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Investment contains certain risk. Investors are recommended to study related information before making an investment.
## Offering Summary

<table>
<thead>
<tr>
<th><strong>Issuer:</strong></th>
<th>Adani Transmission Limited (“ATL” or the “Company”)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Issue:</strong></td>
<td>Fixed Rate Senior Secured Notes (issued as per RBI guidelines for INR denominated bonds to overseas investors)</td>
</tr>
<tr>
<td><strong>Distribution Format:</strong></td>
<td>Rule 144A / Reg S</td>
</tr>
<tr>
<td><strong>Issuer Rating:</strong></td>
<td>Fitch: BBB- /Stable; S&amp;P: BBB- /Stable; Moody’s: Baa3 /Stable</td>
</tr>
<tr>
<td><strong>Issue Rating:</strong></td>
<td>Fitch: BBB-; S&amp;P: BBB-; Moody’s: Baa3</td>
</tr>
<tr>
<td><strong>Instrument:</strong></td>
<td>INR Offshore Bond</td>
</tr>
<tr>
<td><strong>Issue Size:</strong></td>
<td>[ ] (INR Denominated Notes Payable in US Dollar)</td>
</tr>
<tr>
<td><strong>Maturity:</strong></td>
<td>[5 / 5.5] years</td>
</tr>
<tr>
<td><strong>Use of Proceeds:</strong></td>
<td>Refinance certain Project Indebtedness, general corporate and working capital purposes and repayment of Sponsor Affiliate Debt</td>
</tr>
<tr>
<td><strong>Key Covenants/Undertakings:</strong></td>
<td>Debt servicing (DSCR to be maintained above 1.1x), Incurrence of additional debt, change of control undertakings</td>
</tr>
<tr>
<td><strong>Denomination:</strong></td>
<td>INR 10,000,000</td>
</tr>
<tr>
<td><strong>Governing Law:</strong></td>
<td>Note Trust Deed, Agency Agreement and the Notes will be governed English Law; Security Documents relating to the Collateral (including Intercreditor Deed) will be governed by Indian law</td>
</tr>
<tr>
<td><strong>Joint Lead Managers and Bookrunners:</strong></td>
<td>Bank of America Merrill Lynch, Barclays, MUFG, Standard Chartered Bank</td>
</tr>
</tbody>
</table>
Contents

A. Adani Group and Company Overview

B. ATL – Investment & Credit Highlights

C. Investment Grade Rating

D. Appendix
A. Adani Group and Company Overview
Adani Group: One of India’s Leading Infrastructure Conglomerates

Adani Promoter Group

Mr. Gautam Adani, Group founder
First generation entrepreneur, one of the leading businessmen in India with 30+ years of experience

Professionally and Independently managed verticals led by industry veterans

Adani Port & SEZ Limited (APSEZ) (Ports & Logistics)

- Largest commercial port developer & operator in India with 10 ports / terminal
- Largest private rail operator
- Operates the largest port in India
- Integrated logistics player with Special Economic Zone (SEZ) advantage

Revenue / EBITDA(1): USD 819mm / 528mm
Market cap.(1): USD 7,378mm

Adani Power Limited (APL) (Power Generation)

- Largest private sector power producer
- Installed capacity of 11,080 MW(3)

Revenue / EBITDA(1): USD 2,761mm / 833mm
Market cap.(1): USD 1,583mm

Adani Enterprises Limited (AEL) (Resources)

- Largest integrated coal management operation in India
- Mining operations in India and Indonesia
- Mine under development in Australia
- Solar power units development including integrated solar photovoltaic manufacturing(2)

Revenue / EBITDA(1): USD 5,105mm / 227mm
Market cap.(1): USD 1,165mm

Adani Transmission Limited (ATL) (Power Transmission)

- One of the largest private sector transmission company with over 5,000 ckt km lines operational
- ~ 1,650 ckt km under development

Revenue / EBITDA(1): USD 241mm / 223mm
Market cap.(1): USD 563mm

Integrated yet Independent Business Model with Leadership across Businesses

Note: 1 USD = 66.8640 INR (RBI Reference Rate as of 23rd March 2016);
Note: Details about the Group companies have been sourced from respective company reports filed with stock exchanges
1. Market cap. as of March 23, 2016 (BSE Limited), Financials for 9-months period ending December 31, 2015 (Source: company reports filed with stock exchanges)
2. AEL holds 51%, currently the only cell and module manufacturing facility under construction in India
3. 600MW Khorba under finalization
Adani Transmission Limited: Overview

Asset Location

- **Mundra – Dehgam & Mundra – Mohindergarh lines** servicing the Western grid & Northern grid
- **Tiroda lines** connecting mine-mouth power plants to demand rich western Maharashtra (c. connecting 50% of the demand)

Key Business Highlights

**One of the Largest Private Sector Transmission Companies**

- More than 5,000 ckms in operation
- First HVDC system constructed and commissioned by private sector
- Consistently operating at greater than 99.5% availability

**Well Established Regulated Returns Regime**

- Building block tariff structure with cost pass through
- Availability based tariff regime

**A Low Risk Business Model**

- Long-term (25 years with 10 year renewal option) license period
- Payment pooling mechanism
B. ATL – Investment & Credit Highlights
ATL – Investment & Credit Highlights

1. Compelling Industry Fundamentals
2. Stable Regulatory Framework
3. Mature Operational Assets
4. Robust Structural Protections
5. Strong Financial Performance
ATL – Investment & Credit Highlights

1. Compelling Industry Fundamentals

2. Stable Regulatory Framework

3. Mature Operational Assets

4. Robust Structural Protections

5. Strong Financial Performance
India: Strong Fundamentals

Strong macroeconomic growth expected to be supported by stable inflation and decreasing interest rates

- GDP growth is expected to revive with average GDP growth forecasted for next 5 years at 8.0% and for 10 years at 8.2%\(^{(1)}\)
- Low inflation due to lower oil and commodity prices and in line with global deflationary trends

Infrastructure among the key sectors to benefit from economic growth

- Significant planned investment in upcoming five year plans presenting sustained investment opportunities
- Contribution of private sector expected to significantly increase as government takes steps to promote investment

Note: 1 USD = 66.8640 INR (RBI Reference Rate as of 23rd March 2016);
1. RBI Database on Indian Economy & RBI Summary of Professional forecasts (Feb 05, 2016); 2. Bloomberg as on March 23, 2016; 3. Source: 12th Five Year Plan, Government of India; 10th 5 year plan investment is at 2006 - 07 prices; 4. Source: 12th Five Year Plan, Government of India; Includes Inland Waterways; 10th 5 year plan investment is at 2006 - 07 prices
Indian Power Sector: Compelling Fundamentals

Low Per Capita Power Consumption...

Energy Consumption Per Capita (2013)(1)

(kWh / year)

15,520
12,987
10,067
7,836
7,382
7,022
6,562
5,409
4,328
3,766
2,583
783

Canada
United States
Australia
Japan
France
Germany
Russia
United Kingdom
South Africa
China
Brazil
India

...Driving Significant Capacity Additions

Installed Capacity(2)

(GW)

Installed capacity as of December 31, 2015: 325GW

FY04: 113
FY15: 272
FY22E: 557

CAGR (FY04-15): 8.3%
CAGR (FY15-22E): 10.8%

...Resulting In Increased Investments

- Low per capita power consumption and continued power deficits driving significant capacity additions
- India’s GDP growth expected to revive with average GDP growth for next 5 years at 8.0% and for 10 years at 8.2%(3)
  - Availability of power is critical to achieve this growth
  - Projected investment in power sector during the 12th five year plan expected to be ~USD272bn
- Robust transmission infrastructure required to support sector expansion

2. Source: CEA Annual Report on Installed Capacity; Monthly report on Installed Capacity, December 2015, Government of India Perspective Transmission Plan for Twenty Years (2012-2034), August 2014 Draft (renewable energy capacity additions have been revised to reflect new targets of 160GW by 2022)
3. RBI Database on Indian Economy & RBI Summary of Professional forecasts (Feb 05, 2016)
Strong Growth in Transmission Sector

Private Sector Participation on the Rise

<table>
<thead>
<tr>
<th>Year</th>
<th>Govt.</th>
<th>Private</th>
</tr>
</thead>
<tbody>
<tr>
<td>Upto 6th Plan (1987)</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>7th Plan (1992)</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>8th Plan (1997)</td>
<td>100%</td>
<td>-</td>
</tr>
<tr>
<td>9th Plan (2002)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>10th Plan (2007)</td>
<td>99%</td>
<td>1.2%</td>
</tr>
<tr>
<td>11th Plan (2011)</td>
<td>97%</td>
<td>3.3%</td>
</tr>
<tr>
<td>12th Plan (upto Jan 2016)</td>
<td>94%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>


...Resulting In Sustained Growth Potential

- Robust transmission infrastructure required for
  - seamless and efficient power availability across regions; and
  - grid and system security
- Inter-state links required to connect power deficit and power surplus regions
- Intra-state links required to provide last mile connectivity to rural areas not yet connected to the Grid
- High voltage transmission lines (765 kV & HVDC) to see higher growth going forward

Compelling Industry Fundamentals
Stable Regulatory Framework
Mature Operational Assets
Robust Structural Protections
Strong Financial Performance
## Overview of Regulatory Bodies Governing the Sector

<table>
<thead>
<tr>
<th>Ministry of Power (MoP)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning, policy formulation, processing of projects for investment decisions, monitoring implementation of projects, and enactment of legislation in regard to power generation, transmission and distribution</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Central Electricity Authority of India (CEA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advisory arm of MoP on matters relating to the National Electricity Policy and formulating plans for the development of the sector</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Central Electricity Regulatory Commission (CERC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulates tariff and promotion of efficient and environmentally benign policies at central level</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Electricity Regulatory Commission (SERC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulates tariff; formulates policies regarding subsidies, and promotion of efficient and environmentally benign policies at state level</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Central Transmission Utility (CTU)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensures development of an efficient, coordinated and economical system of inter-State transmission lines</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Private / PPP</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Sector has opened for Private participation in both Inter state and intra state</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Transmission Utility (STU)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensures development of an efficient, coordinated and economical system of intra-State transmission lines</td>
</tr>
<tr>
<td>Undertakes intra-state transmission</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>National Load Dispatch Center (NLDC) / Regional Load Dispatch Center (RLDC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apex body ensuring integrated operations of power system at the regional level</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State Load Dispatch Center (SLDC)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apex body ensuring integrated operations of power system at the state level</td>
</tr>
</tbody>
</table>
Established & Predictable Tariff Policy Framework

CERC and MERC have a Long Standing History of Maintaining and Defining Tariffs

- CERC and state regulatory body (e.g., MERC) determines
  - return on assets (ROA)
  - the framework for operations & maintenance costs

CERC – 18 years track record
- Regulatory determinations commenced 1998
- Current tariff period is from April 1, 2014 to March 31, 2019. (5 Years)

MERC – 17 years track record
- Regulatory determinations commenced 1999
- Current tariff period for MERC is from April 1, 2016 to March 31, 2020. (4 Years)

Methods for Tariff Determination

Building Block – Multi Year (4-5 year) Reset Basis
- Return on equity set by CERC / MERC
- Establishes norms for capital and operating costs, operating standards and performance indicators
- Additional cost pass through via true up mechanism

Competitive Bidding– Licence Period Basis
- Annual transmission charge for a 35-year period is set through the bidding process
- Projects are bid either on BOOM model (for inter-state projects) or DBFOT model (for intra-state projects) (1)

Note: BOOM - Build own operate and maintain; DBFOT - Design build finance operate and transfer
1. GoI’s Tariff Policy dated January 28, 2016; competitive bidding is subject to certain exceptions
Fixed Return With Full Cost Pass-through

- **Asset Life** of more than 35 years and license validity of 25 years with license renewal option of 10 years
- Project cost has to be approved by the regulator to calculate the tariff

### Known inputs with a record of open and transparent application

#### Annual Transmission Revenue for each project
- O&M costs based on regulations
- Recovery of 90% of asset value
- Interest on normative debt
- Working capital norms as specified in regulations
- Equity base 30% of project cost
- Tax based on actual as applicable

#### Annual Fixed Costs
- O&M Costs
- Depreciation
- Interest on term loan
- Interest on WC
- RoE $\rightarrow$ 15.5%
- Tax on ROE

#### Incentive / (Penalty)
- Availability linked Revenues along with Incentive / Penalty in transmission charge based on Actual Availability vis-à-vis Normative Availability

**Cost pass-through model with ROE (on equity base fixed for license period) ensures high EBITDA Margin**
Payment Pooling Mechanism

Payment pooling mechanism substantially reduces any counter party default risk

Payment Pooling Mechanism

- 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 i.e. no delay on payment
  - Pooling mechanism ensures no stranded asset risk i.e. no bilateral counterparty/user

Central Transmission Utility (CTU)/State Transmission Utility (STU)

Statutory Billing & Collection bodies established under Electricity Act 2003

**Transmission Licensee**

- ARR (Transmission Line 1)
- ARR (Transmission Line 2)
- ARR (Transmission Line i)

**Transmission System Users**

- All Generator / Injection Node
- All Demand / Drawal Node

Note: ARR – Annual revenue requirement
Credit Protection Mechanism in License

Embedded Credit Support Mechanism in Transmission License

- **Letter of credit & bank guarantee to CTU/STU**
  - CERC Assets: Revolving L/C for 105%/210% of average monthly billing by State/private utilities
  - MERC Assets: Revolving L/C for 100% and BG for 300% of average monthly billing by TSU

- **Network restriction**
  - Access of customers to network can be curtailed in case of payment default or providing letter of credit

- **Third party sale of power**
  - Regulated quantum of power can be sold by relevant generating company also suffering a default and proceeds of such power sale can be shared by the generating company and transmission licensee prorata, after adjustment of energy charges and incidental expenses by generating company

Regulatory Determination Encourage Timely Payments

- **Penal interest provision**
  - Penal interest provision of 15% to 18% pa for any late payment

- **Penal interest pass-through restrictions**
  - Limitation on TSUs to pass on the additional cost on account of penal interest to end-users

Note: TSU: Transmission System User; L/C: Letter of Credit; BG: Bank Guarantee
ATL – Investment & Credit Highlights

Compelling Industry Fundamentals

Stable Regulatory Framework

Robust Structural Protections

Strong Financial Performance

Mature Operational Assets
## Mature Operating Assets

### Completed Assets with No Construction Risk

<table>
<thead>
<tr>
<th>Regulator</th>
<th>License Period</th>
<th>COD</th>
<th>License Date</th>
<th>Remaining Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>CERC</td>
<td>25 years + 10 years</td>
<td>Jul-2009</td>
<td>Jul - 2013</td>
<td>~22 years</td>
</tr>
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<td>CERC</td>
<td>25 years + 10 years</td>
<td>Oct-2012</td>
<td>Jul - 2012</td>
<td>~22 years</td>
</tr>
<tr>
<td>MERC</td>
<td>25 years + 10 years</td>
<td>Aug-2012</td>
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<td>Feb-2014; Apr-2014; Mar-2015</td>
<td>Sep - 2010</td>
<td>~20 years</td>
</tr>
</tbody>
</table>

~21 years of current weighted average license period remaining for the four operational Transmission Systems

### Efficient Operating History

<table>
<thead>
<tr>
<th>Regulator</th>
<th>License Period</th>
<th>COD</th>
<th>License Date</th>
<th>Remaining Life</th>
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<td>~20 years</td>
</tr>
</tbody>
</table>

**Track record of receiving incentive payments for maintaining availability above regulatory requirements (98% / 95%)**

1. Set 1 and 2A commissioned on February 23, 2014; Set 2B commissioned on April 8, 2014; Set 3 commissioned on March 31, 2015
2. 98% for AC systems and 95% for HVDC systems
ATL – Investment & Credit Highlights

1. Compelling Industry Fundamentals
2. Stable Regulatory Framework
3. Mature Operational Assets
4. Robust Structural Protections
5. Strong Financial Performance
Ring-fenced Obligor Group Structure

- No co-mingling risk of greenfield developments (defined undertakings)
- Further limitation on capital expenditure for SPV projects (Liquidity Reserve Account undertakings)
- Debt structure linked to operating life of underlying assets (built in amortization)
- Change in operating parameters captured by Senior Debt Redemption Reserve Account undertakings
- Cash-flow ring fencing and associated protections (baked in cash-flow waterfall mechanism)

## Structural Protection to Debt Investors

### Covenants/Undertaking
- DSCR test: minimum DSCR of 1.1x (distribution lock-up at DSCR of less than 1.2x)
- Liquidity Reserve Account ("LRA") for funding SPV projects
- Incurrence of additional debt undertaking

### No Greenfield Risk
- No capex for new projects to be undertaken in the Obligor Group
- Capex outside of Obligor Group limited by LRA Account provisions
- No new obligor can accede prior to achieving commercial operations

### Standard Security and Collateral Package
- Common security package & sharing with other creditors of the obligor group
- Security structure enables protections under license for designated lenders

### Standard Project Finance Features
- Restrictions on transactions with sponsor affiliates
- Detailed information & compliance certificates
- Cashflow waterfall applies to Obligor Group

### License Period linked Amortisation Mechanism
- Senior Debt Redemption account (forward looking)
  - Yearly calculation linked to operating parameters (EBITDA) determines debt capacity
  - Cash sweep mechanism in the event of adverse change
ATL – Investment & Credit Highlights

1. Compelling Industry Fundamentals
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5. Strong Financial Performance
Strong Financial Performance

<table>
<thead>
<tr>
<th>Revenues from Operations (USD mm)</th>
<th>EBITDA (1) (USD mm)</th>
<th>EBITDA Margin (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FY14</strong></td>
<td>81</td>
<td>86.5%</td>
</tr>
<tr>
<td><strong>FY15</strong></td>
<td>225</td>
<td>92.2%</td>
</tr>
<tr>
<td><strong>9M FY15</strong></td>
<td>172</td>
<td></td>
</tr>
<tr>
<td><strong>9M FY16</strong></td>
<td>241</td>
<td>94.8%</td>
</tr>
</tbody>
</table>

**Predictable revenue with high EBITDA margin**

Note: Average RBI Reference Rates of 60.496, 61.147, 60.774 and 64.784 used for FY14, FY15, 9M FY15 and 9M FY16 respectively.

FY14, 9MFY15 and FY15 financials are on an aggregated basis as if ATIL and MEGPTCL and the Transmission Systems currently owned and operated by them were part of ATL with effect from April 1, 2013 to allow for comparison with consolidated financials for 9M FY16.

1. EBITDA is defined for any period as Total Revenue, deducting Purchase of Traded Goods, Employee Benefit Expense and Operating and Other Expenses for such period. We define EBITDA Margin for any period as the ratio of EBITDA to Total Revenue for such period.
ATL – An Excellent Investment Opportunity

**Compelling Industry Fundamentals**
- Strategically important sector in one of the world’s fastest growing economies
- Significant generation capacity addition expected to drive sustained growth

**Stable Regulatory Framework**
- Well defined regulatory framework and established tariff policy with
  - payment protection and full cost pass through

**Robust Structural Protections**
- Ring-fenced structure with no external financial risk
- Benchmarked project finance type investor protections

**Mature Operational Assets**
- No construction risk or major capital expenditure requirements
- Consistently maintained availability & operating performance above regulatory requirements

**Long Life Assets with Strong Financial Performance**
- Long license period of 25 years with 10 year renewal option
- Recurring, long-term and stable revenues with cash flow visibility and high margins
C. Investment Grade Rating
## Investment Grade Rating

### Ratings

<table>
<thead>
<tr>
<th>Key Strengths</th>
<th>Fitch Ratings</th>
<th>Moody's</th>
</tr>
</thead>
<tbody>
<tr>
<td>BBB- / Stable</td>
<td>BBB- / Stable</td>
<td>Baa3/ Stable</td>
</tr>
<tr>
<td>• Stable cash flows driven by a favorable regulatory environment, the company's power transmission business, and its good operating record.</td>
<td>• ATL’s credit profile benefits from a stable and favourable regulatory environment. Revenues for all its existing transmission assets are based on a cost-plus tariff, which provides long-term cash flow certainty and stability.</td>
<td>• ATL’s regulated transmission business is underpinned by stable and predictable cash flows that are generated based on pre-determined regulated returns.</td>
</tr>
<tr>
<td>• We have a favorable view of the central regulator CERC (Central Electricity Regulatory Commission) and Maharashtra state regulator MERC (Maharashtra Electricity Regulatory Commission) that administer the tariff for the company's current portfolio of transmission assets.</td>
<td>• India’s regulators – both at national and state level – have a long track record of delivering predictable outcomes, including tariff formulas.</td>
<td>• The well-developed regulatory framework for power transmission in India allows for recovery of costs and returns and has periodic resets, which further enhances the credit profile of ATL.</td>
</tr>
<tr>
<td>• We believe ATL benefits from a predictable tariff-setting mechanism, which results in stable cash flows.</td>
<td>• Tariff recovery is linked to network availability and is independent of volumes, protecting ATL from volume risk. It allows the company to recover its fixed costs and earn assured return on equity.</td>
<td>• Transmission companies do not face risks associated with transmission volumes because they are guaranteed revenue, which is determined by the regulator, as long as they hit certain availability benchmarks.</td>
</tr>
<tr>
<td>• Tariff recovery is linked to network availability and is independent of volumes, protecting ATL from volume risk. It allows the company to recover its fixed costs and earn assured return on equity.</td>
<td>• ATL’s financial profile benefits from the stable revenue from its operating transmission assets and will be supported by the successful commissioning of three committed greenfield transmission projects over the medium term.</td>
<td>• While ATL has a short track record, the company has been outperforming regulatory expectation, with very high transmission line availability relative to regulatory norms.</td>
</tr>
<tr>
<td>• ATL has adequate liquidity. We expect the company's sources of liquidity to exceed its uses by more than 1.2x over the next 12 months.</td>
<td>• ATL’s proposed bonds benefit from structural enhancements, which are achieved through various restrictions, such as limitations on incurrence on additional indebtedness, and features such as a defined cash waterfall.</td>
<td>• Counterparty risk is partly mitigated by the pooling mechanism under which any under-recovery is socialized across all transmission licensees</td>
</tr>
<tr>
<td>• ATL will continue to register stable operating performance without any significant adverse regulatory developments.</td>
<td>• Fitch expects ATL to maintain an adequate financial profile for its ratings over the medium term, after factoring in some additional capex.</td>
<td>• The rating outlook is stable, reflecting the predictable operating cash flows from existing transmission lines, and our expectation that financial performance will be in line with rating tolerance metrics.</td>
</tr>
</tbody>
</table>

Only private sector player to get an Investment Grade rating in the Indian Power Sector
D. Appendix
A. Financial Statements Summary
### Detailed Profit and Loss Summary

**Comments**

- Revenue from operations increased by 179.2% in FY15 primarily as a result of Set 1 and Set 2A of MEGPTCL becoming operational in February 2014 and Set 2B of MEGPTCL becoming operational in April 2014.
- ~100% increase in employee expenses in FY15 due to hiring of additional technically qualified employees.
- Operating, administration and selling expenses by ~49.9% in FY15 due to repairs and maintenance costs and legal expenses.

<table>
<thead>
<tr>
<th>(US$ mm)</th>
<th>FY15</th>
<th>FY14</th>
<th>9M FY16</th>
<th>9M FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue from Operations</strong></td>
<td>225</td>
<td>81</td>
<td>241</td>
<td>172</td>
</tr>
<tr>
<td><strong>Other Income</strong></td>
<td>1</td>
<td>1</td>
<td>9</td>
<td>1</td>
</tr>
<tr>
<td><strong>Finance Costs</strong></td>
<td>120</td>
<td>35</td>
<td>113</td>
<td>91</td>
</tr>
<tr>
<td><strong>Depreciation &amp; Amortization</strong></td>
<td>65</td>
<td>48</td>
<td>65</td>
<td>51</td>
</tr>
<tr>
<td><strong>Operating and Other Expenses</strong></td>
<td>18</td>
<td>11</td>
<td>18</td>
<td>9</td>
</tr>
<tr>
<td><strong>Profit (Loss) Before Tax</strong></td>
<td>22</td>
<td>(12)</td>
<td>54</td>
<td>21</td>
</tr>
<tr>
<td><strong>Tax Expense</strong></td>
<td>8</td>
<td>0</td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td><strong>Net Profit (Loss)</strong></td>
<td>15</td>
<td>(12)</td>
<td>41</td>
<td>15</td>
</tr>
<tr>
<td>EBITDA</td>
<td>208</td>
<td>71</td>
<td>232</td>
<td>163</td>
</tr>
<tr>
<td>EBITDA Margin</td>
<td>92.2%</td>
<td>86.5%</td>
<td>92.8%</td>
<td>94.8%</td>
</tr>
</tbody>
</table>

**Note:** Average RBI Reference Rates of 60.496, 61.147, 60.774 and 64.784 used for FY14, FY15, 9M FY15 and 9M FY16 respectively.

**FY14, 9M FY15 and FY15 financials are on an aggregated basis as if ATIL and MEGPTCL and the Transmission Systems currently owned and operated by them were part of ATL with effect from April 1, 2013 to allow for comparison with consolidated financials for 9M FY16.**

EBITDA is defined for any period as Total Revenue, deducting Purchase of Traded Goods, Employee Benefit Expense and Operating and Other Expenses for such period. We define EBITDA Margin for any period as the ratio of EBITDA to Total Revenue for such period.
## Detailed Balance Sheet Summary

<table>
<thead>
<tr>
<th>(US$ mm)</th>
<th>FY15</th>
<th>FY14</th>
<th>9M FY16</th>
<th>9M FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>1,679</td>
<td>1,585</td>
<td>1,544</td>
<td>1,614</td>
</tr>
<tr>
<td>Long-Term Loans and Advances</td>
<td>2</td>
<td>275</td>
<td>4</td>
<td>132</td>
</tr>
<tr>
<td>Other Non-current Assets</td>
<td>54</td>
<td>0</td>
<td>51</td>
<td>2</td>
</tr>
<tr>
<td>Cash and Bank Balances</td>
<td>2</td>
<td>4</td>
<td>16</td>
<td>5</td>
</tr>
<tr>
<td>Other Current Assets</td>
<td>142</td>
<td>60</td>
<td>163</td>
<td>124</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>1,879</td>
<td>1,924</td>
<td>1,778</td>
<td>1,877</td>
</tr>
<tr>
<td>Shareholders’ Funds</td>
<td>177</td>
<td>108</td>
<td>398</td>
<td>123</td>
</tr>
<tr>
<td>Long Term Borrowings</td>
<td>869</td>
<td>1,156</td>
<td>777</td>
<td>920</td>
</tr>
<tr>
<td>Other Long Term Liabilities</td>
<td>2</td>
<td>180</td>
<td>1</td>
<td>80</td>
</tr>
<tr>
<td>Short Term Borrowings</td>
<td>586</td>
<td>134</td>
<td>424</td>
<td>398</td>
</tr>
<tr>
<td>Trade Payables</td>
<td>8</td>
<td>1</td>
<td>7</td>
<td>13</td>
</tr>
<tr>
<td>Other Current Liabilities</td>
<td>237</td>
<td>344</td>
<td>171</td>
<td>343</td>
</tr>
<tr>
<td><strong>Total Equity and Liabilities</strong></td>
<td>1,879</td>
<td>1,924</td>
<td>1,778</td>
<td>1,877</td>
</tr>
</tbody>
</table>

Note: Average RBI Reference Rates of 60.496, 61.147, 60.774 and 64.784 used for FY14, FY15, 9M FY15 and 9M FY16 respectively. FY14, 9MFY15 and FY15 financials are on an aggregated basis as if ATIL and MEGPTCL and the Transmission Systems currently owned and operated by them were part of ATL with effect from April 1, 2013 to allow for comparison with consolidated financials for 9M FY16.

### Comments
- In February 2016, we issued ~US$78mm of Non-Convertible Debentures, the proceeds of which were used to repay ~US$62mm of indebtedness of ATIL and MEGPTCL, with the balance being used for general corporate purposes and to fund a debt service reserve account.
- Other current assets primarily comprises of unbilled revenue & trade receivables.
# Detailed Cash Flow Summary

<table>
<thead>
<tr>
<th>(US$ mm)</th>
<th>FY15</th>
<th>FY14</th>
<th>9M FY16</th>
<th>9M FY15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net cash flow from operating activities</strong></td>
<td>121.9</td>
<td>40.0</td>
<td>189.1</td>
<td>104.8</td>
</tr>
<tr>
<td><strong>Net cash flow used in investing activities</strong></td>
<td>(362.0)</td>
<td>(791.1)</td>
<td>(75.8)</td>
<td>(85.9)</td>
</tr>
<tr>
<td><strong>Net cash flow from / (used in) financing activities</strong></td>
<td>239.8</td>
<td>746.0</td>
<td>(111.9)</td>
<td>(21.9)</td>
</tr>
<tr>
<td><strong>Net increase / (decrease) in cash and bank balance</strong></td>
<td>(0.4)</td>
<td>(5.1)</td>
<td>1.4</td>
<td>(3.1)</td>
</tr>
</tbody>
</table>

## Comments
- Net cash from operating activities increased in 9MFY16 due to decrease in trade receivables and increase in operating profit before working capital changes and partially offset by an increase in other current assets (primarily unbilled revenue).
- Decrease in capex and an increase in interest received, partially offset by an increase in the purchase of current investments and an increase in collateral with banks led to decrease in net cash used in investing activities.

Note: Average RBI Reference Rates of 60.496, 61.147, 60.774 and 64.784 used for FY14, FY15, 9M FY15 and 9M FY16 respectively.

FY14, 9MFY15 and FY15 financials are on an aggregated basis as if ATIL and MEGPTCL and the Transmission Systems currently owned and operated by them were part of ATL with effect from April 1, 2013 to allow for comparison with consolidated financials for 9M FY16.