Adani Power Limited

Result Presentation

Q2 FY 2020-21

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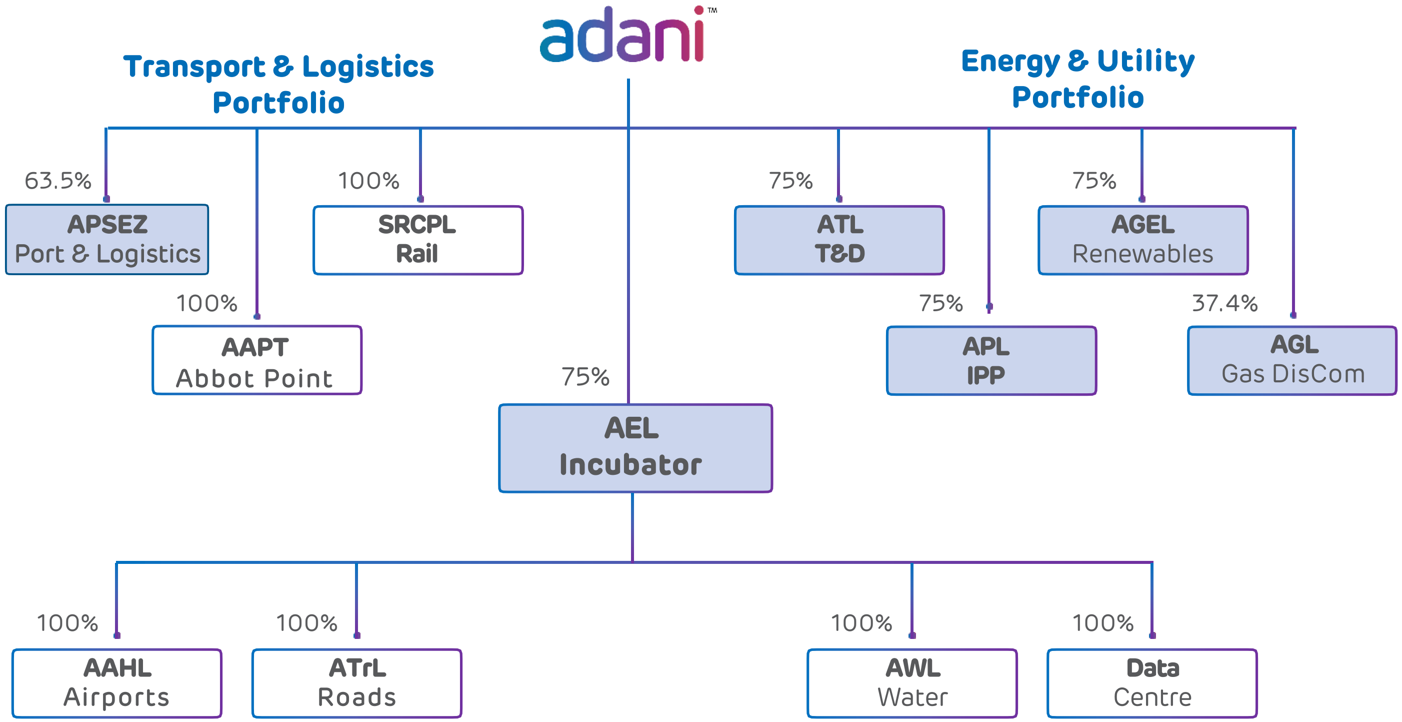
Adani Group

Adani Group: A world class infrastructure & utility portfolio



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Transport & Logistics Portfolio

63.5% **APSEZ** Port & Logistics

100% **SRCPL** Rail

100% **AAPT** Abbot Point

Energy & Utility Portfolio

75% **ATL** T&D

75% **AGEL** Renewables

75% **APL** IPP

37.4% **AGL** Gas DisCom

75% **AEL** Incubator

100% **AAHL** Airports

100% **ATrL** Roads

100% **AWL** Water

100% **Data** Centre

~USD 42 bn[1]
Combined Market Cap

Adani

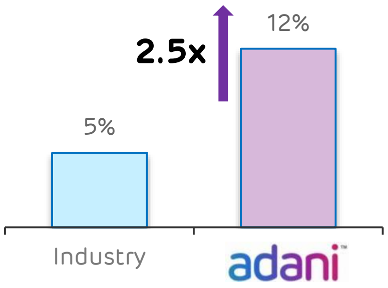
- **Marked shift from B2B to B2C businesses –**
  - **AGL** – Gas distribution network to serve key geographies across India
  - **AEML** – Electricity distribution network that powers the financial capital of India
  - **Adani Airports** – To operate, manage and develop eight airports in the country
- **Locked in Growth 2020 –**
  - Transport & Logistics - Airports and Roads
  - Energy & Utility – Water and Data Centre

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

[1] . As on October 30, 2020, USD/INR – 74.5 | Note - Percentages denote promoter holding
Light purple color represent public traded listed verticals

Adani Group: Decades long track record of industry best growth rates across sectors

Port Cargo Throughput (MT)

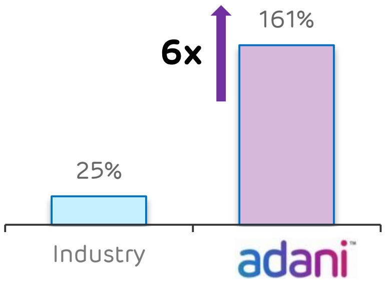


2014	972 MT	113 MT
2020	1,339 MT	223 MT

APSEZ

Highest Margin among Peers globally
EBITDA margin: 70%[1,2]

Renewable Capacity (GW)

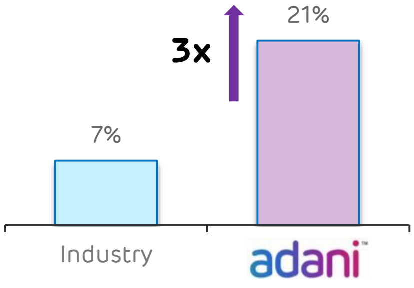


2016	46 GW	0.3 GW
2020	114 GW	14 GW[6]

AGEL

Worlds largest developer
EBITDA margin: 89%[1,4]

Transmission Capacity (ckm)

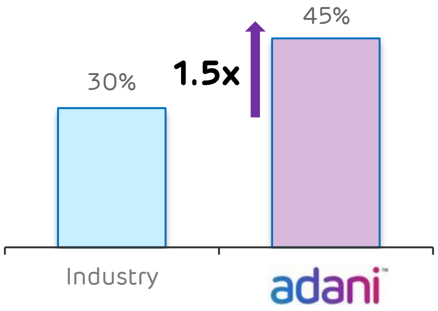


2016	320,000 ckm	6,950 ckm
2020	423,000 ckm	14,739 ckm

ATL

Highest availability among Peers
EBITDA margin: 91%[1,3,5]

CGD[7] (GAs[8] covered)



2015	62 GAs	6 GAs
2020	228 GAs	38 GAs

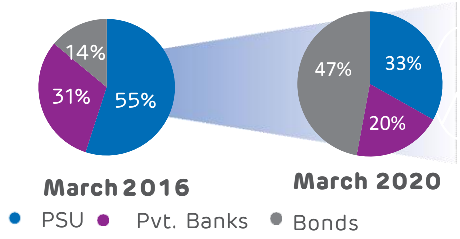
AGL

India's Largest private CGD business
EBITDA margin: 31%[1]

Transformative model driving scale, growth and free cashflow

Note: 1 Data for FY20; 2 Margin for ports business only, Excludes forex gains/losses; 3 EBITDA = PBT + Depreciation + Net Finance Costs – Other Income; 4 EBITDA Margin represents EBITDA earned from power sales and exclude other items; 5. EBITDA margin of transmission business only, does not include distribution business. 6. Contracted capacity 7. CGD – City Gas distribution GAs 8. Geographical Areas - Including JV

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

Phase	Development			Operations	Post Operations
Activity	**Origination**	**Site Development**	**Construction**	**Operation**	**Capital Mgmt**
	• Analysis & market intelligence • Viability analysis • **Strategic value**	• Site acquisition • Concessions and regulatory agreements • **Investment case development**	• Engineering & design • Sourcing & quality levels • **Equity & debt funding at project**	• **Life cycle O&M planning** • Asset Management plan	• Redesigning the **capital structure** of the asset • **Operational phase funding consistent with asset life**
Performance	India's Largest Commercial Port (at Mundra) Highest Margin among Peers	Longest Private HVDC Line in Asia (Mundra – Dehgam) Highest availability	Largest Single Location Private Thermal IPP (at Mundra) High declared capacity of 89%[1]	648 MW Ultra Mega Solar Power Plant (at Kamuthi, Tamil Nadu) Constructed and Commissioned in 9 months	In FY20 issued seven international bonds across the yield curve totalling~USD4Bn **All listed entities maintain liquidity cover of 1.2x- 2x as a matter policy.**
					

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1. FY20 data for commercial availability declared under long term power purchase agreements

2

Adani Power Limited

APL at a glance

Development

Generation capacity

14 GW

(12,450[1] MW Operational /
1,600 MW under construction)

Largest private sector IPP[2]

16% / 6%

(of India's private/aggregate coal + lignite generation capacity)

Project Capex/ MW

5.2 cr.

(Operational projects)
FY 2019-20

Operational Efficiency

Commercial Availability
(for Long Term PPAs)

89%

(FY 2019-20)

Water usage[3]

2.33 m^3/MWh

(statutory limit of 3.5 m^3/MWh for fresh water based thermal power plants)

Fly ash utilization[4]

100%

For H1 FY21

Financial Value Creation

Long-term PPA tie-up

74% of Capacity Secured

Coal tie-up

84% of Fuel Requirement secured

(of domestic coal based capacity)

Coal sourcing & logistics[5]

49 MTPA

(Largest customer of Indian Railways after NTPC)

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1. Includes 40 MW solar power plant at Bitta; 2. Source: CEA, Mar 2020; 3. As on Mar 31, 2020; 4. Based on current generation at portfolio level; 5. At 80% PLF

Strategically located, diversified operating fleet

	Udupi (Karnataka)	Tiroda (Maharashtra)	Raipur (Chhattisgarh)	Raigarh (Chhattisgarh)	Kawai (Rajasthan)	Mundra (Gujarat)	Godda (Jharkhand)
	100%	100%	100%	100%	100%	100%	100%
Category	**Coastal, Utility**	**Near-Pithead Plants**			**Hinterland**	**Coastal**	**Hinterland (Export)**
Highlight	**Regulated Return**	**High Dispatch**	**Open**	**Open**	**High Dispatch**	**High Dispatch / Open**	**Fuel pass-through (Under construction)**
							
Capacity (MW)	1,200	3,300	1,370	600	1,320	4,620	1,600
Technology	(600MW x 2) Subcritical	(660MW x 5) Supercritical	(685MW x 2) Supercritical	(600MW x 1) Subcritical	(660MW x 2) Supercritical	(330MW x 4) Sub-critical / (660MW x 5) Supercritical	(800MW x 2) Ultra-supercritical

Category	Coastal	Near-pithead	Hinterland
Capacity MW	5,820 (41%)	5,270 (38%)	2920 (21%)
Supercritical/Ultra-supercritical	**57%**	**89%**	**100%**

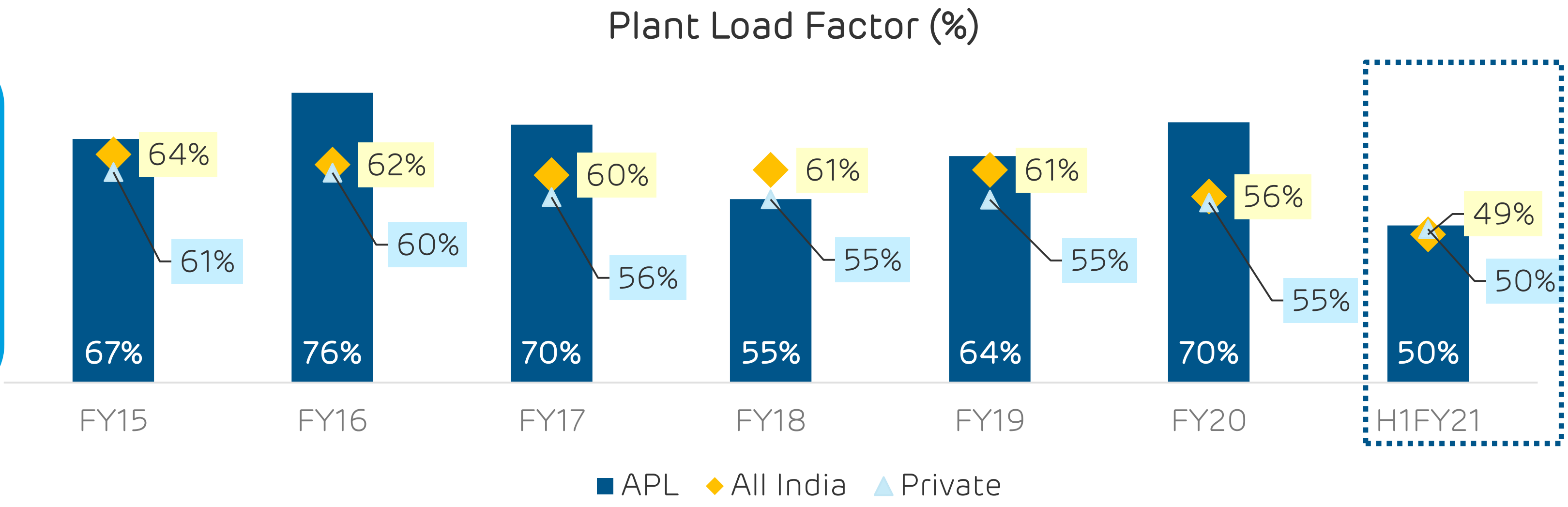
14 GW of modern and efficient thermal power capacity of which six operating plants comprise 12 GW

APL has a 40 MW solar power plant at Bitta.; IPP – Independent Power Producer, MW – Mega Watt

Superior operating performance

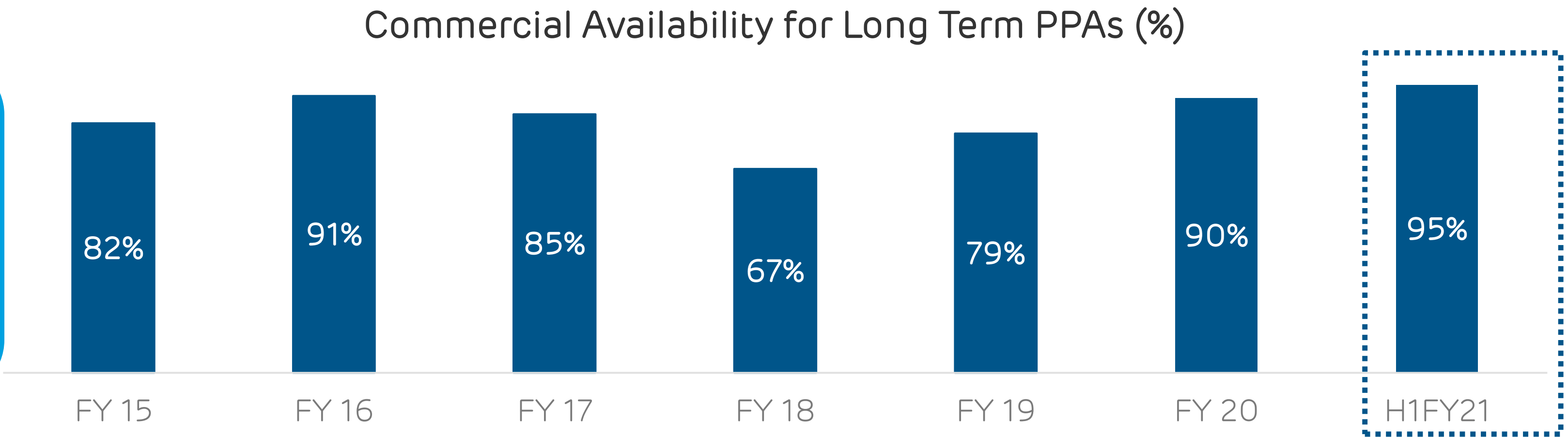
Consistently high PLF in comparison to all India average

(FY18 lower due to coal shortage)



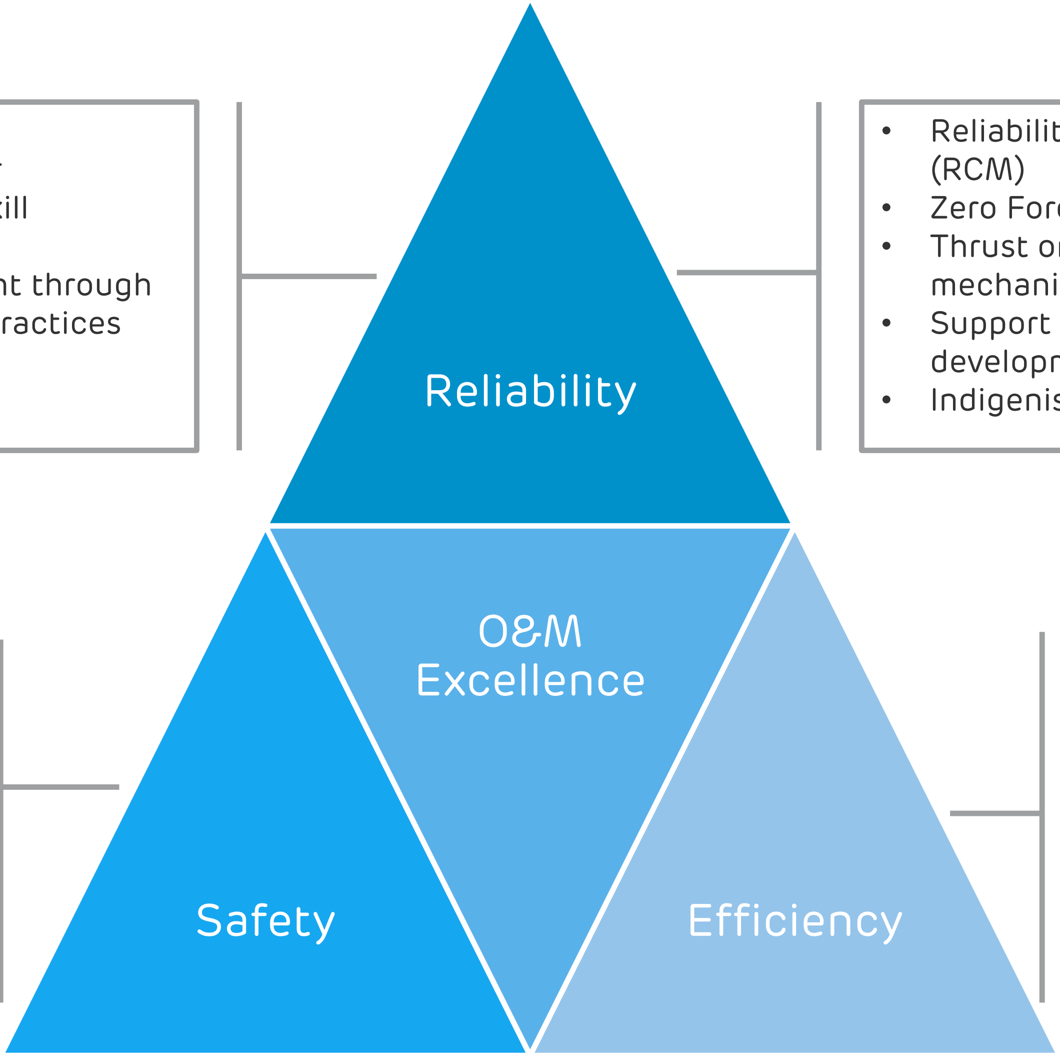
Attainment of normative availability ensures full recovery of capacity charge

(FY18 lower due to coal shortage)



Source: Ministry of Power (https://powermin.nic.in/en/content/power-sector-glance-all-india)

O&M: Par Excellence



- ~45,000 Man-years of experienced Manpower
- Capability Building & skill development (APTRI)
- Knowledge management through dissemination of best practices and learnings

- Reliability centred maintenance (RCM)
- Zero Forced Outage program
- Thrust on automation & mechanization
- Support from OEM and vendor development
- Indigenisation of spares

- Safety culture transformation through Project CHETNA led by Du Pont
- Safety protocols for equipment, employees, and contractors

- Continuous online parameter monitoring at plant & HO level (RONC)
- KPI benchmarking
- Focus on Unit Cycle efficiency
- New Technology adoption

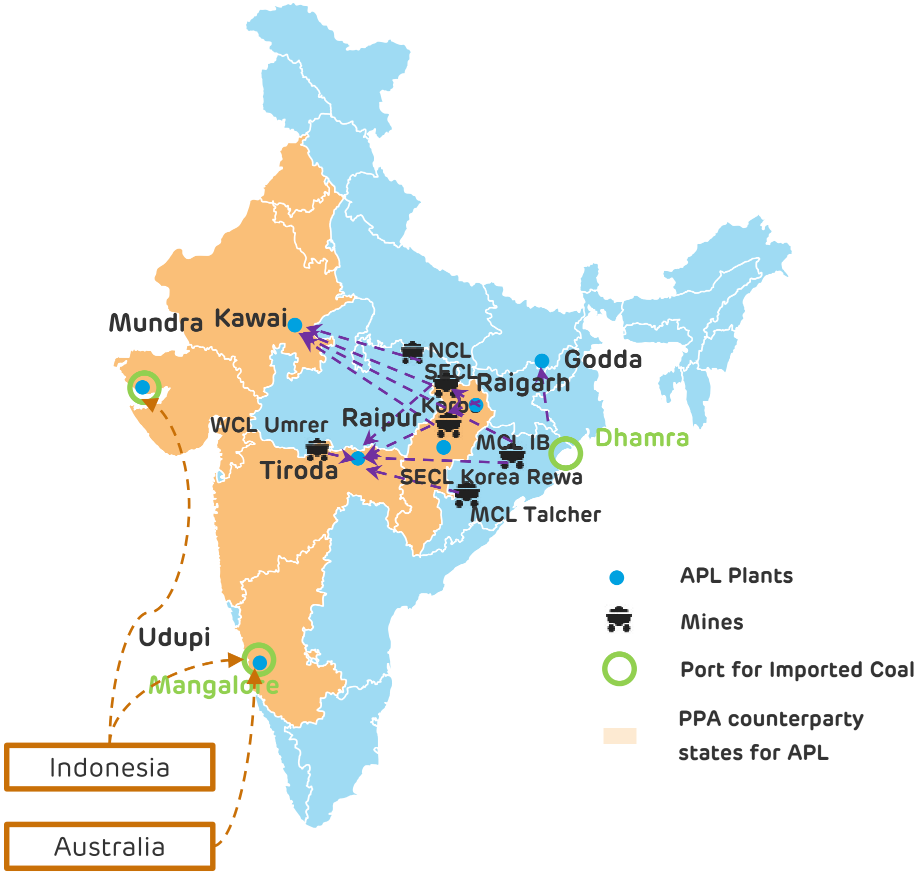
APTRI: Adani Power Training and Research Institute; KPI - Key Performance Indicators; RONC – Remote Operations Nerve Centre

Sector-leading logistics capability as key competitive advantage

Fuel management is key to revenue stability

- 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

Plant and Mine Locations



APL handles volumes of 49 MMPTA, 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

Recent Key Highlights

Business and Financial Updates

- PSERC vide order dated 7th Aug, 2020 disallowed UPCL's petition to adopt PPA with PSPCL (101.5 MW). Appeal has been filed against the said order by UPCL in APTEL.
- Supreme Court vide order dated 31st Aug, 2020 partially upheld APRL's appeal for recovery of compensatory tariff and carrying costs from Rajasthan DISCOMs as per APTEL order. However, DISCOMs have filed a review petition in the Court.
- APTEL vide orders dated 14th Sept, 2020 and 28th Sept, 2020, allowed APML's appeals against MERC's orders for domestic coal shortfall and carrying costs under NCDP and SHAKTI policies respectively. MERC has been directed to pass consequential orders.
- APTEL vide order dated 5th Oct, 2020 upheld MERC's order allowing compensation under change in law to APML on account of non-availability of coal from Lohara coal block, and partially allowed APML's appeals related to methodology, extent of shortfall, and carrying costs.

ESG

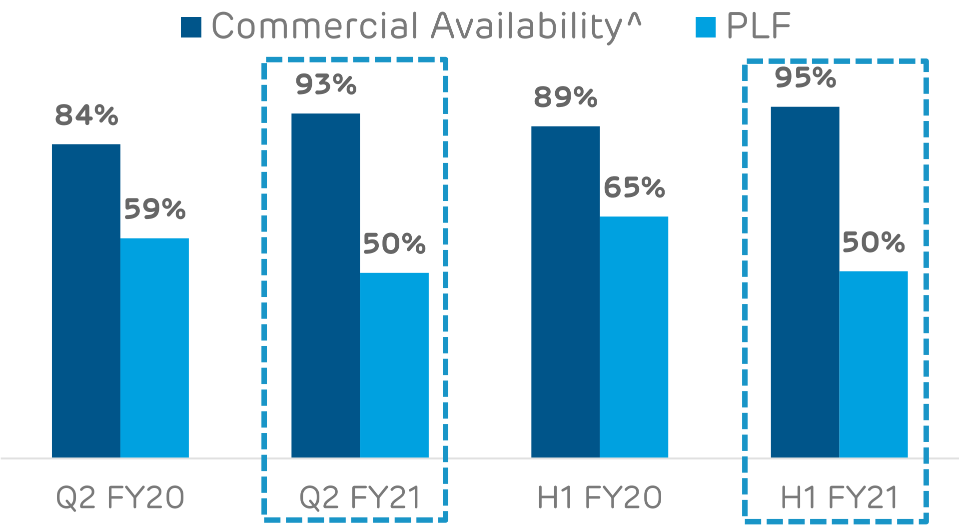
- APL has been assigned ESG rating of 3.5 (out of 5) by FTSE Russell, placing it in the 67th percentile globally among Utilities

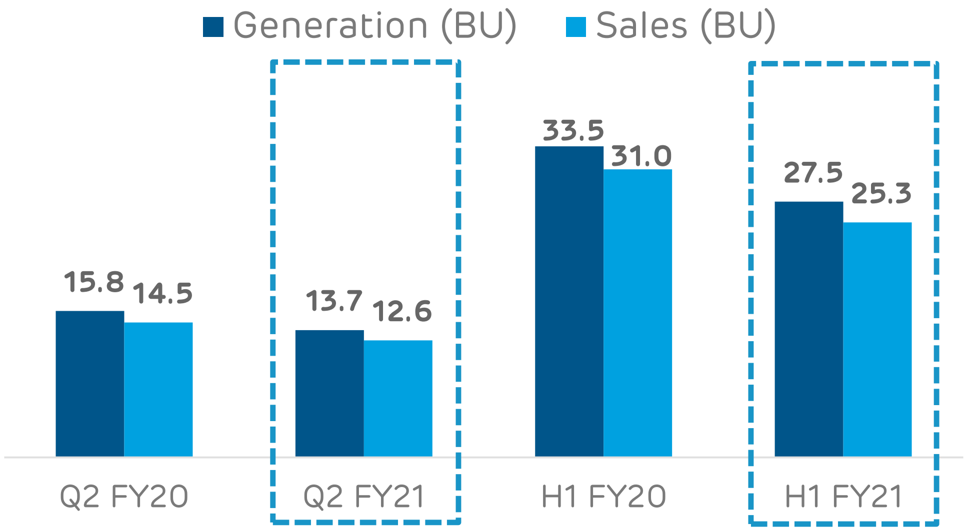
Operational Highlights

- Mundra U-7 created national record of continuous running for 444 days
- Mundra U-8 achieved 330 continuous running days

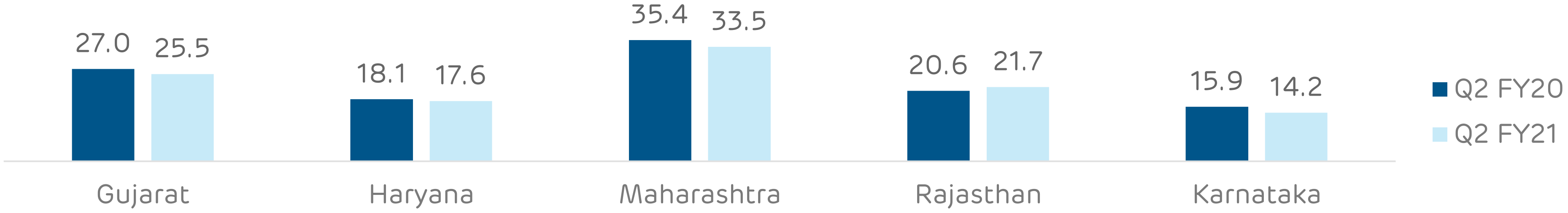
Ensuring optimum availability

BU : Billion Units





Power demand in key States (BU)*



- Plant availability maintained at high levels despite COVID-19 related restrictions
- Normalisation of power demand across States, with Rajasthan showing growth over Q2 FY20
- PLFs affected by customer backdown in Tiroda, and low merchant tariffs in case of Mundra, Raipur, and Raigarh

^Commercial availability declared under Long Term PPAs   ** Source: CEA*

Snapshot of financial performance

INR Crores

Summary Income Statement	**Q2 FY21**	**Q2 FY20**	**% var (Q2 vs Q2)**	**H1 FY21**	**H1 FY20**	**% var (H1 vs H1)**
Operating Revenue	7,749.21	5,915.69	31%	12,953.04	13,720.47	-6%
Other Income	1,043.07	899.53	16%	1,195.43	1,109.25	8%
Total Revenue	**8,792.28**	**6,815.22**	**29%**	**14,148.47**	**14,829.72**	**-5%**
Fuel cost*	3,164.95	3,927.59	-19%	6,454.92	8,637.98	-25%
Other Opex^	541.52	639.26	-15%	1,066.88	1,049.45	2%
EBITDA	**5,085.81**	**2,248.37**	**126%**	**6,626.67**	**5,142.29**	**29%**
Recurring EBITDA (adjusted for non-recurring revenue & operating exp.)	***1,513.30***	***1,518.10***	***0%***	***3,018.73***	***3,274.77***	***-8%***
Finance cost	1,364.04	1,326.33	3%	2,755.91	2,648.16	4%
PBT before Exceptional	**2,893.93**	**156.78**		**2,260.31**	**1,039.22**	
Exceptional items	-	1.20		-	(1,002.99)	
PBT	**2,893.93**	**157.98**		**2,260.31**	**36.23**	
PAT	**2,228.05**	**3.88**		**1,545.59**	**(259.51)**	

- Total Revenue includes one-time revenue of Rs. 3,624 crore in Q2 FY21, mainly towards compensatory tariff and carrying cost, as against Rs. 730 crore in Q2 FY20
- Other Opex reduction in Q2 FY21 mainly due to lower transmission/open access charges, lower O&M costs, and favourable forex movement
- Recurring EBITDA for H1 FY21 impacted by weakness in merchant/short term market
- Exceptional item in H1 FY20 relates to write-off of certain amounts upon acquisition of KWPCL (now renamed to REGL)

** Includes cost of alternate power purchase* *^ Includes purchase of trading goods*

Consolidated Balance Sheet

INR Crores

Particulars	**As on 30th Sep, 2020**	**As on 31st Mar, 2020**
Equity & Reserves (incl. Unsecured Perpetual Securities)	11,591	6,480
Long term borrowings incl. current maturities	44,015	47,397
Other Non-current liabilities	6,678	5,789
Short term borrowings	10,227	7,802
Trade payables	3,631	5,596
Other current liabilities	1,536	1,961
Sources of Funds	**77,678**	**75,025**
Fixed Assets	58,167	58,193
Other Non current assets	1,686	2,239
Inventories	1,889	2,523
Trade Receivables	12,636	8,366
Cash & Bank	1,618	1,979
Other current assets	1,682	1,725
Application of Funds	**77,678**	**75,025**

- Increase in Equity & Reserves was mainly due to issue of Unsecured Perpetual Securities of Rs. 3,600 crore during Q2 FY21
- Increase in Short Term Borrowing was mainly on account of Customer Bill Discounting of Rs. 1,500 crore and other unsecured borrowings
- Increase in Trade Receivables mainly due to revenue recognition following positive regulatory orders

Regulatory receivables update

INR Crores

Claims under announced regulatory orders

Asset Name	Nature of Claim	Status	Claims raised till 30th Sep 2020			Receipts till 30th Sep 2020		
			Principal	Carrying cost	Total	Principal	Carrying cost	Total
APMuL	Domestic Coal Shortfall (Up to 31st March 2017)	Approved by CERC	741	352	1,093	292	--	292
	Domestic Coal Shortfall (1st April 2017 onwards)	Approved by CERC	658	22	679	--	--	--
APML	Domestic Coal Shortfall (Up to 31st March 2017)	Approved by APTEL	2,821	1,316	4,137	1,400	385	1,785
	Domestic Coal Shortfall (1st April 2017 onwards)	Approved by APTEL	2,997	242	3,239	1,680	--	1,680
	Coal Shortfall due to de-allocation of Captive Coal Block (Lohara)	Approved by APTEL	3,483	2,407	5,890	664	--	664
APRL	Domestic Coal Shortfall (Up to 31st Jan 2018)	Approved by SC	4,796	3,507	8,303	2,427	--	2,427
	Domestic Coal Shortfall (1st Feb 2018 onwards)	Approved by SC	451	47	499	--	--	--
Total			**15,948**	**7,892**	**23,840**	**6,462**	**385**	**6,847**

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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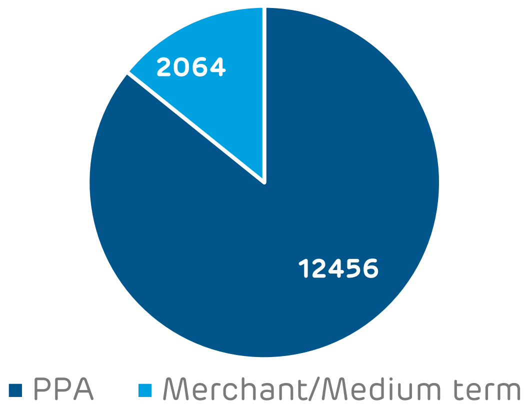
Revenue and EBITDA Mix

Q2 FY 2020-21: Sales Mix

MU : Million Units

Q2 FY20 (MU)

14,519 MU

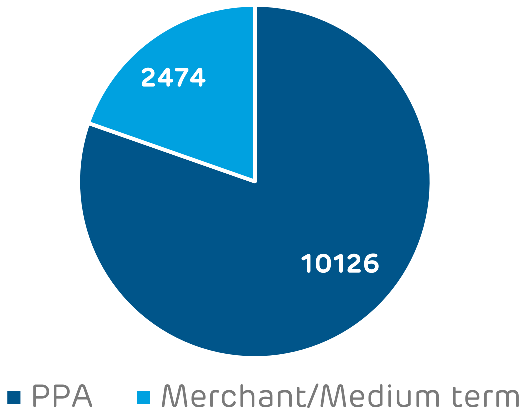


11,850 MW

-13%

Q2 FY21 (MU)

12,601 MU



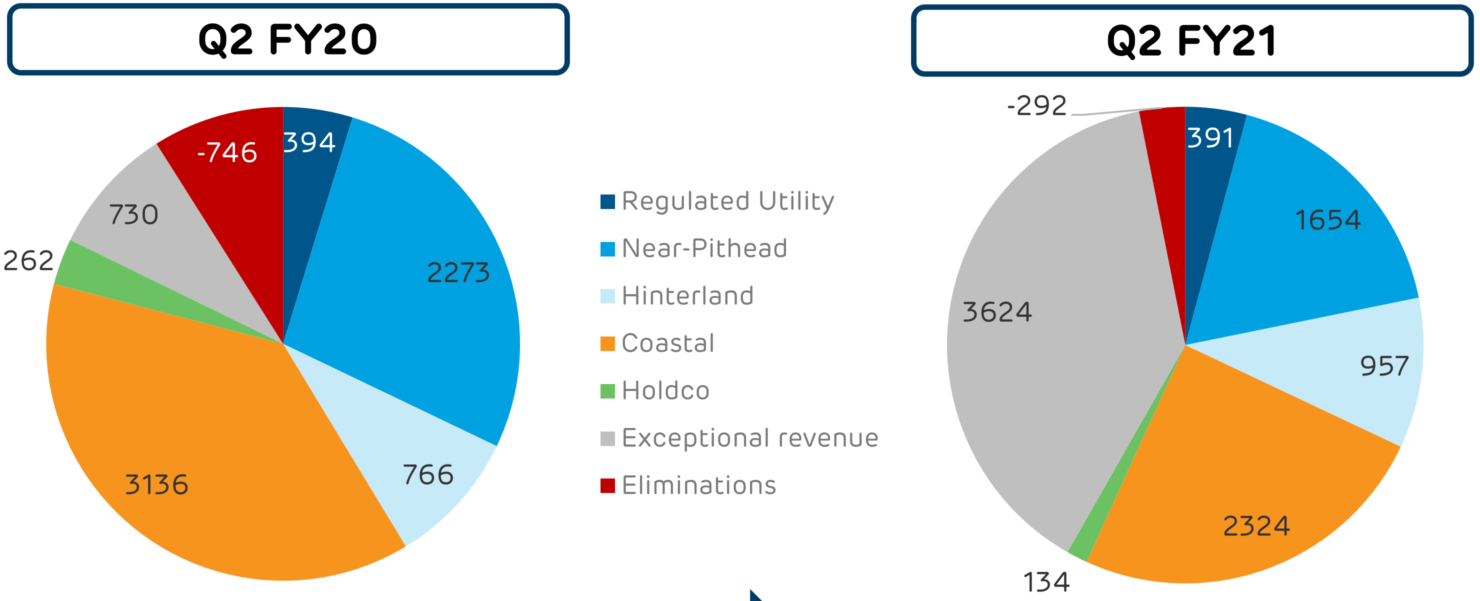
12,450 MW

Avg. PPA tariff	Rs. 4.08 / kWh	Rs. 4.14 / kWh
Avg. Merchant/Medium term tariff	Rs. 3.40 / kWh	Rs. 2.52 / kWh

- Weakness in merchant/short term market, along with customer backdowns in Maharashtra, resulted in lower volumes
- DISCOMs preferred to fulfill short term demand by accessing merchant markets due to lower tariffs
- Unfavourable supply/demand scenario in short term markets leading to suboptimal tariffs, resulting in lower blended realisation

Q2 FY 2020-21: Revenue Mix

INR Crores



Consol. Revenue	Rs. 6,815 Cr	29%	Rs. 8,792 Cr
Adj. Revenue*	Rs. 6,085 Cr	15%	Rs. 5,168 Cr

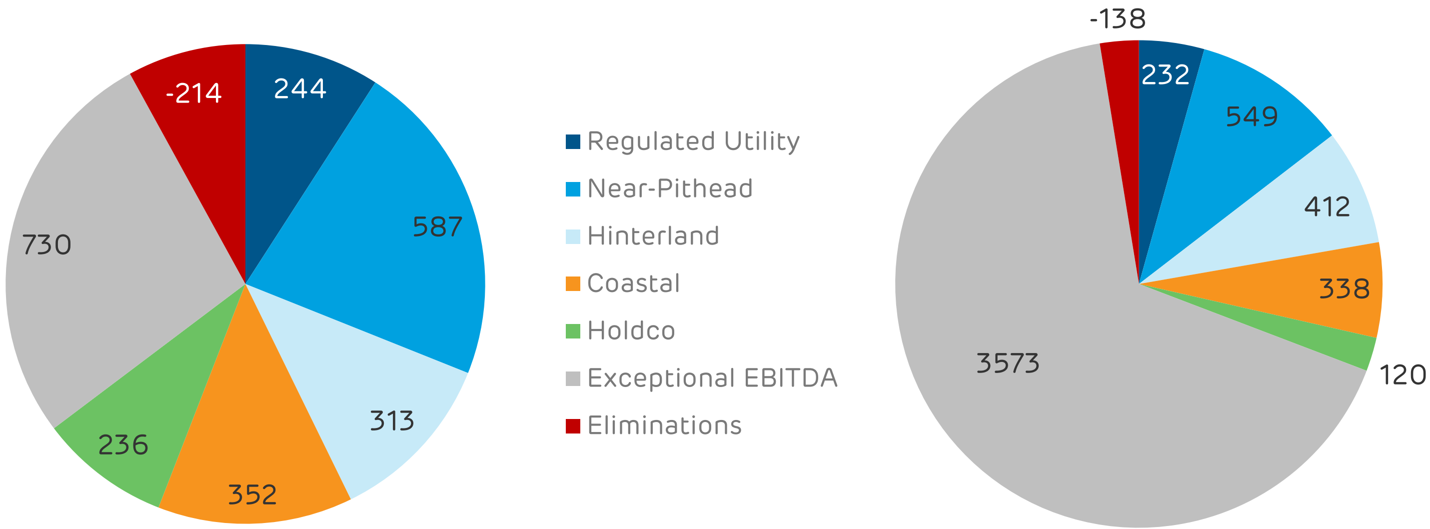
- Revenues from Near-pithead plants and Coastal capacity affected due to subdued demand in short term markets as well as customer backdowns
- Higher one-time revenue recognition in Q2 FY21 mainly on account of regulatory orders for compensatory tariffs and carrying costs in APML (Near-Pithead)

** After deducting one-time and prior period items*

Q2 FY 2020-21: EBITDA Mix

INR Crores

Q2 FY20 **Q2 FY21**



Consol. EBITDA	Rs. 2,248 Cr	126%	Rs. 5,086 Cr
Adj. EBITDA*	Rs. 1,518 Cr	0%	Rs. 1,513 Cr

- Reported EBITDA was higher mainly due to higher one-time revenue recognition during Q2 FY21
- Near-pithead and coastal plants' EBITDA impacted due to customer backdowns as well as subdued merchant tariffs
- Hinterland EBITDA improvement due to higher volumes following increase in demand in the state
- Utility contribution stable despite low volumes, due to availability-based, assured ROE PPA structure

** After deducting one-time and prior period items*

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Debt Profile

Consolidated Debt Profile

INR Crores

Particulars	As on 30th Sep, 2020	As on 31st Mar, 2020
Senior Secured Loans (Rupee Term Loans + ECB)		
Existing entities	*32,797*	*32,598*
Under-construction project	*2,766*	*2,109*
Total Senior Secured Loans	**35,562**	**34,707**
Working Capital Loans	**8,545**	**7,705**
ICD and other unsecured loans	**10,360**	**13,019**
Total Gross Debt before IndAS adjustment	**54,467**	**55,431**
Total Debt as reported (after IndAS adjustment)	**54,241**	**55,198**

Thank You