

adani

Adani Power Limited

Analyst Presentation

Q3 / 9M FY 2019-20



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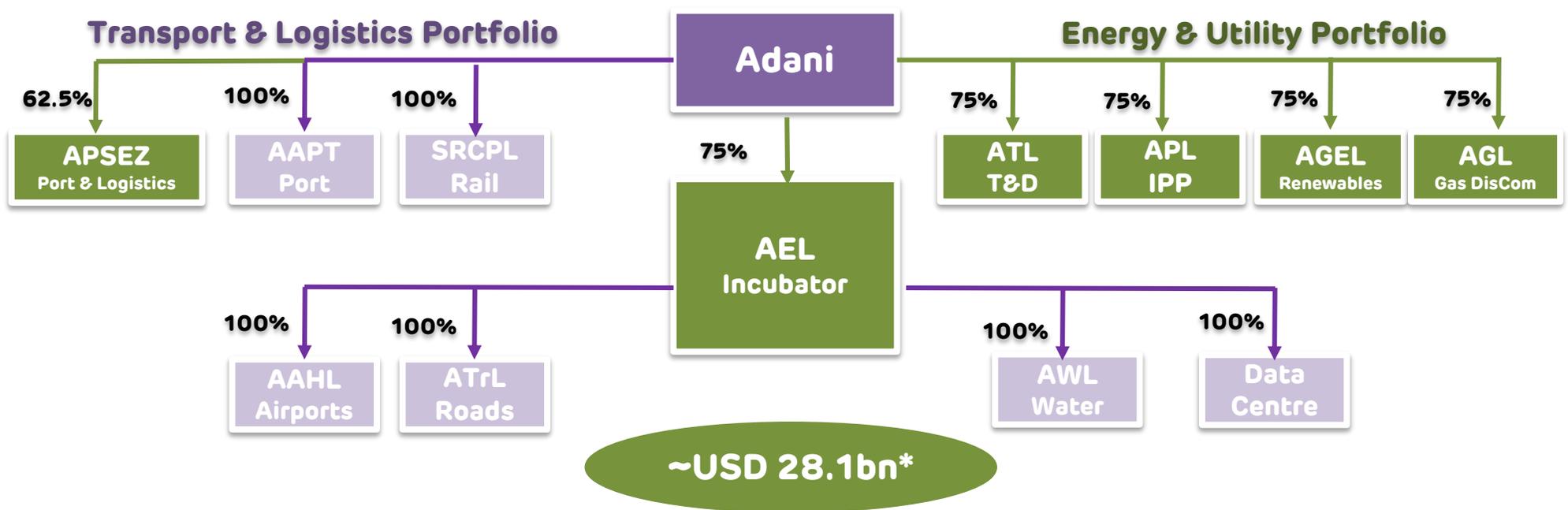
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Adani Group

ADANI: world class infrastructure & utility portfolio



- **No 1 in Ports, T&D and IPP (Thermal and renewables) in India**
- Independent verticals with independent boards - **Integrating ESG into value creation**
- Addressable utility market- **3.2 million customers in ATL & ~ 10 million in AGL**
- Addressable market in **Airports ~125 million customers**

ADANI: repeatable, robust & proven model to deliver RoE

Phase	Development			Operations	Post Operations
	Origination	Site Development	Construction	Operation	Capital Mgmt
Activity	<ul style="list-style-type: none"> Analysis & market intelligence Viability analysis Strategic value 	<ul style="list-style-type: none"> Site acquisition Concessions and regulatory agreements Investment case development 	<ul style="list-style-type: none"> Engineering & design Sourcing & quality levels Equity & debt funding at project 	<ul style="list-style-type: none"> Life cycle O&M planning Asset Management plan 	
Performance	<ul style="list-style-type: none"> Redefining the space -eg Mundra Port 	<ul style="list-style-type: none"> Envisaging evolution of sector eg Adani Transmission 	<ul style="list-style-type: none"> complex developments on time & budget eg APL 	<ul style="list-style-type: none"> O&M optimisations eg Solar plants 	<ul style="list-style-type: none"> Ops phase funding consistent with asset life <p>APSEZ, ATL, AGEL & AEML - only Private sector Infrastructure IG issuers in India</p>

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

ADANI: repeatable, robust business model applied consistently to drive value

Key Business Model Attributes

Successfully applied across Infrastructure & utility platform

✓ Development at scale & within time and budget



India's Largest Commercial Port



Longest Private HVDC Line in Asia



648 MW Ultra Mega Solar Power Plant



Largest Single Location Private Thermal IPP

✓ Excellence in O&M – benchmarked to global standards

APSEZ

Highest Margin among Peers in the World

EBITDA margin: 65%^{1,2}

ATL

Highest availability among Peers

EBITDA margin: 91%^{1,3}

AGEL

Constructed and Commissioned 9 months

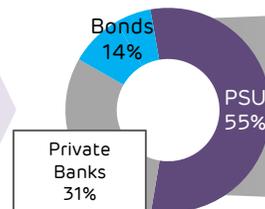
EBITDA margin: 90%^{1,4}

APL

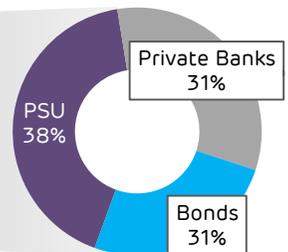
Lowest capex / MW among Peers

✓ Diverse financing sources – only Indian infrastructure portfolio with four (4) Investment Grade (IG) issuers

March 2016



September 2019

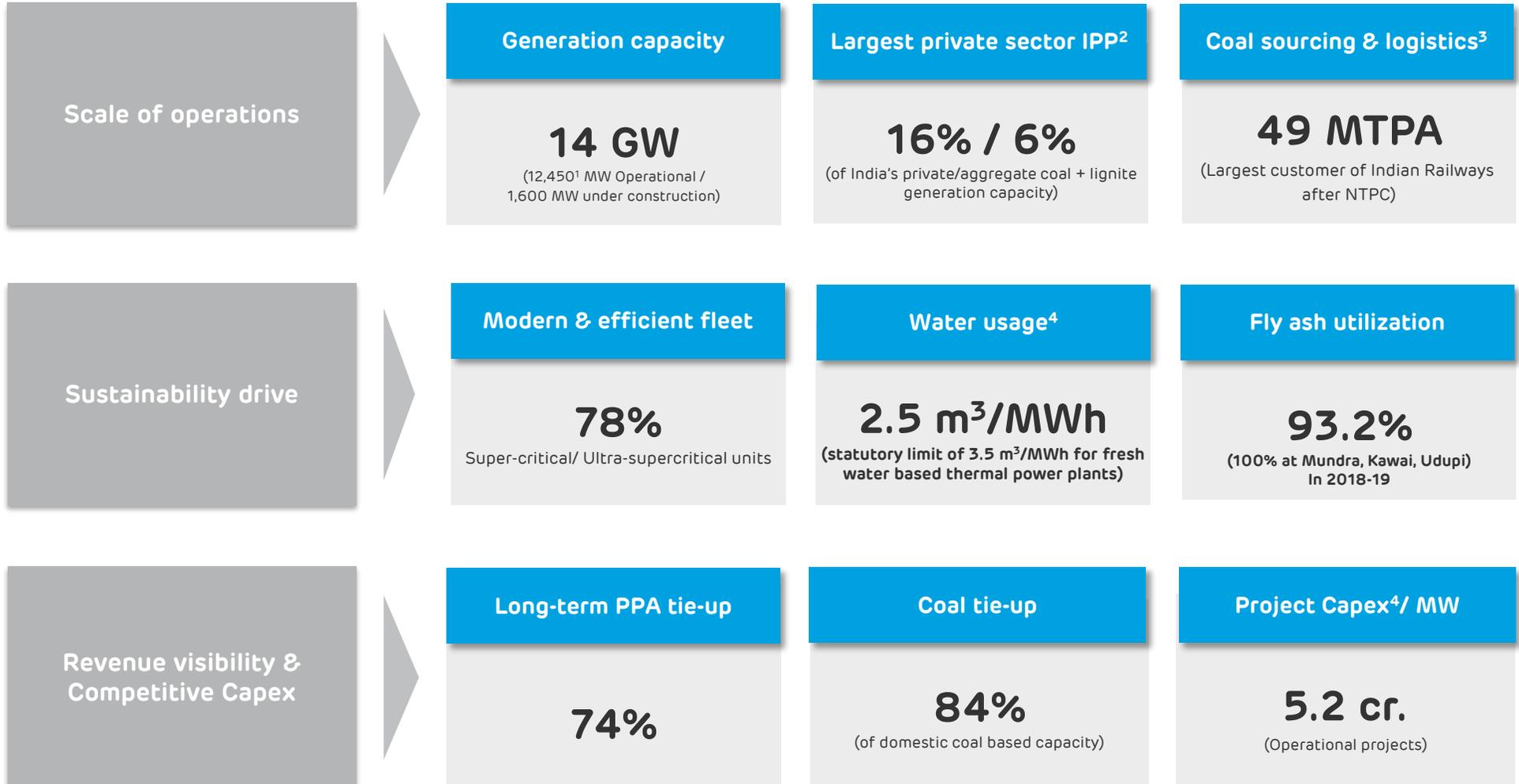


Note: ¹ Data for FY19; ² Excludes forex gains/losses; ³ EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; ⁴ EBITDA Margin represents EBITDA earned from power sales and exclude other items

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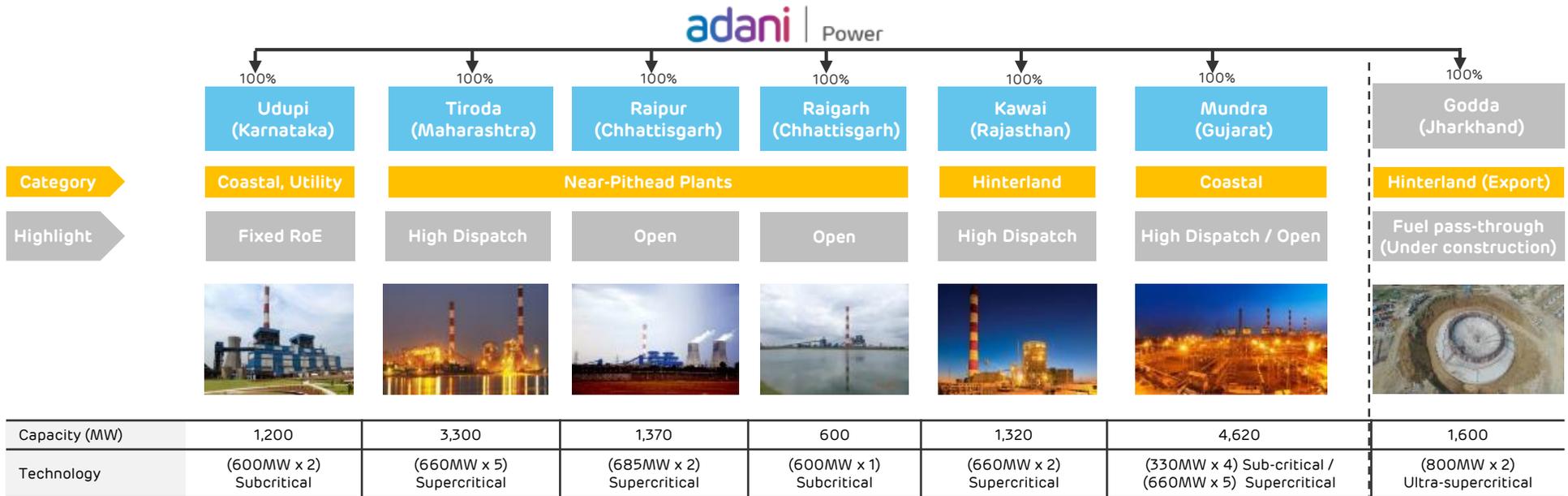
Adani Power Limited

APL at a glance



1. Includes 40 MW solar power plant at Bitta
2. Source: CEA, Sep 2019
3. At 80% PLF
4. As on Dec 19

Strategically located, diversified operating fleet



Category	Coastal	Near-pithead	Hinterland
Capacity MW	5,820 (41%)	5,270 (38%)	2,920 (21%)
Supercritical/Ultra-supercritical	57%	89%	100%

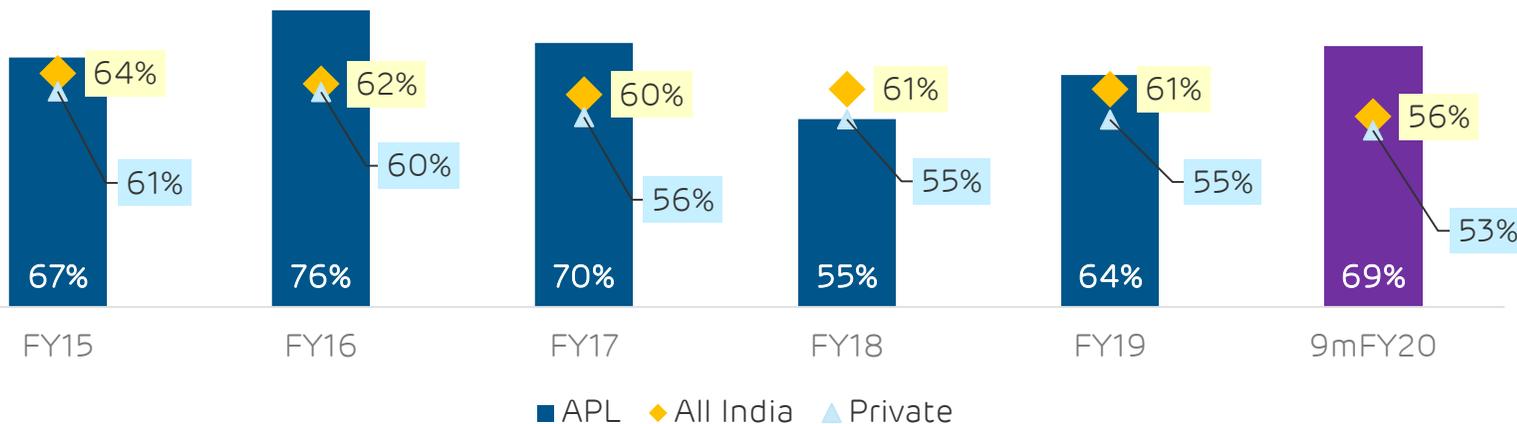
14 GW of modern and efficient thermal power capacity of which six operating plants comprise 12 GW

Further, Adani Power Ltd. also has a 40 MW solar power plant at Bitta.
IPP – Independent Power Producer, MW – Mega Watt

Superior operating performance

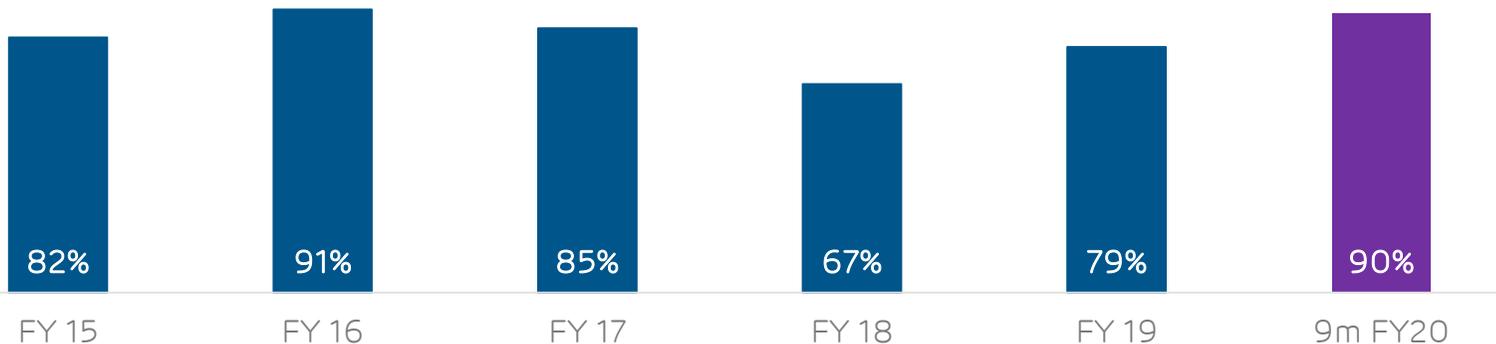
Consistently high PLF in comparison to all India average (FY18 lower due to coal shortage)

Plant Load Factor (%)

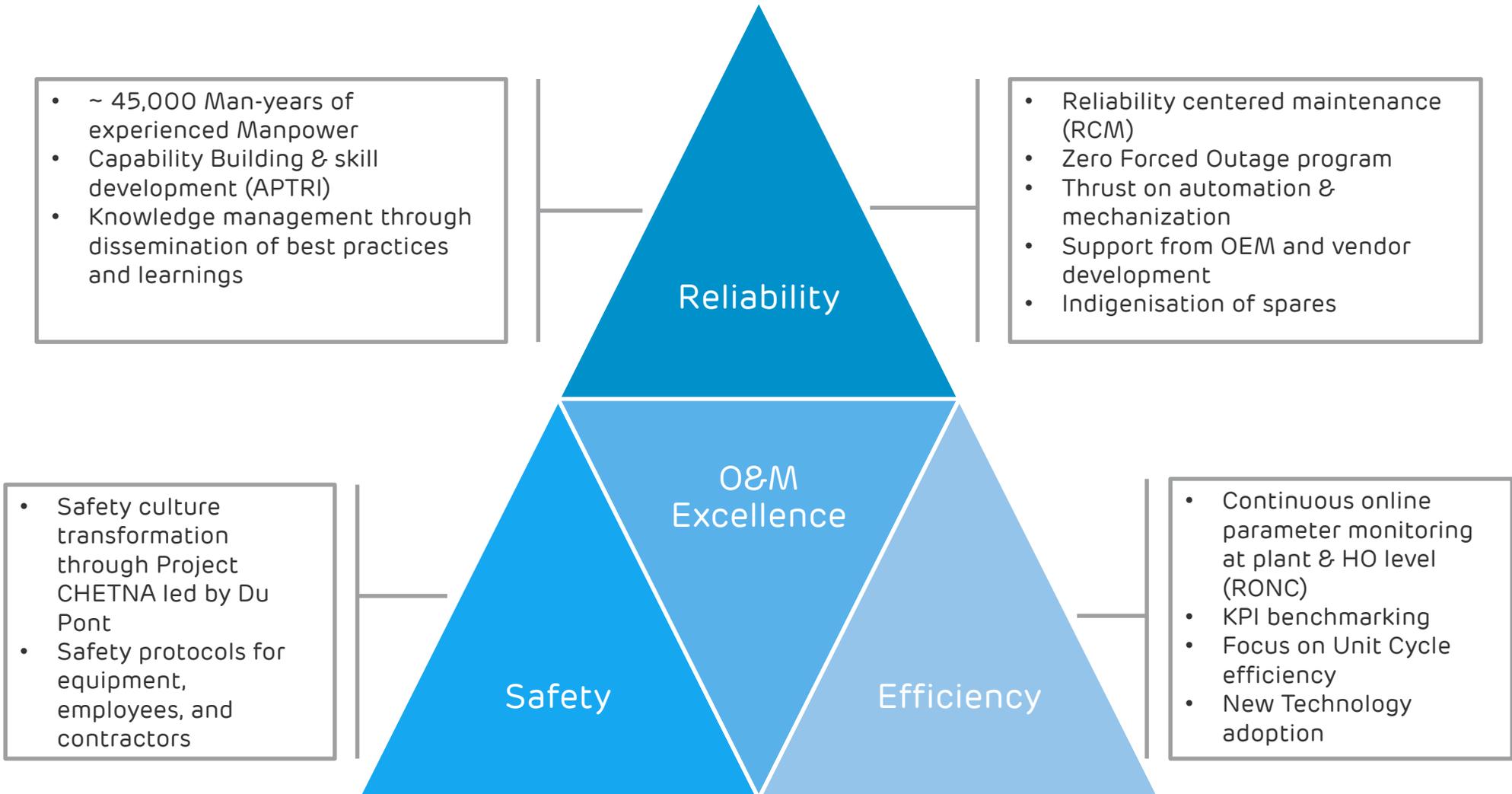


Attainment of normative availability ensures full recovery of capacity charge (FY18 lower due to coal shortage)

Billed Availability for Long Term PPAs (%)



Source: Ministry of Power



Sector-leading logistics capability as key competitive advantage

Fuel management is key to revenue stability

Plant and Mine Locations

Only IPP in India with in-house, mine-to-plant logistics capability

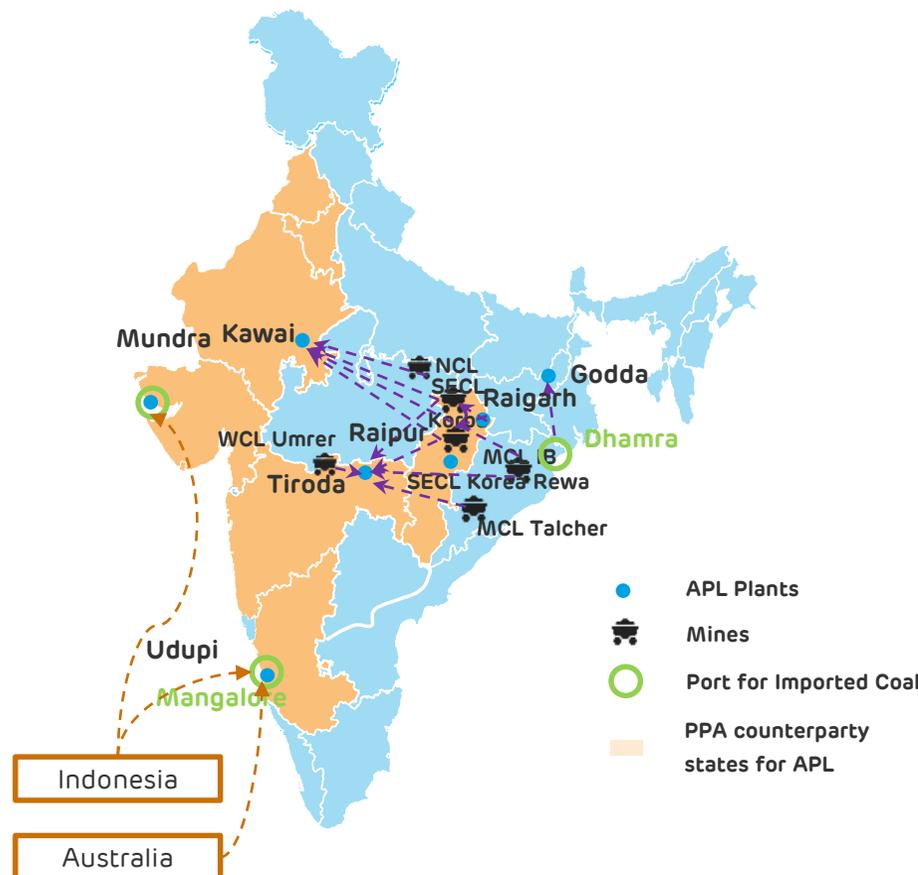
Handling 49 MMTPA coal, 6 MMTPA Fly Ash

Multiple agencies and touch points need constant attention

More than 12,000 Rake Equivalents of fuel handled annually

Daily management of loading of 25 rakes, with 36-40 rakes in circulation

Investment in material handling infrastructure for quick turnaround



APL handles volumes of 49 MMTPA, equivalent to nearly 20% of APSEZ's volumes

Map not to scale. For illustration purposes only
WCL – Western Coalfields Limited, SECL – South Eastern Coalfields Limited,
MCL – Mahanadi Coalfields Limited, NCL – Northern Coalfields Limited

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APL Quarterly Performance Highlights

Key Highlights for Q3 FY 2019-20

Operations*

- Billed Availability: 83%
- PLF: 68%
- Generation: 17.75 Bn Units [+ 4.8% vs Q3 FY19]
- Sales volumes: 16.44 Bn Units [+ 3.8% vs Q3 FY19]

Financial

- Revenues: Rs. 6,685 Cr [+ 0.3% vs Q3 FY19]
- EBITDA: Rs. 1,557 Cr [+ 13.5% vs Q3 FY19]
- APL rating upgraded from BB+ to **BBB-** by CARE on 22nd Jan 2020

Regulatory

- CERC approved tariff under Sec. 62 of The Electricity Act, 2003 for UPCL for the **Multi Year Tariff period 2014-19** on 22nd Jan 2020
- It also approved part additional capitalisation

Acquisitions and Projects

- 600 MW Korba power plant of REGL **restarted commercial operations** on 21st Dec 2019
- Financial closure for 1,600 MW Godda project of APJL achieved
- Drawdown of disbursements from PFC and REC in Q3 FY20

ESG

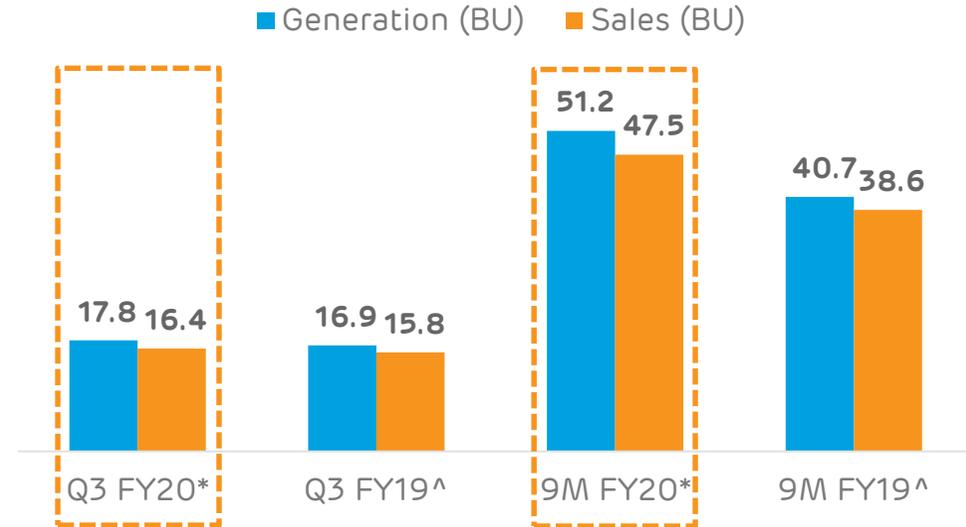
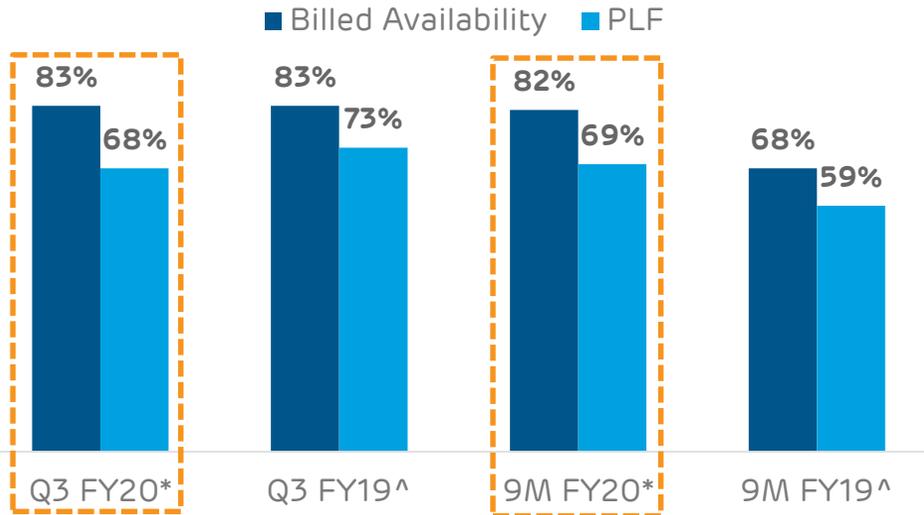
- Maharashtra Pollution Control Board **5 Star certificate** to Tiroda for stack emissions for **3rd consecutive year**
- Production of **M-sand** from pond ash started at UPCL, 806 MT sold to end users

Awards & Certifications

- **Sword of Honour** awarded to APRL by British Safety Council
- **Excellence** award during 5S Conclave at Varanasi to **two** teams of APRL
- UPCL won **Platinum prize** at FICCI Safety Systems Excellence Awards
- APMuL certified for ISO 45000:2018 (OHSAS) and ISO 50001:2018 (EMS) in Dec '19

Robust Operating Performance

BU : Billion Units



Particulars	Q3 FY20*	Q3 FY19^	9M FY20*	9M FY19^
Coal Consumed (MMT)	10.4	9.5	29.7	23.5
Domestic : Imported (%)	54 : 46	48 : 52	53 : 47	52 : 48
Materialisation of domestic coal under FSAs (%)	92%	92%	83%	80%

- Q3 FY20 PLFs constrained by lower grid demand

*exclude REGL

^exclude REL and REGL

...and steady Financial Performance

INR Crores

Summary Income Statement	Q3 FY20	Q3 FY19	+ / -	9M FY20	9M FY19	+ / -
Operating Revenue	6,574.8	6,305.0	4.3%	20,295.3	17,162.5	18.3%
Other Income	109.7	362.1	(69.7%)	1,218.9	1,121.3	8.7%
Total Revenue	6,684.5	6,667.1	0.3%	21,514.2	18,283.7	17.7%
Fuel cost	4,458.3	4,864.6	(8.4%)	13,092.2	10,965.8	19.4%
Other Opex	668.8	430.1	55.5%	1,722.3	1,851.0	(7.0%)
EBITDA	1,557.4	1,372.5	13.5%	6,699.7	5,467.0	22.5%
Finance cost	1,422.8	1,530.8	(7.1%)	4,070.9	4,299.8	(5.3%)
PBT before Exceptional	(648.6)	(840.5)	22.8%	390.7	(891.7)	143.8%
Exceptional	--	--	--	1,003.0	--	--
PBT	(648.6)	(840.5)	22.8%	(612.3)	(891.7)	31.3%
PAT	(702.4)	(1,180.8)	40.5%	(961.9)	(1,619.0)	40.6%

Average Per unit (Rs / kWh)	Q3 FY20*	Q3 FY19*	9M FY20*	9M FY19*
Average Recurring PPA Tariff	4.14	3.94	4.16	3.92
Fuel cost	2.81	3.09	2.81	2.92

- EBITDA improvement due to better fuel cost recovery and full recovery of capacity charges
- Revenue recognition pertaining to earlier periods lower in Q3 FY20 (Rs. 20 Cr. vs Rs. 205 Cr.) and 9M FY20 (Rs. 1,798 Cr. vs Rs. 2,585 Cr.)

...with improved regulatory outlook

Claims under announced regulatory orders

INR Crores

Asset Name	Nature of Claim	Status	Claims raised till 31 st Dec 2019			Receipts till 31 st Dec 2019		
			CT	CC	Total	CT	CC	Total
APMuL	Domestic Coal Shortfall (Up to 31 st March 2017)	Approved by CERC	833	352	1,185	639	--	639
	Domestic Coal Shortfall (1 st April 2017 onwards)	Approved by CERC	581	22	602	--	--	--
APML	Domestic Coal Shortfall (Up to 31 st March 2017)	Approved by MERC	2,821	1,316	4,137	1,400	379	1,779
	Domestic Coal Shortfall (1 st April 2017 onwards)	Approved by MERC	3,076	242	3,318	680	--	680
	Coal Shortfall due to de-allocation of Captive Coal Block (Lohara)	Approved by MERC	3,325	2,407	5,732	--	--	--
APRL	Domestic Coal Shortfall (Up to 31 st Jan 2018)	Approved by APTEL	4,833	3,506	8,339	2,427	--	2,427
	Domestic Coal Shortfall (1 st Feb 2018 onwards)	Approved by APTEL	341	47	388	--	--	--
Total			15,810	7,892	23,702	5,146	379	5,525

APMuL: Compensation for power supplied under GUVNL Bid-2 PPA since inception – petition filed with CERC

Revenue on account of compensation has not been recognized pending CERC Order for estimation of claim amount

Accounting for claims in books of account is done on a conservative basis, as a matter of prudence

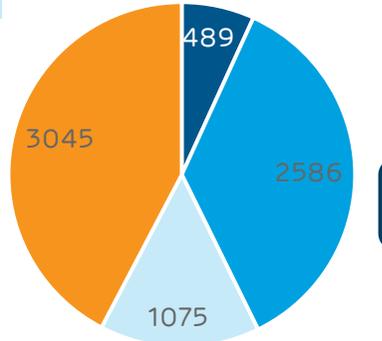
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Detailed update on quarterly and YTD
performance

Q3 FY 2019-20: Revenue Mix

INR Crores

Q3 FY20

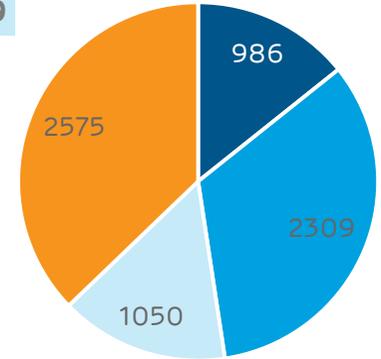


- Regulated Utility
- Near-Pithead
- Hinterland
- Coastal

Consolidated Revenues*

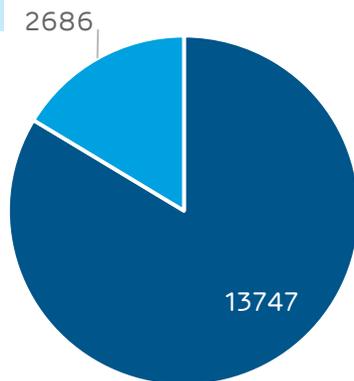


Q3 FY19



- Regulated Utility
- Near-Pithead
- Hinterland
- Coastal

Q3 FY20

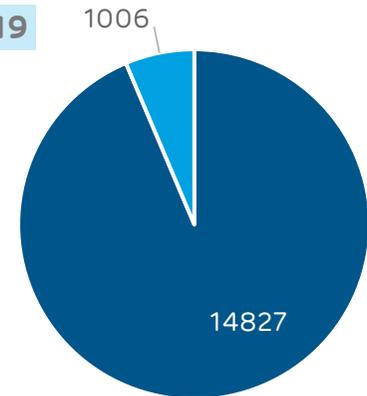


- PPA
- Merchant/Medium term

Power Sales (Mn units)



Q3 FY19



- PPA
- Merchant/Medium term

Avg. PPA tariff	Rs. 4.14 / kWh
Avg. Merchant/Medium term tariff	Rs. 3.49 / kWh

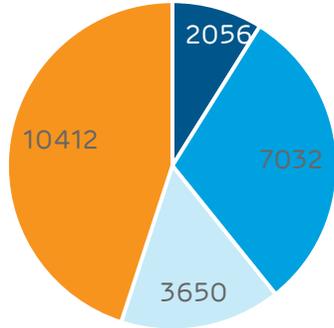
***Consolidated revenue after Eliminations**

Avg. PPA tariff	Rs. 3.94 / kWh
Avg. Merchant/Medium term tariff	Rs. 5.04 / kWh

9M FY 2019-20: Revenue Mix

INR Crores

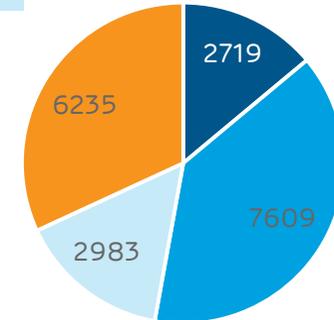
9M FY20



Consolidated Revenues*



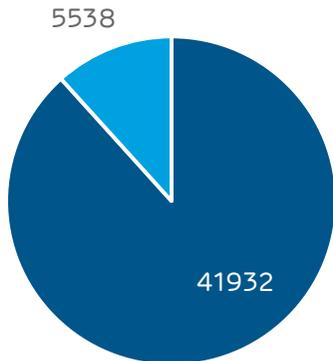
9M FY19



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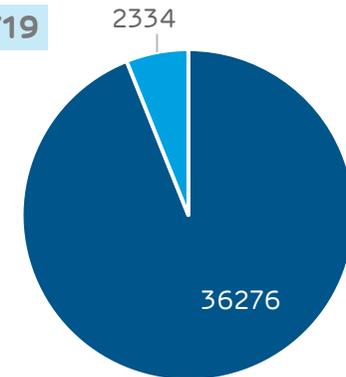
9M FY20



Power Sales (Mn units)



9M FY19



- PPA
- Merchant/Medium term

- PPA
- Merchant/Medium term

Avg. PPA tariff	Rs. 3.92 / kWh
Avg. Merchant/Medium term tariff	Rs. 3.83 / kWh

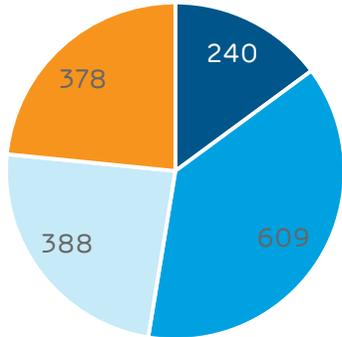
***Consolidated revenue after Eliminations**

Avg. PPA tariff	Rs. 4.16 / kWh
Avg. Merchant/Medium term tariff	Rs. 4.60 / kWh

Q3/9M FY 2019-20: EBITDA Mix

INR Crores

Q3 FY20

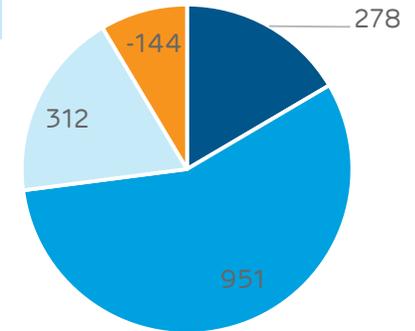


- Regulated Utility
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Consolidated EBITDA*

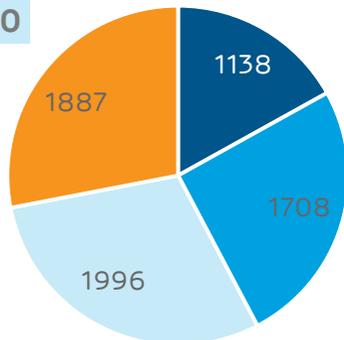


Q3 FY19



- Regulated Utility
- Near-Pithead
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- Coastal

9M FY20

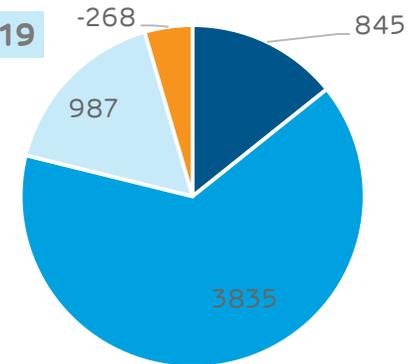


- Regulated Utility
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Consolidated EBITDA*



9M FY19

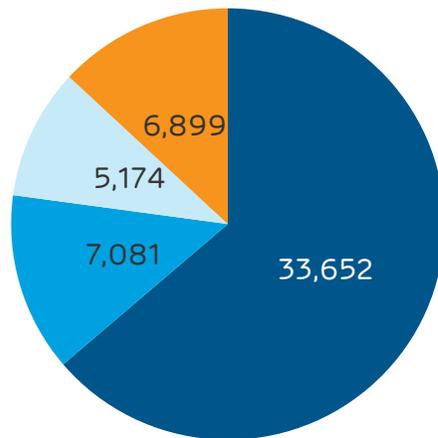


- Regulated Utility
- Near-Pithead
- Hinterland
- Coastal

**Consolidated EBITDA after Eliminations*

Consolidated Debt Profile

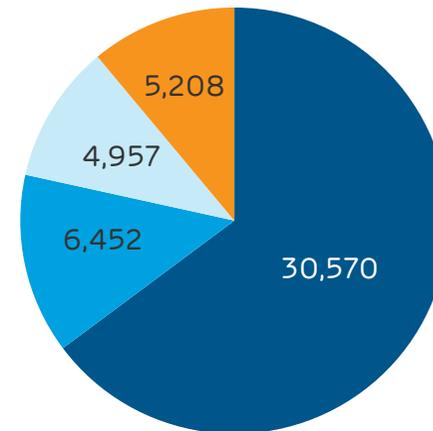
Gross Debt (31-Dec-19)



Total Debt: Rs. 52,806 Cr

Senior Secured Debt incl.
Working capital: Rs. 40,733 Cr

Gross Debt (31-Mar-19)



Total Debt: Rs. 47,187 Cr

Senior Secured Debt incl.
Working capital: Rs. 37,022 Cr

Note:-

- The increase in Gross Debt as on 31st Dec 2019 is due to addition of acquired plants' Debt of Rs. 4,245 crores comprising Senior Secured Debt Rs. 3,892 crores, Working capital Rs. 146 crores, CRPS Rs. 74 crores and other unsecured debt Rs. 133 crores
- Rs. 2,019 crore of Senior Secured term loans repaid during 9M FY 20 at Consolidated entity (Excluding recently acquired plants)

Thank You