcha (National Debate)** sponsored by AEML broadcasted on National Television
- **Electrical safety Video prepared by AEML** shown across the Maharashtra
- Safety Audit of all places of congregation
ATL’s 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**

**CORPORATE BEHAVIOUR**

- 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

**CORPORATE GOVERNANCE**

- 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
- Senior Management Remuneration
  - Industry benchmarked remuneration, optimal mix of fixed and performance linked pay for long term objectives

**TARGET BY SEP 2021**

- All transactions between ATL and its SPV’s – with highest standards of Governance
- Policies
  - RPT policy applicable to all subsidiaries
- 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
Below are some of the issues identified in Q2FY20 audit and corresponding action plans for resolution

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Issue</th>
<th>Resolution Action Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plant O&amp;M Related</td>
<td>ATIL, MEGPTCL, ATSCL and MTSCL</td>
<td>➢ To explore locking of attendance through IT enabled application</td>
</tr>
<tr>
<td></td>
<td>➢ Mismatch in patrolling activity as per system against staff attendance records</td>
<td>➢ Any deviation in the PM schedule/process, shall be approved by Head O&amp;M</td>
</tr>
<tr>
<td></td>
<td>➢ Preventive Maintenance (PM) closed as completed without performing activity</td>
<td></td>
</tr>
<tr>
<td>Safety Related</td>
<td>ATIL, MEGPTCL, ATSCL and MTSCL</td>
<td>➢ Switchyard immediately cleaned and necessary gravel level reinstated</td>
</tr>
<tr>
<td></td>
<td>➢ During site visit, it was noted that the gravel content was less than the required quantity at the substation area</td>
<td></td>
</tr>
</tbody>
</table>
E) ATL: A Compelling Investment Proposition
ATL: A Compelling Investment Proposition

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

ATL – Adani Energy Day 2019
Thank You