

Adani Portfolio - Credit Note

A. Executive Summary

This note outlines the key credit aspects of Adani portfolio companies with following key summary-

- Adani Portfolio companies operate in utility and infrastructure businesses with more than 81% of EBITDA being generated from core infrastructure businesses providing assured & consistent cash flow generation.
- The platform has a strong asset base which has been built over three decades that supports the resilient critical infrastructure and guarantees best-in-class asset performance over the entire life cycle.
- No material refinancing risk and near-term liquidity requirement as there is no near-term significant debt maturity.
- Rating affirmation from international and domestic rating agencies signifies the underlying credit quality with adequate financial profile - many businesses have underlying rating of BBB but it remains constrained by sovereign rating.

Adani Portfolio universe covers following independent Listed Entities:

No.	Entities	Auditor
1	Adani Ports and Special Economic Zone Ltd (APSEZ)	Deloitte Haskins & Sells
2	Adani Green Energy Ltd (AGEL)	SRBC & Co (EY) & Dharmesh Parikh & Co (Joint Auditors)
3	Adani Transmission Ltd (ATL)	Deloitte Haskins & Sells
4	Adani Total Gas Ltd (ATGL)	Shah Dhandharia & Co.
5	Adani Power Ltd (APL)	SRBC & Co. (EY)
6	Adani Enterprises Ltd (AEL)	Shah Dhandharia & Co. & includes 27 other Statutory Audit Firms like Ernst & Young, PKF, Walker Chandiook & Co. & K S Rao & Co., etc.
7	Ambuja Cements Ltd (Ambuja)	SRBC & Co. (EY)
8	ACC Ltd (ACC)	SRBC & Co. (EY)

Key highlights of Portfolio:

Particulars	Sept-22 (INR Cr)	Sept-22 (USD bn)
a) Gross Asset Block	371,255	45.6
b) Gross Debt	226,030	27.7
c) Net Debt	196,276	24.1
d) Run-rate EBITDA	61,163	7.5
e) Gross Assets / Net Debt		1.89x
f) Net Debt / RR EBITDA		3.21x
g) Debt Service Cover		2.03x
h) Cash & Cash Equivalents as on Sept. 30, 2022	29,754	3.7
i) Cash & Cash Equivalents as on Dec. 31, 2022	31,646 ↑	3.9 ↑

RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income. USD/INR (as on 30-Sept-2022) = 81.48

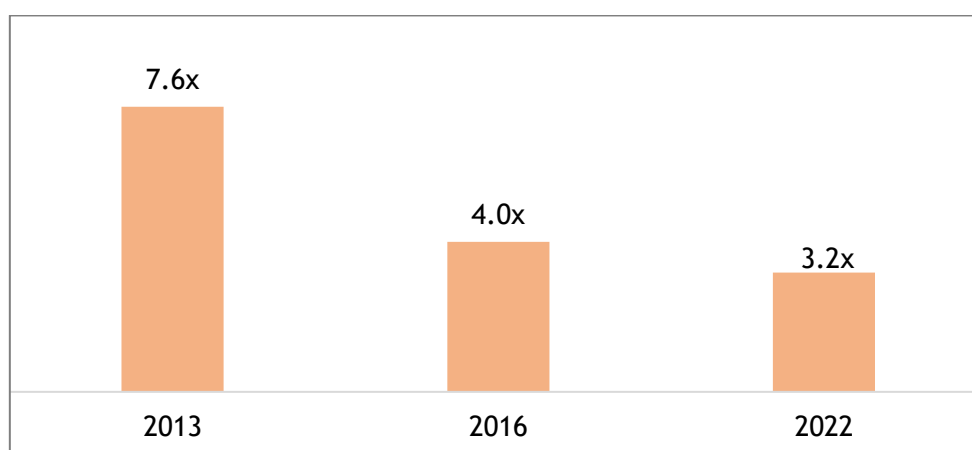
B. Leverage halved - consistent deleveraging since last 9 years

Adani Portfolio companies have a track record of successfully executing marquee large-scale projects in the infrastructure and utility space.

While doing so, the companies have consistently delivered, with a strong cash-flow generation profile, underpinned by the long-term contractual framework for the projects, as well as a robust asset base.

The portfolio level Net Debt to RR EBITDA ratio has decreased from 7.6x in FY2013 to 3.2x in FY2022 (refer Chart A). In the same period, RR EBITDA has grown at a CAGR of 22%, whereas the debt has grown only at 11% CAGR.

Chart A: Net Debt / RR EBITDA



Note: The above chart of portfolio is prior to acquisition of Cement Business and represents the financial years; RR EBITDA: Run-rate EBITDA considers annualized EBITDA considering annualized EBITDA for assets commissioned during the year

Please see below a table summarizing key financial metrics and ratios for Adani portfolio companies -

Table 1: Key Financial Metrics and Ratios as on Sept'22 TTM (Trailing Twelve Months)*

Particulars (INR cr)	AEL	AGEL	APSEZ	APL	ATGL	ATL	Cement ⁽⁷⁾	Total
EBITDA ⁽¹⁾	6,838	4,193	11,828	19,801	839	5,394	4,433	53,327
Run Rate EBITDA (RR EBITDA ⁽²⁾)	8,024	7,380	13,900	16,000	870	5,989	9,000	61,163
Cash Balances ⁽⁵⁾	4,111	4,543	6,933	2,146	397	3,116	8,508	29,754
Gross Assets ⁽⁶⁾	63,583	54,638	84,481	87,353	3,916	44,032	33,251	371,255
Gross Debt ⁽³⁾	33,518	45,435	42,750	36,031	1,160	31,109	36,027	226,030
Net Debt ⁽⁴⁾	29,406	40,892	35,817	33,885	763	27,993	27,519	196,276
Net Debt / RR EBITDA	3.66x	5.54x	2.58x	2.12x	0.88x	4.67x	3.06x	3.21x

Particulars (INR cr)	AEL	AGEL	APSEZ	APL	ATGL	ATL	Cement ⁽⁷⁾	Total
Gross Assets / Net Debt	2.16x	1.34x	2.36x	2.58x	5.14x	1.57x	1.21x	1.89x

Note: AEL: Adani Enterprises Limited, AGEL: Adani Green Energy Limited, APSEZ: Adani Ports and Special Economic Zone Limited, APL: Adani Power Limited, ATGL: Adani Total Gas Limited, ATL: Adani Transmission Limited, Cement: includes Ambuja Cements which consolidates ACC Ltd

1. EBITDA: Earnings before interest, taxes, depreciation, and amortization. EBITDA includes other income and is as per numbers reported in audit financials
2. RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income. APSEZ Run-rate EBITDA includes the Annual EBITDA of Gangavaram Port which will be consolidated fully post NCLT approval from 1st April 2021 onwards. AGEL Run-rate EBITDA includes the annualized EBITDA for the Assets which have been operational for partial period and also the assets which have been commissioned but not achieved the COD as per PPA. APL Run-rate EBITDA includes the Annual EBITDA of Mahan Energen and annualized EBITDA of 1 unit (800MW) of Godda project expected to be commissioned within FY23. AEL Run-rate EBITDA includes annualized EBITDA for road and mining assets which has been operational for partial period.
3. Gross Debt = Non-current borrowing add; current borrowing less; unsecured subordinated debt from Related Parties less; unsecured debt from Others less; shareholder's subordinated debt
4. Net debt = Gross debt less Cash Balances
5. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.
6. Gross Asset includes Property, Plant and Equipment; Capital Work In Progress; Intangible Assets; Right of Use, Goodwill, Investment Property and Intangible Asset under development
7. Cement includes Ambuja Cements which consolidates ACC
8. APL Sep 22 TTM EBITDA includes special additional revenue from the Statutory Authorities based on judicial orders

* Trailing Twelve Months (TTM) = H1FY23A + FY22A - H1FY22A

CAGR: Compounded Annual Growth Rate; DSRA: Debt Service Reserve Account

Table 2: Key Financial Estimates

Particulars		FY22 A	Sept'22 TTM	FY 23 E	
Run Rate EBITDA	INR cr	57,299	61,163	61,163	↑
Gross Assets	INR cr	3,48,450	371,255	390,688	↑
Gross Debt	INR cr	188,275	226,030	227,235	<>
Net Debt	INR cr	147,959	196,276	195,589	<>
Net Debt / RR EBITDA	x	2.58x	3.21x	3.20x	<>
Gross Assets / Net Debt	x	2.36x	1.89x	2.00x	↑

$$\text{DSCR} = \frac{\text{INR 44,078 cr (Cash Flow from Assets)}}{\text{INR 23,590 cr (Debt Servicing during the year)}} = 1.87x \text{ estimated for FY23}$$

At a portfolio level we have total Cash Balances of INR 31,646 cr as on December 31, 2022 as against INR 29,754 cr as on September 30, 2022.

C. The Credit Rating of Portfolio Companies:

International Credit Rating:

Company	Rating
Adani Ports and Special Economic Zone Limited (APSEZ)	
- APSEZ	BBB- (S&P, Fitch) / Baa3 (Moody's)
- Adani International Container Terminal Private Limited (AICTPL)	BBB- (S&P, Fitch) / Baa3 (Moody's)
Adani Transmission Limited (ATL)	
- ATL USPP	BBB- (Fitch) / Baa3 (Moody's)
- Adani Electricity Mumbai Limited (AEML)	BBB- (S&P, Fitch) / Baa3 (Moody's)
- Adani Transmission Step One Limited (ATSOL) - Obligor Group	BBB- (Fitch) / Baa3 (Moody's)
Adani Green Energy Limited (AGEL)	
- AGEL List Co	Ba3 (Moody's)
- AGEL RG2	BBB- (Fitch) / Ba1 (Moody's)/ BB+ (S&P)
- AGEL RG1	BB+ (Fitch)/ Ba2 (Moody's)/ BB- (S&P)
Adani Airport Holdings Limited (AAHL)	
- Mumbai International Airport Limited (MIAL)	BB+ (Fitch)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
Ambuja / ACC	CRISIL	AAA/Stable
APSEZ	India Ratings, ICRA	AA+/Stable
ATL	India Ratings	AA+/Stable
ATGL	ICRA	AA-/Stable
AWL	CARE	AA-/Stable
AEL	CARE, India Ratings	A+/Stable
AGEL	India Ratings	A+/Stable
APL	CRISIL, India Ratings	A/Stable, A/Positive

D. Adani Ports and Special Economic Zone Limited (APSEZ):

Brief Background:

APSEZ is the largest commercial ports operator in India accounting for nearly one-fourth of the cargo movement in the country. It has a presence across 13 domestic ports in seven maritime states of Gujarat, Maharashtra, Goa, Kerala, Andhra Pradesh, Tamil Nadu, Odisha and West Bengal presents the most widespread national footprint with deepened hinterland connectivity. The port facilities are equipped with the latest cargo-handling infrastructure which is not only best-in-class, but also capable of handling the largest vessels calling at Indian shores.

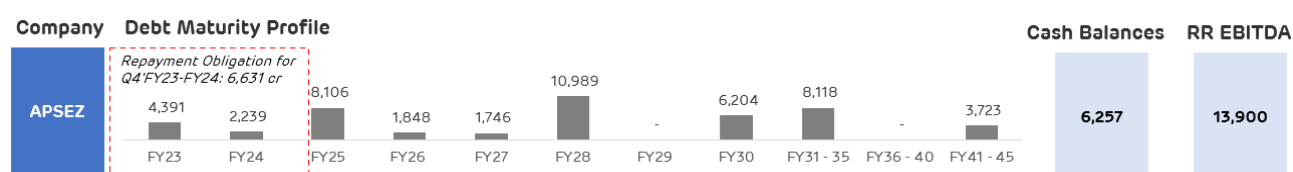
APSEZ's ports are equipped to handle diverse cargo, from dry cargo, liquid cargo, crude to containers. Through its various subsidiaries, APSEZ operates 9 logistics parks, 81 Trains, 1.1 MMT capacity of grain silos, 1.4 mn sq. ft. of the warehousing capacity and 620 kms of railway tracks. Over the years, APSEZ has evolved into a provider of integrated port infrastructure services, of which the Mundra SEZ in Gujarat is a landmark validation. APSEZ's integrated services across three verticals, i.e., Ports, Logistics and SEZ, has enabled it to forge alliances with leading Indian businesses making APSEZ an undisputed leader in the Indian port sector.

Particulars		FY22 A	Sept'22 TTM	FY 23 E*
Handled Cargo	MMT	312	329	328
Generated Revenue	INR cr	19,343	20,628	19,650
Run Rate EBITDA	INR cr	13,055	13,900	13,900
Gross Assets	INR cr	78,098	84,481	86,198
Gross Debt	INR cr	45,452	42,750	44,500
Net Debt	INR cr	31,665	35,817	38,243
Net Debt / RR EBITDA	x	2.43x	2.58x	2.75x
Gross Assets / Net Debt	x	2.47x	2.36x	2.25x

* Estimates excluding Haifa Port

$$\text{DSCR} = \frac{\text{INR 8,430 cr (Cash Flow from Assets)}}{\text{INR 6,400 cr (Debt Servicing during the year)}} = 1.32x \text{ estimated for FY23}$$

Debt Maturities of APSEZ:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income.

Debt maturity profile as on 31 Dec 2022

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts:

Moody's: Baa3 (Sovereign Equivalent)

The affirmation of APSEZ's issuer ratings considers the company's strong market position as the largest port developer and operator in India by cargo volume and its strong liquidity and financial profile. The stable outlook on the ratings reflects Moody's expectation that APSEZ would continue to generate relatively steady cash flow over the next 12-18 months and would be able to realign its capital spending plans in the event of a liquidity squeeze.

(https://www.moody's.com/research/Moodys-takes-ratings-actions-on-8-Adani-Group-entities--PR_473652)

Fitch: BBB- (Sovereign Equivalent)

We continue to assess APSEZ's underlying credit profile at 'bbb'. APSEZ's underlying credit profile reflects its status as India's largest commercial port operator, with best-in-class operational efficiency.

(<https://www.fitchratings.com/research/infrastructure-project-finance/fitch-affirms-adani-ports-at-bbb-outlook-negative-07-06-2022>)

S&P: BBB- with negative outlook

We believe the Adani companies we rate have long-established infrastructure assets with strong fundamentals and cash flows.

“This rating action does not impact the rated debt issued by four Adani entity project finance companies: Adani International Container Terminal Pte. Ltd. (BBB-/Stable), these debts are fully secured and have cash flow waterfalls that prioritize operating expenditure and debt service over distributions. Given the ring-fenced assets, in our view the structure of these financings currently sufficiently protects investors.”

(<https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/2944357>)

International Credit Rating:

Company	Rating
APSEZ	BBB- (S&P, Fitch) / Baa3 (Moody's)
Adani International Container Terminal Private Limited (AICTPL)	BBB- (S&P, Fitch) / Baa3 (Moody's)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
APSEZ	ICRA	AA+/Stable
APSEZ	India Ratings	AA+/Stable

E. Adani Green Energy Limited (AGEL):

Brief Background:

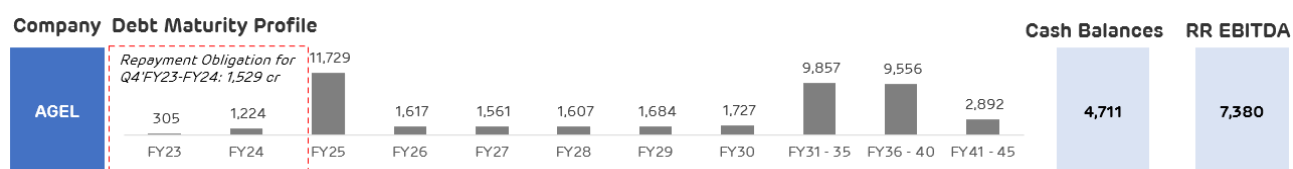
AGEL is the world's largest solar IPP and one of the India's largest renewable power project developers. It has presence across 12 states with 8.1 GW of operational capacity (7.1 GW COD achieved and 1 GW connected to grid, but Legal COD is yet to be achieved).

AGEL has grown from 2.5 GW operational portfolio in FY18 to 8.1 GW in current financial year. Due to its operational philosophy of running the project at world class level, has the EBITDA margin from Power sales at 92-93% which is best in the industry.

Particulars		FY22 A	Sept'22 TTM	FY 23 E
Operational Capacity	GW	7.2	7.4	8.5
Run Rate EBITDA	INR cr	6,644	7,380	7,380
Gross Assets	INR cr	52,004	54,638	57,361
Gross Debt	INR cr	44,390	45,435	45,930
Net Debt	INR cr	40,523	40,892	41,219
Net Debt / RR EBITDA	x	6.10x	5.54x	5.59x
Gross Assets / Net Debt	x	1.28x	1.34x	1.39x

$$\text{DSCR} = \frac{\text{INR 7,123 cr (Cash Flow from Assets)}}{\text{INR 3,658 cr (Debt Servicing during the year)}} = 1.95x \text{ estimated for FY23}$$

Debt Maturity profile of AGEL:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income. AGEL Run-rate EBITDA includes the annualized EBITDA for the Assets which has been operational for partial period and also the assets which have been commissioned but not achieved the COD as per PPA.

Debt maturity profile as on 31 Dec 2022

Key Assumptions for Debt Maturity Profile for AGEL:

Go-to-market facility of INR 10,707 cr due in FY25 and INR 2,224 cr due in FY26, assumed to be refinanced with amortising loan over residual PPA life with 5-year tail period

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts

S&P Ratings

“This rating action does not impact the rated debt issued by four Adani entity project finance companies: Adani Green Energy Ltd. Restricted Group 2 (BB+/Stable) and Parampujya Solar Energy Private Ltd. Restricted Group (BB-/Stable). These debts are fully secured and have cash flow waterfalls that prioritize operating expenditure and debt service over distributions. Given the ring-fenced assets, in our view the structure of these financings currently sufficiently protects investors.”

(<https://disclosure.spglobal.com/ratings/en/regulatory/article/-/view/type/HTML/id/2944357>)

Moody’s : Ba3 with negative outlook

“The affirmation of AGEL's senior secured bond rating reflects its predictable cash flow backed by long-term power purchase agreements (PPAs), its large and diversified portfolio of solar and wind generation projects, and its very high financial leverage.

The change in the outlook to negative on AGEL considers the company's large capital spending program and dependence on sponsor support, potentially in the form of subordinated debt or shareholder loans, which will likely be less certain in the current environment. The negative outlook also factors in the company's significant refinancing needs of around \$2.7 billion in fiscal year ending March 2025 (fiscal 2025) and limited headroom in its credit metrics to manage any material increase in funding costs.”

(https://www.moody.com/research/Moodys-takes-ratings-actions-on-8-Adani-Group-entities--PR_473652)

India Ratings : A+ / stable

“Ind-Ra notes two entities of the group - Adani Power Limited (APL; debt rated at ‘Provisional IND A’/Positive) and Adani Electricity Mumbai Limited (‘IND AA+’/Stable) - are governed by regulatory principles and overseen by regulatory commissions, while assets under Adani Green Energy Limited (‘IND A+’/Stable) and ATL are competitively bid with long-term offtake agreements providing adequate cash flow visibility.”

(<https://www.indiaratings.co.in/pressrelease/60882>)

International Credit Rating:

Company	Rating
AGEL List Co	Ba3 (Moody's)
AGEL RG2	BBB- (Fitch) / Ba1 (Moody's)/ BB+ (S&P)
AGEL RG1	BB+ (Fitch)/ Ba2 (Moody's)/ BB- (S&P)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
AGEL (consolidated)	India Ratings	A+/Stable
AGEL RG 1	CRISIL	AA/Stable
AGEL RG 1	India Ratings	AA/Stable

F. Adani Transmission Limited (ATL):

Brief Background:

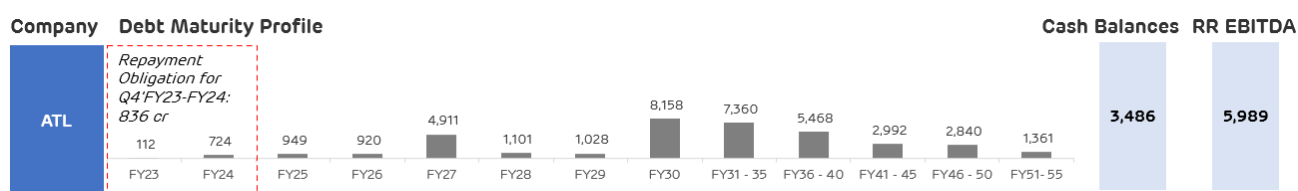
ATL is the largest private sector power transmission and distribution company in India. The Company is present across 13 states of India. ATL owns and operates various high voltage AC transmission lines and substations of 132kV, 220kV, 400kV and 765kV voltage level along with High Voltage DC transmission lines and substations of +/- 500kV voltage level. ATL had ~15,371 ckm of operational transmission lines and around 22,765 MVA of power transformation capacity with an under-construction portfolio of ~3424 ckm and 17,236 MVA power transformation capacity.

The Company caters to more than 12 Mn consumers through its distribution business in Mumbai, the financial capital of India, and through Mundra, a census town situated in Gujarat. Previous Financial year, ATL acquired MPSEZ Utilities Limited (MUL), which is engaged in electric power distribution and common effluent treatment plants comprising 148 ckm of distribution network. MUL distributed about 371 MUs (Mn units - Mar'22) with moderate distribution losses of 3.21% coupled with a medium-term power purchase arrangement.

Particulars		FY22 A	Sept'22 TTM	FY 23 E
Transmission network	ckm	18795	18,795	18795
Consumer no.	mn	12	12	12
Run Rate EBITDA	INR cr	6,004	5,989	5,989
Gross Assets	INR cr	41,878	44,032	47,850
Gross Debt	INR cr	27,491	31,109	32,276
Net Debt	INR cr	24,422	27,993	28,790
Net Debt / RR EBITDA	x	4.07x	4.67x	4.81x
Gross Assets / Net Debt	x	1.71x	1.57x	1.66x

$$\text{DSCR} = \frac{\text{INR 5,087 cr (Cash Flow from Assets)}}{\text{INR 3,020 cr (Debt Servicing during the year)}} = 1.68x \text{ estimated for FY23}$$

Debt Maturity profile of ATL:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income.

Debt maturity profile as on 31 Dec 2022

Key Assumptions for Debt Maturity Profile for ATL:

- Go-to-market facility of INR 9,628 cr due in FY26 (which includes undrawn amount of INR 6,633 cr), assumed to be refinanced with amortising debt till FY53
- Debt maturity profile also includes repayment of currently undrawn amount of INR 546 cr for under construction transmission asset (Warora-Kurnool Transmission Ltd)

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts:

ATL RG1's underlying credit assessment reflects the project companies' availability-based revenue under a supportive regulatory framework, with low technical complexity- reflected in high availability levels and operating performance that we expect to remain stable

Moody's : Baa3 with negative outlook

"The affirmation of ATSOL's senior secured bond ratings reflects the company's close credit linkage with its wholly-owned parent, Adani Transmission Limited (ATL), owing to the parental guarantee provided by ATL over the rated bonds and the event of default provisions linked to ATL's solvency. ATL's credit profile, in turn, reflects the predictable revenue from its diversified portfolio of quality regulated or contracted transmission and distribution assets, as well as the group's aggressive growth strategy and the incremental debt required to fund its capital spending."

(https://www.moody.com/research/Moodys-takes-ratings-actions-on-8-Adani-Group-entities--PR_473652)

Fitch : BBB- (Sovereign Equivalent)

ATL's business profile is supported by the company's regulated asset base, payment pooling mechanism for transmission assets.

(<https://www.fitchratings.com/research/corporate-finance/fitch-affirms-adani-transmission-at-bbb-outlook-negative-30-11-2020>)

(<https://www.fitchratings.com/research/infrastructure-project-finance/no-immediate-impact-on-rated-adani-entities-credit-profiles-from-short-seller-r%E2%80%A6>)

International Credit Rating:

Company	Rating
ATL USPP	BBB- (Fitch, underlying bbb) / Baa3 (Moody's)
Adani Electricity Mumbai Limited (AEML)	BBB- (S&P, Fitch) / Baa3 (Moody's)
ATSOL - Obligor Group	BBB- (Fitch) / Baa3 (Moody's)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
Adani Transmission Limited (ATL) - Consolidated	India Ratings	AA+/Stable
Alipurduar Transmission Limited	India Ratings	AAA/Stable
Western Transmission (Gujarat) Limited (WTGL)	India Ratings	AAA/Stable

G. Adani Total Gas Limited (ATGL):

Brief Background:

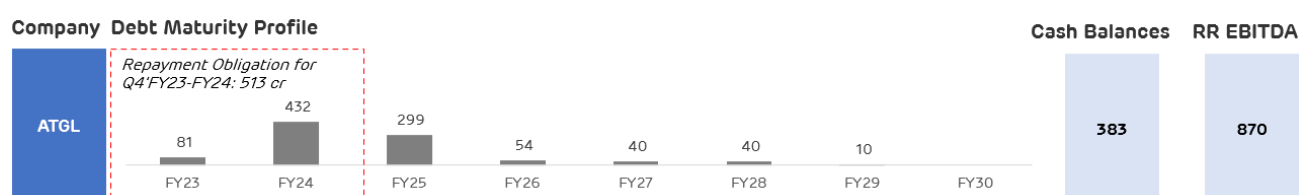
ATGL is India's largest private City Gas Distribution Company. It has presence across 52 Geographical Areas (GAs) covering 14% of India's Population across 123 Districts.

ATGL has grown from 39 GAs to 52 GAs in current financial year. Due to its operational philosophy of running the project at world class level, the EBITDA margin of the CGD business at 41% which is one of the best in the industry.

Particulars		FY22 A	Sept'22 TTM	FY 23 E
Run Rate EBITDA	INR cr	815	870	870
Gross Assets	INR cr	3,333	3,916	4,385
Gross Debt	INR cr	995	1,160	1,010
Net Debt	INR cr	606	763	627
Net Debt / RR EBITDA	X	0.74x	0.88x	0.72x
Gross Assets / Net Debt	x	5.50x	5.13x	6.99x

$$\text{DSCR} = \frac{\text{INR 932 cr (Cash Flow from Assets)}}{\text{INR 207 cr (Debt Servicing during the year)}} = 4.50x \text{ estimated for FY23}$$

Debt Maturity profile of ATGL:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income.

Debt maturity profile as on 31 Dec 2022

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts:

ICRA : AA- / Stable

“The rating reaffirmation for Adani Total Gas Limited (ATGL) considers its promoters’ strong profile with equal holding (37.4%) by Total Energies SE (Total; rated A1(Stable)/P1 by Moody’s) through Total Holdings SAS and the Adani family. ICRA expects ATGL to have significant operational synergies with Total over the long-term. As Total is among the leading liquefied natural gas (LNG) players in the world, ATGL can benefit from a favourable long-term LNG sourcing tie-up for its operations.”

(<https://www.icra.in/Rationale/ShowRationaleReport?Id=113701>)

(<https://www.icra.in/Rationale/ShowRationaleReport?Id=117742>)

H. Adani Power Limited (APL):

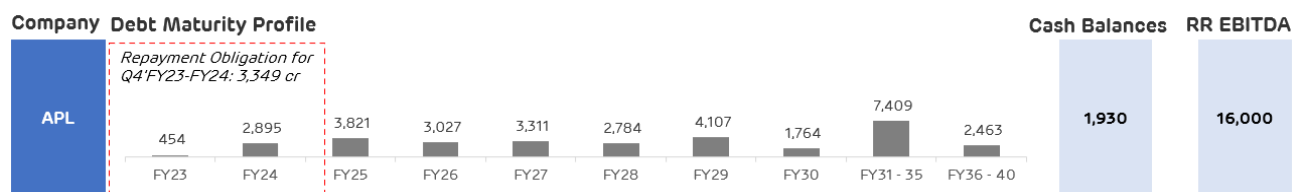
Brief Background:

APL is the largest private sector coal-based power producer in India with operational coal-based capacity of 13.6GW across seven thermal assets located in five states and a 40MW solar asset.

Particulars		FY22 A	Sept'22 TTM	FY 23 E
Operational Capacity	GW	13.6	13.6	13.6
Run Rate EBITDA	INR cr	15,475	16,000	16,000
Gross Assets	INR cr	84,215	87,353	89,049
Gross Debt	INR cr	41,418	36,031	36,656
Net Debt	INR cr	38,444	33,885	34,726
Net Debt / RR EBITDA	x	2.48x	2.12x	2.17x
Gross Assets / Net Debt	x	2.19x	2.58x	2.56x

$$\text{DSCR} = \frac{\text{INR 11,837 cr (Cash Flow from Assets)}}{\text{INR 7,079 cr (Debt Servicing during the year)}} = 1.67x \text{ estimated for FY23}$$

Debt Maturity profile of APL:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income. APL Run-rate EBITDA includes the Annual EBITDA of Mahan Energen and annualized EBITDA of 1 unit (800MW) of Godda project expected to be commissioned within FY23.

Debt maturity profile as on 31 Dec 2022

Key Assumptions for Debt Maturity Profile for APL:

1. Assumed replacement of INR 3,549 cr capex LC for Godda power project with term loan, post COD of both units in FY24.

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts:

Crisil : A / Stable

“CRISIL Ratings has taken note of the clarifications submitted by Adani Power Limited (APL) with stock exchanges on February 03, 2023, regarding media/publication dated February 02, 2023, titled “Bangladesh keen to revise Adani Power deal”.

CRISIL Ratings understands that Adani Power (Jharkhand) Ltd (APJL; a wholly owned subsidiary of APL) received a communication from Bangladesh Power Development Board (BPDB) requesting APJL for a discount on the energy charge as per the Power Purchase Agreement (PPA).”

(https://www.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/AdaniPowerLimitedFebruary%2009,%202023_RR_311709.html)

“The ratings factor in the strong market position of the company, presence of long-term power purchase agreements (PPAs) for nearly 75% of operational capacities having two-part tariff structure and the diverse counterparty mix. The ratings also factor in presence of fuel supply agreements (FSAs) for nearly 69% of operational domestic coal-based capacities, and the diversified portfolio of coal-based power-plants. Location of untied capacities closer to pitheads will also support fuel availability and lower cost of generation.”

(https://www.crisil.com/mnt/winshare/Ratings/RatingList/RatingDocs/AdaniPowerLimited_September%2016,%202022_RR_300641.html)

India Ratings: A / Positive

“Ind-Ra notes two entities of the group - Adani Power Limited (APL; debt rated at ‘Provisional IND A’/Positive) and Adani Electricity Mumbai Limited (‘IND AA+’/Stable) - are governed by regulatory principles and overseen by regulatory commissions, while assets under Adani Green Energy Limited (‘IND A+’/Stable) and ATL are competitively bid with long-term offtake agreements providing adequate cash flow visibility.”

(<https://www.indiaratings.co.in/pressrelease/60882>)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
APL (consolidated)	India Ratings	A/Positive
APL (consolidated)	CRISIL	A/Stable

I. Adani Enterprises Limited (AEL):

Brief Background:

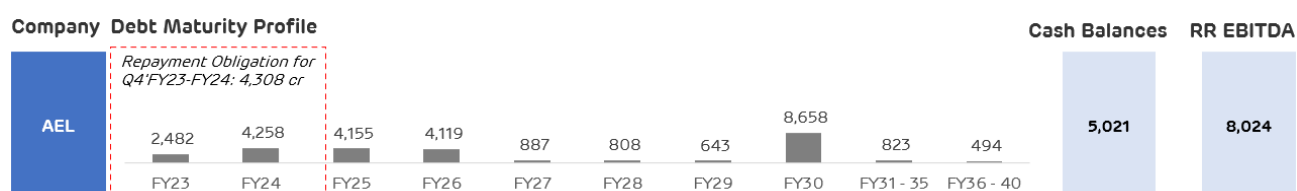
Adani Enterprises Limited (AEL) is the flagship company of Adani Group, one of India's largest business organizations and acts as the Incubator for the Portfolio. Over the years, Adani Enterprises has focused on building emerging infrastructure businesses, contributing to nation-building and divesting them into separate listed entities. Having successfully built unicorns like Adani Ports & SEZ, Adani Transmission, Adani Power, Adani Green Energy, Adani Total Gas and Adani Wilmar, the company has contributed significantly making India self-reliant with our portfolio of robust businesses. This has also led to robust returns to our shareholders at a CAGR of 38% over 25+ years.

AEL is currently building businesses like Airports with portfolio of 8 Airports to service 200 Mn consumers, Adani Road portfolio of 14 roads, Data Center business with target to create 1 GW portfolio to serve the national needs and World's Largest Green Hydrogen Ecosystem.

Particulars		FY22 A	Sept'22 TTM	FY 23 E
Consumer no.	mn	200	200	200
Run Rate EBITDA	INR cr	8,713	8,024	8,024
Gross Assets	INR cr	57,237	63,583	72,156
Gross Debt	INR cr	28,482	33,518	30,836
Net Debt	INR cr	24,049	29,406	25,815
Net Debt / RR EBITDA	x	2.76x	3.66x	3.22x
Gross Assets / Net Debt	x	2.38x	2.16x	2.80x

$$\text{DSCR} = \frac{\text{INR 7,091 cr (Cash Flow from Assets)}}{\text{INR 3,226 cr (Debt Servicing during the year)}} = 2.20x \text{ estimated for FY23}$$

Debt Maturity profile of AEL:



RR EBITDA: Run-rate EBITDA considers annualized EBITDA for assets commissioned after the start of the year. Run rate EBITDA includes other income. AEL Run-rate EBITDA includes annualized EBITDA for road and mining assets which has been operational for partial period.

Debt maturity profile as on 31 Dec 2022

Cash Balances as on 31 Dec 2022. Cash Balances includes cash & cash equivalents, bank balances, current investments, market value of marketable securities (non-current investments), balance held as margin money & deposit for more than 12 months.

Latest Rating Excerpts:

CARE : A+ / Stable

“Adani Enterprises Limited (AEL) continues to take into consideration the strengthened financial flexibility of the Adani group led by the established track record of successful incubation of businesses across various verticals and recovery of passenger traffic in the airport segment during FY22 (refers to the period April 01 to March 31). The ratings also consider equity infusion of around Rs.7700 crore in Q1FY23 from IHC Holdings LLC aiding liquidity of AEL.”

https://www.careratings.com/upload/CompanyFiles/PR/29062022062954_Adani_Enterprises_Limited.pdf

International Credit Rating:

Company	Rating
Mumbai International Airport Limited (MIAL)	BB+ (Fitch)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	INR Ratings
AEL (consolidated)	India Ratings	A+/Stable
AEL (consolidated)	CAREEDGE	A+/Stable
AAHL	India Ratings	A+/Stable
AAHL	CRISIL	A+/Stable
MIAL	CRISIL	AA- / Stable
MIAL	CAREEDGE	AA- / Positive