Adani Portfolio
Adani: A World Class Infrastructure & Utility Portfolio

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


1. NQXT: North Queensland Export Terminal
2. ATGL: Adani Total Gas Ltd, JV with Total Energies
3. Data center, JV with EdgeConnex
4. Cement business includes 63.2% stake in Ambuja Cement which in turn owns 50.05% in ACC Limited. Adani directly owns 6.64% stake in ACC Limited.
5. Includes the manufacturing of Defense and Aerospace Equipment.

Flagship

Incubator

(70.5%)

AEL

(53.4%)

AGEL Renewables

(37.4%)

ATGL2 Gas Discom

(100%)

ANIL New Industries

Energy & Utility

(71.4%)

AESL T&D

(66.9%)

APL IPP

(100%)

AdaniConneX3 Data Centre

Transport & Logistics

(64.0%)

APSEZ Ports & Logistics

(100%)

AAHL Airports

Primary Industry

Materials, Metal & Mining

(63.2%)

NQXT1

Cement

Direct to Consumer

Emerging B2C

(100%)

PVC

(100%)

Specialist Manufacturing

(100%)

Mining Services & Commercial Mining

(100%)

AWL Food FMCG

(44.0%)

Copper, Aluminum

(100%)

NDTV

(64.71%)

S Special Manufacturing

(100%)

Mining Services & Commercial Mining

(100%)

ADL Digital

(100%)

(%) Promoter equity stake in Adani Portfolio companies

(%) AEI equity stake in its subsidiaries

- Represents public traded listed verticals


Notes - Purple color represent public traded listed verticals.
**Adani Portfolio:** Decades long track record of industry best growth with national footprint

**Secular growth with world leading efficiency**

- Growth 3x
  - EBITDA 70% $^{1,2}$

- Growth 4x
  - EBITDA 92% $^{1,4}$

**National footprint with deep coverage**

- Growth 3x
  - EBITDA 91% $^{1,3,5}$

- Growth 1.4x
  - EBITDA 19% $^{1,3}$

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Note: The growth multiple at the company level is times (x) of industry capacity growth during the comparison period. 1. Data for FY23; 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; PBT: Profit before tax, ATGL: Adani Total Gas Limited, AEL: Adani Enterprises Limited, APSEZ: Adani Ports and Special Economic Zone Limited, AESL: Adani Energy Solutions Limited, APL: Adani Power Limited, AGEL: Adani Green Energy Limited; Map not to scale; The consumer base number is Airports, Mumbai Distribution and Adani Gas Ltd.
Adani: Repeatable, robust & proven transformative model of investment

**Phase**

**Centre of Excellence**

**Activity**

- Analysis & market intelligence
- Viability analysis
- Strategic value

**Performance**

- India's Largest Commercial Port (at Mundra)
- Longest Private HVDC Line (Mundra – Mohindergarh)
- 2,140 MW Hybrid cluster operationalized in Rajasthan in FY23
- Energy Network Operation Center (ENOC)

**Project Management & Assurance Group**

**Development**

- Origination
  - Site Development
  - Construction
  - Operation
  - Post Operations

**Operations**

- AIMSL*

**Capital Mgmt**

- • Duration Risk Matching
  - • Forex Currency Risk Management
  - • Interest Rate Risk management
  - • Governance & Assurance
  - • (ABEX - Adani Business Excellence)

**Activity**

- • Risk Matching
  - • Forex Currency Risk Management
  - • Interest Rate Risk management
  - • Governance & Assurance
  - • (ABEX - Adani Business Excellence)

**Performance**

- Highest Margin among peers
- Highest line availability
- India's first and World's largest solar-wind hybrid cluster
- Centralized continuous monitoring of plants across India on a single cloud-based platform

**March 2016**

- 55%
- 31%
- 14%
- 11%
- 5%
- 11%
- 3%
- 5%

**March 2023**

- 34%
- 29%
- 15%
- 6%
- 3%
- 31%
- 14%
- 11%

AESL: A platform well-positioned to leverage growth opportunities in energy domain

**Development**

- **Execution Prowess**
  - Transmission Network of 19,820 ckm
  - Built Longest Private HVDC Line

- **Operating Efficiency**
  - Robust network availability of 99.7%
  - One of lowest Distribution losses in the country (5.93% in FY23 in AEML)
  - Highest EBITDA margin in the sector (91% in Transmission)

- **Equity Partnerships**
  - Secured primary and secondary equity investments from marquee investors – QIA in AEML in 2019, IHC in 2022 and GQG Partners in 2023 in AESL (infusion of US$ 1,617 million)

**Strategic Presence**

- **Transmission** - Presence in 14 states
- **Distribution** - Integrated utilities catering to Mumbai (AEML) and Mundra (MUL)
- **Smart Meters** - Presence in 3 states

**Returns and Equity Value Creation**

- **Construction Framework Agreement**
  - Fully funded plan, AESL has raised US$ 700 mn (US$ 1.1 bn fully drawn) revolving facility, additional US$ 2 bn GMTN program in place for AEML Capex program

**RAB expansion through Asset Hardening in Discoms**

- 8% CAGR growth in RAB in Mumbai Discom in 5 years (since acquisition)
- AEML growth strategy is emulated in MUL

**Operating Efficiency**

- Supplier of choice for 12 million+ consumers with a green power option
- Smart Metering (64 million potential consumer base)
- CSAT surveys for 12 critical processes for high consumer satisfaction (top 3%)

**Consumer-centricity**

- Board Diversity and Strengthening

- **Embedded ESG Framework**
  - Decarbonisation of Grid (Achieved 30% RE power and on track to reach 60% by FY27)
  - Installed 3.36 MWp solar capacity for auxiliary consumption at substations

**Significant Growth Potential**

- **Parallel Licensing, Smart Metering and Cooling Solutions**
  - Increasing participation in renewable grid (eg: HVDC Mumbai, Khavda)
- **Green industrial cluster in Mundra**

**Note:** 1) Transmission network is as of June 2023 and includes operational, under-construction assets; 2) HVDC: High voltage direct current – Longest at the time of commissioning; 3) QIA’s Investment in AEML: US$ 452 mn (Rs 32 bn) total investment (US$ 170 mn of Equity and US$ 282 mn of shareholder sub-debt), IHC Investment is Rs. 3850 Crs for 1.41% stake (US$ 500 million), QGO Investment of Rs. 5,532 Cr (US$ 665 million) for 6.63% stake based on closing price of Rs 878 dated August 20, 2023

Adani Energy Solutions Ltd.
(formerly known as Adani Transmission Ltd.)

About AESL
AESL: Business Snapshot

Adani Family 71.4%

IHC 1.4%(1)

GQG 6.6%(3)

Public Shareholding 20.6%

Notes:
1) Primary equity by IHC Investment: Rs. 3850 Cr for 1.41% stake (US$ 500 million);
2) Primary Equity - QIA’s Investment in AEM: US$ 452 mn (Rs 32 bn) total investment (US$ 170 mn of Equity and US$ 282 mn of shareholder sub-debt) for 25.1% stake in AEML;
3) GQG’s Secondary Investment of Rs. 5,532 Cr (US$ 665 million) for 6.63% stake based on closing price of Rs 878 dated August 20, 2023;
4) Tariff based competitive bidding (TBCB);
5) Smart Meter Project details:
   - (i) Brihanmumbai Electric Supply & Transport Undertaking (BEST) – 10.8 lakh smart meters (Rs 139 bn);
   - 2 MSEDCL projects – 115.9 Lakh smart meters (Rs 139 bn);
5) RAB: Regulatory Asset Base; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ Utility Limited; AMI: Advanced Metering Infrastructure; HVDC: High voltage direct current; LOA: Letter of Award; LOI: Letter of Intent; Ckm: Circuit Kilometer; SEZ: Special Economic Zone; Sq.Km: Square Kilometer; PDSL: Power Distribution Services Limited.

Transmission

Section 63
Fixed tariff(4)

Section 62
RAB Assets

Transmission

Distribution

Section 63

Section 62

RAB Assets

Distribution

Parallel License (under approval):
- Navi Mumbai and Thane
- Gautam Buddha Nagar
- Mundra Subdistrict

Smart Metering

District Cooling

9 million smart meters with a contract value of Rs. 197 billion (LOA) (5)

BOT Opportunities

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Transformational Journey with Robust Growth and Credit Discipline

EBITDA (Rs. Crs)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18#</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>1,997</td>
<td>2,005</td>
<td>2,937</td>
<td>3,113</td>
<td>4,519</td>
<td>5,066</td>
<td>5,493</td>
<td>6,101</td>
</tr>
</tbody>
</table>

17% CAGR growth

Transmission Distribution

AESL is Investment grade rated since FY16

Credit Rating\(^1\)  
- FY16: BBB- / Baa3  
- FY23: BBB- / Baa3

Average Maturity  
- FY16: 5.8 years  
- FY23: 8.1 years

Net Debt to EBITDA\(^2\) (x)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>4.2</td>
<td>3.8</td>
<td>4.2</td>
<td>4.0</td>
</tr>
</tbody>
</table>

Gross Fixed Assets\(^3\) (Rs Crs)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>11,317</td>
<td>37,279</td>
<td>41,826</td>
<td>46,934</td>
</tr>
</tbody>
</table>

Notes:  
1. Credit Rating: Fitch / Moody’s ratings  
2. Net-debt to EBITDA ratio calculation considered only long-term debt at hedge rate and excluded sub-debt.  
3. Gross Fixed Assets: Fixed Assets includes Property, Plant & Equipment, Right of Use Assets, Capital Work in Progress, Goodwill & Other Intangible Assets. EBITDA: Earning before interest tax and depreciation, CAGR: Compounded Annual Growth Rate. Includes one-time income of Rs. 873 Crores recognised during the year based on CERC order
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

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

**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

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

Project Management & Assurance Group (PMAG) - End to End Project Integration

### Bidding Stage
- Integrating & providing cross functional support for Bidding Process
- Site Location Assessment, coordinating for field visits
- Bid stage scope finalization & technology adoption with engineering
- Bid Stage Cost Estimates
- In case of M&A’s, collaborating and assessment of asset

### Project Development
- Collaborates for Technology finalization & Scope
- Execution Strategy
- Contracting Strategy
- Detailed Project Report
- Coordinating for connectivity & evacuation
- Level 1 Project Schedule
- Capex Budgets and Estimates
- Risk Assessment & plan
- Procurement Planning
- Financial Closure Plans

### Project Execution
- Integrated L3 Project Schedule
- Baselining Cost and Resource plans
- Issue & Risk Management
- Supply Chain Management and Contract Administration
- Contractor & Vendor Management
- Change Management
- Monitoring Approvals, Permits & Licenses
- Managing Lenders & LIE interface
- Cash Flow Management
- Project Monitoring & Control
- Mid Course Corrections (Catch up)

### Project Close Out
- Facilitating the Handover & punch list closure
- Contract Closures
- Close Out Report
- Material Reconciliation
- Spares Handover
- Closure of LIE and Lender Reports
- Stakeholder Recognition
- Finalizing the Final Costs
- Ensuring built as per Drawings

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**Strength:** Team of 90 professionals having hands-on experience of 2,000+ man-years of complete project management cycle of small, medium & large projects
Capital Management Philosophy to achieve growth at scale with capital discipline

AESC 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

**Development Phase**

- Raised green field finance over ~INR 140 Bn (USD 1.7 bn) for project construction
- Free Cashflow from operational projects providing equity capital for growth

**Post-Commissioning Phase**

- IG Rated
- Long tenor
- Minimized ALM Mismatch
- ATSOL Obligor Group (1 & 2): US$ 500 mn each
- AEML bond issuance: US$ 1 Bn

FCFE: Free Cash Flow for Equity; LRA: Liquidity reserve account; Mn: Million; Bn: Billion; NFB: Non fund Based; GMTN: Global Medium-Term Notes, IG : Investment Grade, AEML : Adani Electricity Mumbai Limited., USPP : US Private Placement.
Transmission
Transmission Business

Section 63 (Fixed tariff):
- 29 Transmission Assets
  - 20 Operating Assets
  - 9 Under-construction Assets
  - Levelised tariff: Rs 18 Bn p.a.

Section 62 (RAB Assets):
- 5 Transmission Assets
  - 4 Operating Assets
  - 1 Under-construction HVDC Asset
  - Regulated Asset Base: Rs. 109 Bn

Key Characteristics
- Concession Life: 35 years
- Counterparty: Network pool (Centre and State)
- No Throughput Risk (Availability based tariff)
- Efficiency-linked incentives >> higher returns

Market Opportunity
- Rs 2,280 Bn (US$ 28 bn) opportunity for private sector over 10-15 years

Notes: 1) Tariff based competitive bidding (TBCB); RAB: Regulatory Asset Base, p.a.: per annum; HVDC: High Voltage Direct Current
Distribution Business

**Section 62 (RAB Assets)**

- **AEML**
  - Mumbai 400 sq km license area
  - Regulated Asset Base: Rs 79 Bn
  - Market Opportunity: (new parallel distribution areas)

- **MUL**
  - Mundra SEZ 85 sq km license area
  - Regulated Asset Base: Rs 0.8 Bn

- **Parallel Licensing**
  - License period: Perpetual
  - Counterparty: Pool of 12 Mn+ consumers
  - No throughput risk (RAB based returns)
  - O&M costs are pass-through

- **Parallel Distribution Licensee**: Target ≥ 20% of the total market size (38.8 BUs or ~4.5 Mn customers or Rs 200 Bn capital outlay)

**Key Characteristics**

- License period: Perpetual
- Counterparty: Pool of 12 Mn+ consumers
- No throughput risk (RAB based returns)
- O&M costs are pass-through

RAB: Regulated Asset Base; AEML: Adani Electricity Mumbai Limited; MUL: MPSEZ (Mundra Port Special Economic Zone) Utility Limited; sq km: square kilometers; O&M: Operations & Maintenance
AEML Distribution: India's No. 1 power utility, as per MoP, McKinsey, PFC (Scored 99.6/100)

About Mumbai

8th Most Populous City in World
25th Richest City in world based on GDP (US$)

Mumbai Consumers

- Servicing 85% of Mumbai, touching 2/3 households of Mumbai
- One of the largest mega cities in the world to achieve 30% renewable power

Note: 1) Others include BEST, MSEDCL & Tata Power; 2) Source – Population Of Mumbai 2020 (Demographic, Facts, etc.) – India Population 2020
MoP: Ministry of Power; PFC: Power Finance Corporation; BKC – Bandra Kurla Complex, MW: Mega Watt, GDP: Gross Domestic Product; CAGR: Compound Annual Growth Rate, RAB: Regulatory Assets Base; FAC: Fuel Adjustment Charges; Map not to scale
Mundra SEZ Utilities Limited (MUL) - Overview

Mundra SEZ is strategically located with well developed supporting infrastructure serving as an attractive industrial hub

- Electricity Distribution for Mundra SEZ area
- 160 Kms Distribution network
- Catering primarily to commercial and industrial consumers
- Section 62 (RAB Based) asset governed by Gujarat Electricity Regulatory Commission

- Mundra SEZ is India’s largest multi-product SEZ spread across 84 sq km
- Mundra port is India’s largest private commercial port with capacity to handle cargo of ~264 MMT
- SEZ also has a huge land bank reserve for large-scale industries in future
- Given the large industry cluster opportunity in Mundra SEZ area and the accompanying expected growth in power demand, AESL is well placed to grow the MUL business

Average Billing Rate (Rs/unit)

<table>
<thead>
<tr>
<th>Avg PPC</th>
<th>Margin</th>
<th>Avg Billing</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.52</td>
<td>0.95</td>
<td>5.47</td>
</tr>
</tbody>
</table>

Power Sale of 289 MUs in FY23

- MUL’s existing load of MUL is ~80MW, which is expected to grow multifold due to new investments in copper, petrochemicals and solar manufacturing & ancillary industries in the Mundra region

Note: 1) As per Tariff Petition for FY23 and True-up Order for 2020-21; 2) Normative level as per FY23 tariff order; 3) MUL signed a co-developer agreement with APSEZ providing it a deemed licensee status from 2011 for the SEZ license area valid till 2036

MUL: MPSEZ Utilities Limited; AESL: Adani Energy Solutions Ltd.; MMT: Million Metric Tons; SEZ: Special Economic Zone; MU: Million Units; Mn: Million; RAB: Regulated Asset Base; PPC: Power Purchase Cost; GW: Giga watts; Map not to scale
Smart Metering
Smart Metering Business

**Smart Metering**

**DBFOOT (Totex Model) Capex + Opex**

- Under Implementation
- 7 Contracts (16.2 Mn Meters)
- Contract Value: Rs 197 billion

**Key Characteristics**

- Contract period: 10 Years
- Payment Security through Direct debit facility
- Counterparty: Pool of over 64 million consumers
- Enhanced energy efficiency and RE integration
- Revolving capex model aided by upfront billing

**Market Opportunity**

- 250 mn meters - Capital investment of ~INR 2,200 bn by 2026

**Note:** LOA: Letter of Award; Selected as preferred bidder, contract under negotiation; DBFOOT: Design, Build, Finance, Own, Operate, Transfer; RE: Renewable Energy; Contract smart meters (million): BEST – 1.1 mn, Assam – 0.8 mn, Andhra – 2.8, MSEDCL: 11.6

21
Smart Metering Contractual Framework

Payment Flow under the Direct Debit Facility Agreement (DDF Agreement)

- Payments shall commence one month after "Operational Go Live". Operational Go-Live shall be considered upon successfully installing 25K nos. of smart meters.
- All payments due to AMISP shall be governed under the DDF Agreement.
- Direct Debit Facility Agreement uniform to all discoms, finalized by REC being the Nodal Agency.
- Payment shall be made through ‘Direct Debit Facility’ (DDF) from a dedicated account to the account of the SPV.
- Direct Debit facility will include bucket filling approach whereby all consumer bill payments to the extent of the invoice smart meter will be routed to the SPV’s Bank account.

Key Highlights of the Contractual Framework

- Implementation model – Design, Build, Finance, Own, Operate, Transfer (DBFOOT) model with complete responsibility of development and O&M on Implementing agency (AMISP).
- End to End Smart Metering services with a contract period of 10 years, and Smart Meter, including installation period of 27 months.
- Revenue inflows are received immediately on installation.
- Monthly fees for assuring meter installation and its integration with system.

AMISP: Advanced Metering Infrastructure Service Provider; GBS: Government Budgetary Support.
Market Dynamics – Smart Metering Business

- AESL’s Market Share (LOA and L1) – 31% out of 109 Mn Smart Meters tendered so far
- Untapped market – 141 Mn Smart meters

**AESL has an LOA for 16.2 Mn smart meter qty. with an order value of Rs 197 billion (US$ 2.4 bn)**

**AESL's Core Strengths and Available Synergies:**
- Distribution & Smart Metering Experience
- Expanding Distribution business across India
- Pan India presence

Source: Ministry of Power (PowerLine) | 1. "Bid Out" includes awarded (LOA) & L1 (negotiation stage) | Note: DBFOOT: Design, Build, Finance, Own, Operate, Transfer; LOA: Letter of Award; Map not to scale.

Of the targeted 250 Mn meters, India has bid out (1) 44%, of which AESL Smart Meters has secured 31% market share.
District Cooling

Picture source: GIFT City DC Plant
District Cooling Business

The District Cooling System (DCS) produces chilled water in a central plant and distributes cooling capacity in the form of chilled water from the central plant to multiple buildings through a network of underground pipes for use in space and process cooling.

- Opportunity to unlock potential in nation-wide Infrastructure (airports, data centers, SEZs, reality space)
- Limited competition and presence

- Rising per capita income & urbanization coupled with higher AC ownership (penetration of 8% in 2022) cooling energy consumption will increase

- Airports, Industrial Cooling, Commercial Real Estate and Data Centers are the primary segments which will drive the demand

- Potential to offer as an integrated solution along with power transmission, distribution, smart metering and power trading

- Sustainable Cooling Solution for a Low Carbon Future

Sources: CEA, ICAP, IEA, World Economic Forum, Statista, Daikin, NROD, Praxis, CREDAI/CBRE, Adani Connex, Boeing, Internal analysis,
DCS: District Cooling System; ESG: Environment, Social & Governance; SEZ: Special Economic Zones

Picture source: Hisaka Asia
Four key segments to drive India’s DCS demand

**Commercial Real Estate**
To experience growth from 0.6 bn sqft (2019) to 1 bn sqft (2030)

**Industrial Cooling**
Global industrial cooling market, expected to reach ~$27 billion by 2030 @ CAGR of 5%

**Data Centers**
Data center cooling market growing @ CAGR of 22% to $700 Mn over next 5 years

**Airports**
Indian air passenger traffic to double (vs pre-Covid level) by 2030

**AESL Focus Areas**
An aggregate DCS demand potential of over 7.92 Mn TR by FY30

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### Cumulative Cooling Demand from key segments by FY30 (in Mn TR)

<table>
<thead>
<tr>
<th>Segment</th>
<th>District Cooling Potential</th>
<th>Other Cooling Service</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Commercial Real Estate</strong></td>
<td>16%</td>
<td>84%</td>
<td>44.04</td>
</tr>
<tr>
<td><strong>Industrial Cooling</strong></td>
<td>20%</td>
<td>80%</td>
<td>2.66</td>
</tr>
<tr>
<td><strong>Data Centers</strong></td>
<td>80%</td>
<td>20%</td>
<td>0.35</td>
</tr>
<tr>
<td><strong>Airports</strong></td>
<td>83%</td>
<td>17%</td>
<td>0.06</td>
</tr>
</tbody>
</table>

Sources: Cooling India, ICAP, Praxis, CREDAICBRE, CEA, IEA, EIA, Adani Connex, Boeing, Internal analysis

Notes: 1) Cum. Cooling demand (new) and DCS market potential is considered from FY 24-25 onwards
TR: A ton of refrigeration; CAGR: Compounded Annual Growth Rate
ESG Framework and Investment Case
**AESL: ESG Framework**

**Guiding Principles and Disclosure Standards**

- **E** - Environment Policy
- **S** - Energy Management System
- **G** - Corporate Social Responsibility Committee
  - Corporate Responsibility Committee
  - Risk Management Committees
  - Stakeholders Relationship Committee

**Policy Structure**

- **UNSDG aligned:**
  - Affordable & Clean Energy
  - Sustainable Cities and Communities
  - Climate Action
  - Good Health & well being
  - Quality Education
  - Industry, Innovation & Infrastructure
  - Consumer empowerment

**Focus Areas**

**Our Commitment:**

- Increase renewable power procurement to 60% by FY27 *(achieved 30% RE in FY23)* (SDG 7)
- Reduce GHG Emission Intensity\(^{(1)}\) to 40% by FY25, 50% by FY27 and 60% by FY29 (SDG 13)
- Achieve Zero Waste to Landfill\(^{(2)}\) for all operational sites *(achieved in FY23)*
- Achieve Single Use Plastic Free\(^{(2)}\) *(achieved in FY23)*

**Notes:**
1. GHG Emission Intensity = tCO\(_2\) / Rs Cr EBITDA
2. Confederation of Indian Industry - ITC Centre of Excellence for Sustainable Development (CII-ITC CESD) certified SUP Free status to 37 operational sites of AESL, i.e., 30 substations and 7 transmission line clusters including stores;
3. AEML, being subsidiary of AESL with ~40% of reported EBITDA share, reports disclosures through AESL;
4. AEML is in process to adopt the guiding principles for independent reporting (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

**ESG Ranking**

- MSCI (2023): BBB
- S&P CSA (2022) scored 59/100 vs. world electric utility average of 31
- FTSE (2023): 4/5 *(world utilities avg. 2.7/5)*
AESL: Compelling Investment Case

**Favorable Industry Landscape**
- Evolved and stable regulatory regime has enabled growth of AESL’s business into multiple segments (Transmission, Distribution, Smart metering, District cooling) within energy domain
- Focus on Grid reliability, consumerism and shift to RE based power propelled investments in across the value chain

**Development and Construction Expertise**
- Proven track record of excellence in development & construction of Transmission systems and asset hardening at AEML
- AESL remains competitive at bidding stage due to scale benefits and geographical presence across the country
- Solid vendor management and strong relationships adds to business sustainability and avoid cost escalations

**Operational and Execution excellence**
- Energy network operation center (ENOC) allows remote monitoring and diagnostics to enhance O&M efficiency
- Robust operational metrics - line availability, supply reliability, distribution loss, affordable tariffs
- One of the lowest O&M cost through predictive maintenance and technology excellence

**Capital Management Philosophy**
- Capital structure designed through debt financing at tenure matching concession life and terms akin to stable assets
- AESL 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

T&D: Transmission and Distribution; IG: Investment Grade; O&M: Operation and Maintenance, IRR: Internal Rate of Return
Annexures

<table>
<thead>
<tr>
<th>Page Range</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
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<td>ESG Initiatives</td>
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<td>Regulatory Framework</td>
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<td>39-41</td>
<td>Project Level Details – Asset Portfolio</td>
</tr>
<tr>
<td>42</td>
<td>AESL - Board and Management Team</td>
</tr>
</tbody>
</table>
# AESL: Key Environmental Indicators and Milestones

## Key Performance Indicators

<table>
<thead>
<tr>
<th>Energy Mix &amp; Emission Intensity</th>
<th>Current Status</th>
<th>Baseline</th>
<th>Medium to Long-term Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>- RE share in power procurement</td>
<td>AEML has <strong>achieved 30% renewable</strong> in power mix in March 2023</td>
<td>3%</td>
<td>30% by 2023 (achieved)</td>
</tr>
<tr>
<td>- GHG Emission Intensity Reduction</td>
<td>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.</td>
<td>-</td>
<td>40% by FY25</td>
</tr>
</tbody>
</table>

## Waste Reduction and Biodiversity Management

<table>
<thead>
<tr>
<th>- Zero waste to landfill (ZWL)</th>
<th>Secured ZWL status from Intertek</th>
<th>No certification in FY19-20</th>
<th>Achieved <strong>ZWL for all O&amp;M sites</strong> in May 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Covered all operational sites (substations and TLs) of AESL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Achieved landfill diversion rate exceeding 99%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Single use plastic (SuP) free sites</td>
<td>Attained SUP free status from CII-ITC CESD</td>
<td>No certification in FY19-20</td>
<td>Achieved <strong>SUP free status for 37 sites</strong> in March 2023</td>
</tr>
<tr>
<td></td>
<td>• Covered 37 operational sites of AESL</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Strengthening alignment with UNSDG 12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- India Business Biodiversity Initiative (IBBI) and ensure no net loss to biodiversity</td>
<td>• Signatory to IBBI and submitted first progress report in 2020</td>
<td>FY20-21 289 hectares</td>
<td>No net loss to biodiversity and 100% alignment with IBBI and IBBI principles based public disclosures by FY23-24</td>
</tr>
<tr>
<td></td>
<td>• Afforestation of 441 hectares area in FY21-22</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Water Neutrality (Water conservation)</td>
<td>• Achieved <strong>&quot;Net Water Positive&quot; status for 30 substations and 07 TL clusters</strong> under UNSDG 6</td>
<td>No water neutrality in FY 19-20</td>
<td>Secured <strong>Net Water Positive Certification</strong> for all O&amp;M sites in November 2022</td>
</tr>
<tr>
<td></td>
<td>• Carried-out rainwater harvesting feasibility study and implemented water metering across all sites</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Energy Efficiency and Management

| - Reduction in auxiliary consumption through solar power | 3.362 MWp solar capacity at Mahendragarh, Akola, Koradi, Sami, Morena, Rajnandgaon | Solar capacity of 1.7 MWp in FY19-20 | Coverage across all transmission Sites |
### AESL: Key Social Indicators and Milestones

<table>
<thead>
<tr>
<th>Material Categories</th>
<th>Material Themes</th>
<th>Key Performance Indicators</th>
<th>Baseline</th>
<th>Target (FY23-24)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Health &amp; Safety</strong></td>
<td>Work related injury</td>
<td>Rate of fatalities per million hours worked</td>
<td>Zero (FY 20-21)</td>
<td>Zero</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Rate of recordable work-related injuries per million man-hours worked</td>
<td>0.33 (FY 20-21)</td>
<td>Zero</td>
</tr>
<tr>
<td></td>
<td>Safety awareness and training</td>
<td>Average hours of training provided per person on health and safety</td>
<td>15.6 (FY 20-21)</td>
<td>Further improve from baseline</td>
</tr>
<tr>
<td><strong>Diversity and Inclusion</strong></td>
<td>Measurement of Diversity and Inclusion Metrics and</td>
<td>Women as a percentage of new hires and total workforce (%)</td>
<td>New Hire: 5 %</td>
<td>New Hire: 10% Total Workforce: 6%</td>
</tr>
<tr>
<td></td>
<td>Enforcement of policies</td>
<td></td>
<td>Total Workforce: 5%</td>
<td></td>
</tr>
<tr>
<td><strong>Human Rights</strong></td>
<td>Training on human rights</td>
<td>Employees trained in human rights policies or procedures (%)</td>
<td>-</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Skills for the future</strong></td>
<td>Skill development trainings</td>
<td>Training and development expenditure for employees (INR)</td>
<td>Rs 3.81 Cr (FY 20-21)</td>
<td>Rs 4.69 Cr</td>
</tr>
<tr>
<td><strong>Responsible Procurement</strong></td>
<td>Proportion of spending on local suppliers (%)</td>
<td>Spend on local suppliers against the total procurement budget (%)</td>
<td>99.4 % (FY 20-21)</td>
<td>Maintain FY21 Performance</td>
</tr>
<tr>
<td></td>
<td>Supplier screening on ESG metrics</td>
<td>Suppliers screened on ESG criteria (%)</td>
<td>100% (Critical Suppliers)</td>
<td>100% (Critical Suppliers)</td>
</tr>
<tr>
<td>Material Categories</td>
<td>Material Themes</td>
<td>Key Performance Indicators</td>
<td>Baseline</td>
<td>Actions Taken and Goals</td>
</tr>
<tr>
<td>---------------------</td>
<td>----------------</td>
<td>---------------------------</td>
<td>----------</td>
<td>------------------------</td>
</tr>
<tr>
<td>Board Gender Diversity</td>
<td>Board Gender Diversity</td>
<td>Balance the board composition in terms of men and women directors</td>
<td>16.6% - women directors in board as of FY21</td>
<td>• % of women directors in board improved to 28.5%</td>
</tr>
</tbody>
</table>
| Board Independence | Great Board Independence and Improved Disclosures | • Improve board strength and independence  
• Incorporate non-statutory committees  
• Enhance disclosures in board & committee meetings | • 6 directors as of FY21  
• Only statutory committees as of FY21 | • Board now comprises of total 7 directors with 4 independent directors  
• Enhanced disclosures through formation of new committees with min. 50% IDs (CRC, RMC, PCC, IT & Data Security)  
• Committees chaired by Independent Directors (Audit, NRC, STC) |
| Code of Conduct | Corruption and Bribery Cases | • Number of Corruption cases and Bribery and Associated Risks  
• Adoption of Anti Corruption and Bribery Policy  
• % of Governance body members and employees trained on anti-corruption | Zero corruption cases | • Zero Case on Corruption and Bribery  
• Board Adopted Anti Corruption and Bribery Policy  
• Identification and Assessment of risks |
| Anti-competitive Practices | Fines and Settlements | • Fines or settlements paid related to anti-competitive business practices (INR) | Zero as of FY21 | • Zero in FY23 and beyond |
| Customer orientation and satisfaction | Consumer Satisfaction | • Affordable tariffs  
• Service reliability  
• Sustainable power | Distribution loss reduction, CSAT surveys, Reliability metrics | • Competitive tariff through RE power  
• Option to switch to Green power tariff  
• Advanced metering implementation for 12 million consumers |
| Corporate Governance Standing | ESG Ratings | Improvement in ratings through improved disclosures and adoption of best practices | CSA: 59/100; FTSE: 3.3/5 | Target 2023-24: 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
AESL: Enhanced Safety Culture

Safety Initiatives During Q1FY24

- Safety training: **47,130** man-hours of safety training and awareness during Q1 FY24
- Positive Safety Culture:
  - Enhanced safety awareness through Monthly Safety Quiz Series (MSQS)
  - Conducted ‘Electrical Safety at Home’ & ‘Electrical, Fire Safety & Cracker Safety’ Webinar for Consumers, Employees & General Public
  - Campaign on ‘UCHAAI: Knowing Heights Better ’ conducted at multiple sites on 5C model (Climb, Control, Competence, Capacity and Check)
- Safety Checks and Assurances (SCA): To strengthen safety and increase the effectiveness of safety management at sites, quarterly safety checks and assurance on 3 pre-declared topics are given by sites
  - ‘Saksham’ - Mandatory Contractor Workmen Incubation & Induction Program was conducted at various sites to enhance training effectiveness
- Awarded with **21st Annual Greentech Safety Award 2023** in safety excellence category
- Received **OHSSAI Foundation's Safety Award** in Gold Category in AEML business
- Observance of Fire Service Week across all locations.

Safety Performance in Q1FY24

<table>
<thead>
<tr>
<th>Safety Parameters</th>
<th>Transmission</th>
<th>Distribution (AEML)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1FY24</td>
<td>Q1FY23</td>
</tr>
<tr>
<td>Near Miss Reporting (Awareness)</td>
<td>1,370</td>
<td>1,391</td>
</tr>
<tr>
<td>Suraksha Samwad (Safety Dialogue)</td>
<td>1,902</td>
<td>2,925</td>
</tr>
<tr>
<td>LTI</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Fatalities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>LTIFR (LTI Frequency Rate)</td>
<td>0.32</td>
<td>0</td>
</tr>
<tr>
<td>LTI (LTI Severity Rate)</td>
<td>6.38</td>
<td>0</td>
</tr>
<tr>
<td>Safety training (in Man-Hours)</td>
<td>34,178</td>
<td>39,192</td>
</tr>
</tbody>
</table>

Notes: LTI frequency rate and LTI severity rate lower the better; LTI Frequency Rate: Reportable lost time injury (RLTI)*1000000/Man hours worked; LTI severity Rate: Man days Lost (MDL)*1000000/Man hours Worked
Robust Growth Opportunity Enhanced By Evolved and Stable Regulatory Regime

**RAB Based Transmission and Distribution Assets**

### Section 62 - RAB Assets - Multi Year (5 yr) Tariff

- **Costs (Pass-through)**
  - O&M Expenses (incl. transmission and wheeling charges)
  - Power Procurement Costs
  - All other costs

- **Return on Capital**
  - Interest Costs (Term debt and Working Capital)
  - Return on Equity grossed up for tax (based on actuals)

- **Efficiency Gains**
  - Fixed Post-tax ROE on Regulated Equity Base
  - Additional incentives linked to efficiencies

- **Return of Capital**
  - Total @ 90% RAB (Salvage Value @ 10%) (Depreciation)

- **Non-regulated**
  - Significant potential for non-regulated revenues

Perpetuity-type asset license with term renewed every 25 years (Distribution business) and well-established tariff setting mechanism with fixed ROEs on Regulated Equity Base

**Fixed Tariff Transmission Assets**

### Section 63 - Fixed Tariff Method – License Period Basis

- Project bid and allocation is under Tariff Based Competitive Bidding (TBCB) Mechanism
- Annual charge for a 35-year period is set through the bidding process
- Projects are bid either on BOOM or BOOT basis (residual life of assets normally exceed TSA period/concession period)
- Tariff is adopted by the relevant Electricity Regulatory Commission (ERC)

- **Annual Fixed Tariff for concession period**
  - Provides Visibility of Cash flow
- **Escalable Tariff (if any)**
  - Linked to Inflation (Initial Year Fixed as per Bid)
  - Incentive helps offset O&M Expenses

- **Incentives (Linked to Availability)**
  - TBCB (Sec. 63)

Concession model provides significant visibility of tariff profile thus offering cash flow certainty with very limited operational risk

**The Electricity Act 2003**

- MYT – Multi Year Tariff; EA 2003: Electricity Act, 2003; 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; PGCIL – Power Grid Corporation of India Ltd; TBCB: Tariff Based Competitive Bidding

---

**Note:** The content above is a visual representation of the document and may differ slightly from the actual text.
Long Regulatory Track Record and Payment Pooling Mechanism Reduces Counterparty Risk

**Regulatory landscape**

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

**Transmission: Payment Pooling Mechanism Reduces Counterparty Risk**

- CERC, MERC and other ERCs have a Long-Standing History of Maintaining and Defining Tariffs
- Establishes norms for capital and operating costs, operating standards and performance indicators
- Additional cost pass through via true up mechanism

**Transmission System Users**

All demand / drawal nodes + All generator / injection nodes

**Central Payment Pool**

CTU (PGCIL) / STU acts as revenue aggregator

Billed as per regulatory / bid tariff profile

**Transmission Licensees**

PGCIL + Private Sector Transmission Licensees

Billed as single charge per Generator / Demand Node Payment (MW / month)

- Tariffs for all transmission licensees are collected by either the CTU (for Inter-state Transmission System) or the STU (for Intra-state System)
- All collections have to be mandatorily distributed in proportion to respectively yearly ARR of each licensee
- No discretion to CTU/STU to withhold payments
- Pooling mechanism ensures no stranded asset risk i.e. no bilateral counterparty/user

**MYT – Multi Year Tariff; EA 2003: Electricity Act, 2003; 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; PGCIL – Power Grid Corporation of India Ltd; TBCB: Tariff Based Competitive Bidding**
AESL and AEML Credit Ratings

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

<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-/Stable</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Dollar Bond</td>
<td>Baa3/Negative</td>
</tr>
</tbody>
</table>

International – AESL USPP (Transmission business) (Reg D)

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

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

<table>
<thead>
<tr>
<th>Rating Agency</th>
<th>Facility</th>
<th>Rating/Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fitch</td>
<td>Dollar Bond (for both)</td>
<td>BBB-</td>
</tr>
<tr>
<td>S&amp;P</td>
<td>Dollar Bond (US$ 1 bn)</td>
<td>BBB-/Negative</td>
</tr>
<tr>
<td>Moody’s</td>
<td>Dollar Bond (for both)</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>AESL</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Negative</td>
</tr>
<tr>
<td>AESL</td>
<td>ICRA</td>
<td>A1+</td>
<td>Stable</td>
</tr>
<tr>
<td>MEGPTCL</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Negative</td>
</tr>
<tr>
<td>ATIL</td>
<td>India Ratings</td>
<td>AA+</td>
<td>Negative</td>
</tr>
<tr>
<td>WTGL</td>
<td>India Ratings</td>
<td>AAA</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>India Ratings</td>
<td>AA-</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>Positive</td>
</tr>
<tr>
<td>FBTL</td>
<td>CARE</td>
<td>A+</td>
<td>Stable</td>
</tr>
<tr>
<td>OBTL</td>
<td>CARE</td>
<td>A</td>
<td>Stable</td>
</tr>
<tr>
<td>AEML</td>
<td>India Ratings / Crisil</td>
<td>AA+</td>
<td>Stable</td>
</tr>
<tr>
<td>JKTL</td>
<td>India Ratings</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>WKTL</td>
<td>India Ratings</td>
<td>A-</td>
<td>Stable</td>
</tr>
<tr>
<td>Alipurduar</td>
<td>India Ratings / Crisil</td>
<td>AAA</td>
<td>Stable</td>
</tr>
</tbody>
</table>
## Smart Metering – Key Benefits

### Technology transformation

Key technology towards the transformation of power sector in India

### Real time information

Measures electricity consumption & communicates the consumption reading to the power utilities

### Two-way communication

Between the meter and the power utility through cellular communication or radio frequency

### Key Benefits

<table>
<thead>
<tr>
<th>Improved Cash Flows</th>
<th>Reduction in Operational costs</th>
<th>Improved Supply Quality</th>
<th>Customer Satisfaction</th>
<th>ESG &amp; RE Integration</th>
<th>Improved Energy Accounting</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Upfront collection of dues and &quot;Pay-as-per-use model&quot; to eradicate arrears</td>
<td>- Reduced meter reading charges, bill printing, manpower cost</td>
<td>- Automatic monitoring of SAIFI, SAIDI</td>
<td>- Enhancing consumer participation</td>
<td>- Data analytics helps load disaggregation, forecasting &amp; consumption</td>
<td>- Enables mapping of consumer demand, feeder wise loading</td>
</tr>
<tr>
<td>- Reducing working capital requirements</td>
<td>- Field situation awareness to reduce theft and average / estimated billing</td>
<td>- Quicker response time to fault removal / consumer complaints</td>
<td>- Consumer profile, consumption pattern on real time basis.</td>
<td>- Time of Day (TOD) tariff matched with RE generation</td>
<td>- Identification of pilferage / high-loss pockets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Control over consumption</td>
<td>- Increases accuracy of meter reading</td>
<td>- Efficient &amp; sustainable energy management</td>
<td>- Helps people revise their consumption habits</td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Accurate estimates for network upgradation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Real-time assessment of system performance</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

SAIFI: System Average Interruption Frequency Index, SAIDI: System Average Interruption Duration Index
## AESL’s Operational Asset Portfolio (T&D) as of August 2023

### Adani Energy Solutions Limited

<table>
<thead>
<tr>
<th>Asset Base Type</th>
<th>Reserve</th>
<th>Cost (Bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission line length</td>
<td>100%</td>
<td>3,834 kms</td>
</tr>
<tr>
<td>Transformation capacity</td>
<td>100%</td>
<td>1,217 kms</td>
</tr>
<tr>
<td>Residual concession life / License period</td>
<td>100%</td>
<td>573 kms</td>
</tr>
<tr>
<td>Contract Type</td>
<td>100%</td>
<td>148 kms</td>
</tr>
<tr>
<td>Counterparty</td>
<td>100%</td>
<td>397 kms</td>
</tr>
<tr>
<td>Asset Base</td>
<td>100%</td>
<td>3,063 kms</td>
</tr>
</tbody>
</table>

### Operating Assets

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>Rate</th>
<th>Capacity (MVA)</th>
<th>Concession Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mulund - Bhiwandi</td>
<td>Mumbai</td>
<td>Regulated</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Barmer &amp; Hadoti, Rajasthan</td>
<td>Sikar</td>
<td>Fixed tariff (TBCB)</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Mihan</td>
<td>Navi Mumbai</td>
<td>Regulated</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Warora</td>
<td>Buldhana</td>
<td>Fixed tariff (TBCB)</td>
<td>3,063</td>
<td>3</td>
</tr>
</tbody>
</table>

### Projects Operationalised in FY23

<table>
<thead>
<tr>
<th>State</th>
<th>District</th>
<th>Rate</th>
<th>Capacity (MVA)</th>
<th>Concession Life (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mulund - Bhiwandi</td>
<td>Mumbai</td>
<td>Regulated</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Barmer &amp; Hadoti, Rajasthan</td>
<td>Sikar</td>
<td>Fixed tariff (TBCB)</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Mihan</td>
<td>Navi Mumbai</td>
<td>Regulated</td>
<td>3,063</td>
<td>3</td>
</tr>
<tr>
<td>Warora</td>
<td>Buldhana</td>
<td>Fixed tariff (TBCB)</td>
<td>3,063</td>
<td>3</td>
</tr>
</tbody>
</table>

### Notes:
### AESL’s Under-construction Transmission Asset Portfolio as of August 2023

Since AESL’s evolution its Transmission Network (ckms) has grown 3.5x and expanded into Distribution businesses.

#### AESLs “Grid-to-Switch” Integrated Platform
- Transmission Line (Ckms)
- Distribution Customers (mn)

#### Transmission Line (Ckms)

<table>
<thead>
<tr>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,450</td>
<td>8,600</td>
<td>14,740</td>
<td>18,736</td>
<td>18,795</td>
<td>19,779</td>
<td></td>
</tr>
</tbody>
</table>

#### Distribution Customers (mn)

- FY17: 12 mn+
- FY18: 12 mn+
- FY19: 12 mn+
- FY20: 12 mn+
- FY21: 12 mn+
- FY22: 12 mn+
- FY23: 12 mn+

#### Notes:
1) Asset base for under-construction assets – as per the estimated project cost as of March 2023.

---

### Adani Energy Solutions Limited

#### Under Construction

<table>
<thead>
<tr>
<th>Transmission Line (Ckms)</th>
<th>Distribution Customers (mn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>304 ckms</td>
<td>14,740</td>
</tr>
<tr>
<td>1,060 ckms</td>
<td>18,336</td>
</tr>
<tr>
<td>74 ckms</td>
<td>221</td>
</tr>
<tr>
<td>1,756 ckms</td>
<td>10</td>
</tr>
<tr>
<td>80 ckms</td>
<td>630</td>
</tr>
<tr>
<td>221 ckms</td>
<td>354</td>
</tr>
<tr>
<td>1,000 MVA</td>
<td>42</td>
</tr>
<tr>
<td>2,736 MVA</td>
<td>60</td>
</tr>
<tr>
<td>1500 MVA</td>
<td>6,000 MVA</td>
</tr>
<tr>
<td>3500 MVA</td>
<td>1,000 MVA</td>
</tr>
<tr>
<td>1,000 MVA</td>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
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<tr>
<td>N/A</td>
<td>N/A</td>
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<td>N/A</td>
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<td>N/A</td>
<td>N/A</td>
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<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>INR 6.7 Bn</td>
<td>INR 12 Bn</td>
</tr>
<tr>
<td>INR 18.9 Bn</td>
<td>INR 35 Bn</td>
</tr>
<tr>
<td>INR 70 Bn</td>
<td>INR 12 Bn</td>
</tr>
<tr>
<td>INR 2 Bn</td>
<td>INR 22 Bn</td>
</tr>
<tr>
<td>INR 8 Bn</td>
<td>INR 12 Bn</td>
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</tbody>
</table>

#### Recently Won and Acquired

- WR-SR
- KTL
- KPS-1

#### Transmission Capacity

<table>
<thead>
<tr>
<th>Contract type</th>
<th>Counterparty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulated Return (ROA)</td>
<td>Centre</td>
</tr>
<tr>
<td>Fixed tariff (TBCB)</td>
<td>Centre</td>
</tr>
<tr>
<td>Fixed tariff (TBCB)</td>
<td>Centre</td>
</tr>
<tr>
<td>Fixed tariff (TBCB)</td>
<td>Centre</td>
</tr>
<tr>
<td>Fixed tariff (TBCB)</td>
<td>Centre</td>
</tr>
<tr>
<td>Fixed tariff (TBCB)</td>
<td>Centre</td>
</tr>
</tbody>
</table>

#### Notes:
1) Asset base (1)
2) COD (2)

---

Since AESL’s evolution its Transmission Network (ckms) has grown 3.5x and expanded into Distribution businesses.

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

- Transmission Line (Ckms)
- Distribution Customers (mn)

### Transmission Line Length

<table>
<thead>
<tr>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transmission line length</td>
<td>Transformation capacity</td>
<td>Residual concession life / License period</td>
<td>Contract type</td>
<td>Counterparty</td>
<td></td>
<td></td>
</tr>
<tr>
<td>304 ckms</td>
<td>1,060 ckms</td>
<td>74 ckms</td>
<td>1,756 ckms</td>
<td>80 ckms</td>
<td>221 ckms</td>
<td>1,000 MVA</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>Centre</td>
<td>State</td>
<td>State</td>
<td>Centre</td>
<td>State</td>
<td>Centre</td>
<td>Centre</td>
</tr>
<tr>
<td>INR 6.7 Bn</td>
<td>INR 12 Bn</td>
<td>INR 18.9 Bn</td>
<td>INR 35 Bn</td>
<td>INR 70 Bn</td>
<td>INR 12 Bn</td>
<td>INR 2 Bn</td>
</tr>
</tbody>
</table>

### Recent Acquisitions

- WR-SR
- KTL

### Notes:
1) Asset base for under-construction assets – as per the estimated project cost as of March 2023.

#AEMIL - Adani Electricity Mumba Infra Limited 100% shares are currently being held by AEML. Due to CERC restrictions 51% shares are pledged in favor of AESL.
### AESL's Smart Metering Under-construction Portfolio as of August 2023

#### Adani Energy Solutions Limited

<table>
<thead>
<tr>
<th></th>
<th>BEST</th>
<th>APDCL</th>
<th>APEPACL</th>
<th>APCPACL</th>
<th>APSPOCL</th>
<th>MSEDCL</th>
<th>MSEDCL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Type</td>
<td>BEST Smart Metering Ltd. (Mumbai)</td>
<td>NE Smart Metering Ltd. (Assam)</td>
<td>Adani Energy Solutions Step Seven Limited (Andhra Pradesh)</td>
<td>Adani Energy Solutions Step Seven Limited (Andhra Pradesh)</td>
<td>Adani Energy Solutions Step Seven Limited (Andhra Pradesh)</td>
<td>Bhandup Zone, Kalyan Zone and Konkan Zone</td>
<td>Baramati Zone and Pune Zone</td>
</tr>
<tr>
<td>Month of Award</td>
<td>Oct’22</td>
<td>Feb’23</td>
<td>June’23</td>
<td>June’23</td>
<td>Aug’23</td>
<td>Aug’23</td>
<td>Aug’23</td>
</tr>
<tr>
<td>A Smart Meters Quantity (in million)</td>
<td>1.1</td>
<td>0.8</td>
<td>0.8</td>
<td>1.0</td>
<td>1.0</td>
<td>6.3</td>
<td>5.2</td>
</tr>
<tr>
<td>B Contract Value (in Rs Billion)</td>
<td>13.0</td>
<td>8.4</td>
<td>10.5</td>
<td>12.8</td>
<td>13.9</td>
<td>75.9</td>
<td>62.9</td>
</tr>
<tr>
<td>C Contract Period (months)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>D Capex + O&amp;M</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
<td>DBFOOT</td>
</tr>
</tbody>
</table>

Notes: The Discoms are our customers and AESL is executing these contracts through 100% owned SPVs; DBFOOT: Design-Build-Finance-Own-Operate-Transfer; BEST: Brihanmumbai Electricity Supply and Transport; APDCL: Assam Power Distribution Company Ltd; APEPDCL: Andhra Pradesh Eastern Power Distribution Co Ltd; APCPACL: Andhra Pradesh Central Power Distribution Co Ltd; APSPOCL: Andhra Pradesh Southern Power Distribution Co Ltd; MSEDCL: Maharashtra State Electricity Distribution Company Limited

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AESL: Board and Management Team

**Strong Sponsorship**
- Mr. Gautam S. Adani (Chairman)
- Mr. Rajesh S. Adani (Director)
- Mr. Anil Sardana (MD, AESL)

**Managing Director**
- Mr. Rohit Soni (CFO, AESL)
- Mr. Kandarp Patel (CEO, Distribution)
- Mr. Gautam S. Adani (Chairman)
- Mr. Rajesh S. Adani (Director)
- Mr. Anil Sardana (MD, AESL)

**Independent Directors**
- Mr. K. Jairaj
- Dr. Ravindra H. Dholakia
- Mrs. Meera Shankar
- Ms. Lisa MacCallum

**Skilled and Experienced Management Team**
- Mr. Anil Sardana (MD, AESL)
- Mr. Bimal Dayal (CEO, Transmission)
- Mr. Kandarp Patel (CEO, Distribution)
- Mr. Rohit Soni (CFO, AESL)
- Mr. Kunjal Mehta (CFO, AEML)

**Strong governance framework with focus on transparency and independence**
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