

adani

Growth  
With  
Goodness

# Adani Power Limited Presentation to Shareholders

28<sup>th</sup> Annual General Meeting  
25<sup>th</sup> June 2024



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# Adani Power Limited (APL): FY 20 23-24 Highlights

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# APL: Stronger Than Ever in FY 2023-24

## Revenues

Rs. 43,041 Crore	<b>+40%</b>	<b>Rs. 60,281 Crore</b>
FY 2022-23		FY 2023-24

## EBITDA\*

Rs. 14,312 Crore	<b>+96%</b>	<b>Rs. 28,111 Crore</b>
FY 2022-23		FY 2023-24

## Profit After Tax

Rs. 7,675 Crore	<b>+94%</b>	<b>Rs. 20,792 Crore</b>
FY 2022-23		FY 2023-24

## Total Equity

Rs. 29,876 Crore	<b>+44%</b>	<b>Rs. 43,145 Crore</b>
FY 2022-23		FY 2023-24

## EBITDA / MW

Rs. 1.05 Crore	<b>+76%</b>	<b>Rs. 1.84 Crore</b>
FY 2022-23		FY 2023-24

## Net Debt / MW

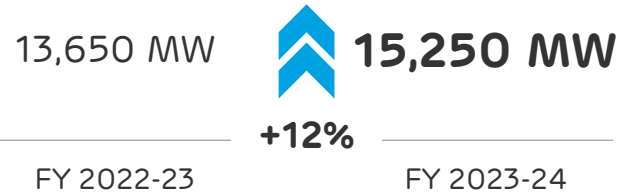
Rs. 2.89 Crore	<b>(-)40%</b>	<b>Rs. 1.74 Crore</b>
FY 2022-23		FY 2023-24

**Strong financial performance reflected in credit rating upgrade from A to AA- during FY 2023-24**

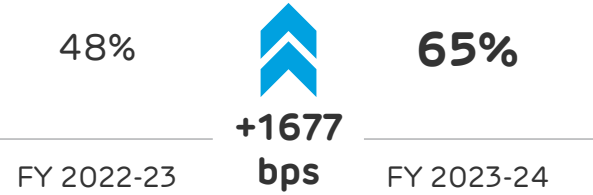
\*EBITDA: Earnings Before Interest, Depreciation, Amortisation, and Taxes; MW: Mega Watts  
EBITDA for FY 2022-23 and FY 2023-24 includes one-time prior period recognition of Rs. 5,772 Crore and Rs. 9,322 Crore respectively

# APL: Operating Excellence in FY 2023-24

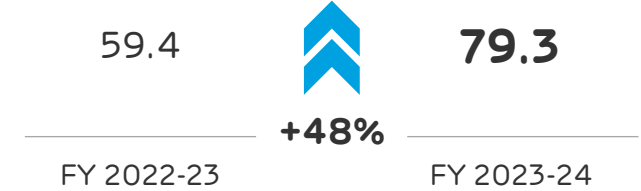
## Installed Capacity



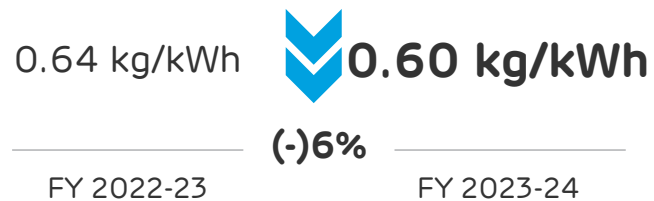
## Plant Load Factor



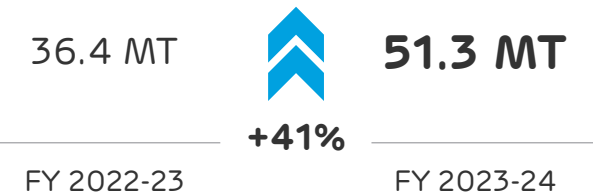
## Power Sales (BU)



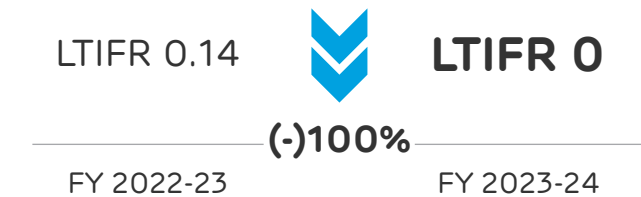
## Specific Coal Consumption



## Fuel Logistics Management<sup>^</sup>



## Employee Safety<sup>@</sup>



**Efficient, reliable, and competitive fleet with highly competent operating capabilities**

MW: Mega Watts; bps: basis points; BU: Billion Units; MT: Million Tonnes of coal consumed; LTIFR: Lost Time Injury Frequency Rate per one million person-hours worked  
<sup>^</sup>Fuel Logistics Management pertains to total coal consumption during the financial year; <sup>@</sup>Employees only

# APL: Organic and inorganic capacity expansion highlights for FY 2023-24

## Godda

1600 MW

2X800 MW Ultra-supercritical

- Commissioned in Q1 FY 2023-24 within 3.5 years of financial closure
- India's first transnational power project selling its entire capacity to Bangladesh
- Earning precious foreign exchange and supporting Bangladesh economy through reliable power supply with a 25-year PPA.

## Mahan Ph-II

1600 MW

2X800 MW Ultra-supercritical

- Plant under construction; completion targeted by June 2027
- Power supply to Madhya Pradesh under a 25-year PPA
- Total capacity of Mahan Energen Ltd. to be 2800 MW including existing 1200 MW (Ph-I)

## CEPL

1200 MW

2X600 MW Operational

- Coastal Energen Pvt. Ltd. (CEPL), Tamil Nadu, undergoing Corporate Debt Resolution under Insolvency and Bankruptcy Code
- Resolution Plan submitted by Consortium including APL (49% share) accepted by Committee of Creditors and Letter of Intent received on 23<sup>rd</sup> December 2023.
- Awaiting approval of Resolution Plan by National Company Law Tribunal

## LAPL

600+1320 MW

2X300 MW Operational

- Lanco Amarkantak Power Ltd. (LAPL), Chhattisgarh, undergoing Corporate Debt Resolution under Insolvency and Bankruptcy Code
- Resolution Plan submitted by APL accepted by Committee of Creditors and Letter of Intent received on 4<sup>th</sup> March 2024; now awaiting approval by National Company Law Tribunal

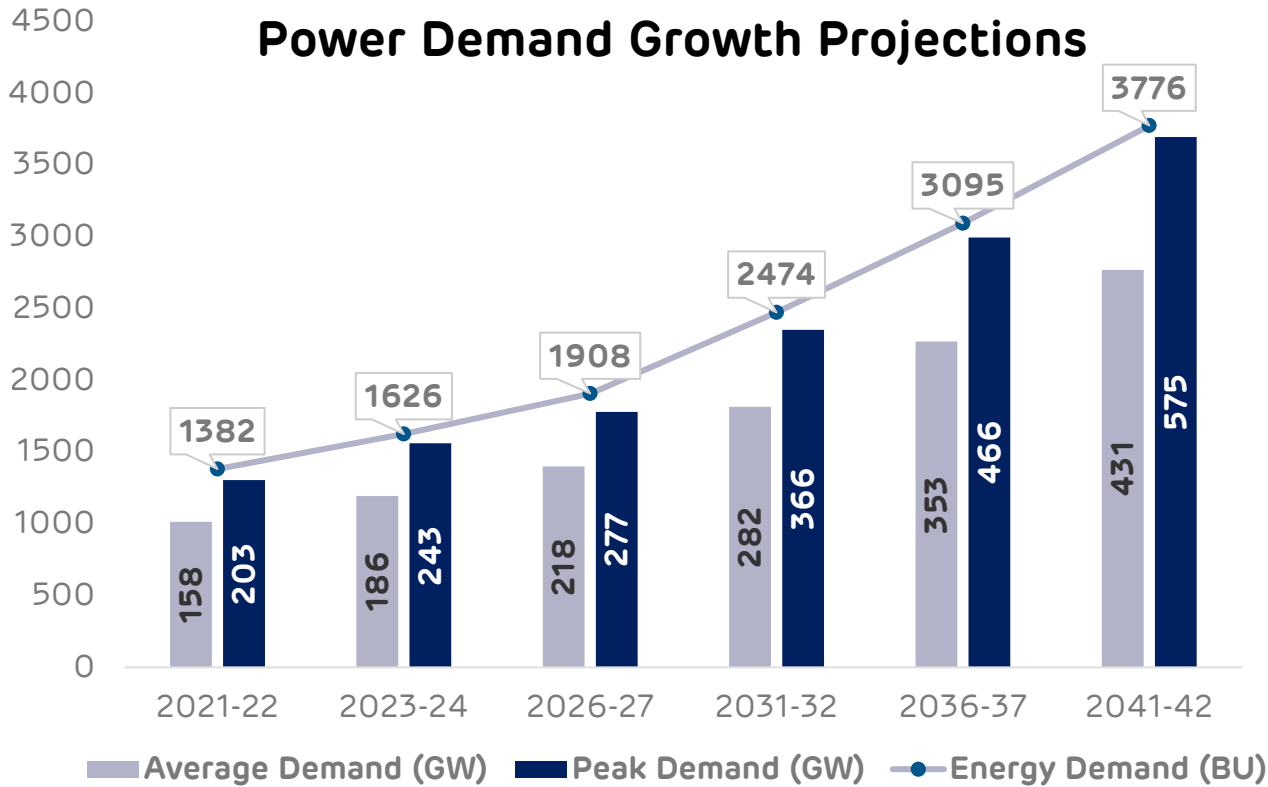
**Strong capacity expansion pipeline to further increase in lead among Independent Power Producers**

# 2

## Power Sector Outlook and Growth Strategy

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# Thermal Power will act as reliable source of electricity and stabilize the grid in a rising renewable energy scenario



FY25 onwards, **new Capex cycle** is expected to drive demand with increased share of manufacturing and growing peak demand

Peak demand projected to reach **366 GW** by FY 2031-32, now revised to **390 GW**

FY 2029-30 target **500 GW** non-fossil fuel-based capacity, however **290 GW** thermal power required to meet peak demand

Imperative to start planning for reliable power supply **beyond FY 2029-30**, with thermal power contributing **50% or more**

## 80 GW more of coal-based capacity required



**Thermal power will supply critical base load power requirements of a growing economy in a rising renewable energy scenario.**



## APL: Strategy for long term value creation

Doubling of current capacity: 30,670 MW by FY 2029-30



Fuel security enhancement through commercial mines

**Dhirauli**  
 Singrauli, Madhya Pradesh  
 6.5 MTPA peak capacity

**Gondkhari**  
 Nagpur, Maharashtra  
 2 MTPA peak capacity

with more planned...

# APL: Progress on growth strategy in FY 2024-25

## Amalgamation of Mining Company



- Stratatech Mineral Resources Pvt. Ltd. (SMRPL), a subsidiary of Adani Enterprises Ltd., to be amalgamated with Mahan Energen Ltd. (MEL) through NCLT-appointed process.
- SMRPL holds a commercial mining license of Dhirauli coal mine block in Singrauli District, Madhya Pradesh with peak rated capacity of 6.5 MTPA of coal.

## Acquisition of Land Holding Company



- Mirzapur Thermal Energy (UP) Pvt. Ltd. (MTEUPL), a subsidiary of Adani Infra (India) Ltd.
- Holds land suitable for thermal power plant at Mirzapur District, Uttar Pradesh,.
- MTEUPL acquired with a view to augment generation capacity.

## Progress in Capacity Expansion Plans



- Advance ordering commenced for securing project supply chain for:
  - Raigarh plant: 2x800 MW (1600 MW) Phase-II project
  - Raipur plant: 2x800 MW (1600 MW) Phase-II project
  - Mirzapur: 2x800 MW (1600 MW) project

**Rapid progress in achieving strategic vision through capacity augmentation and enhancing fuel security**

# 3

*APL : Key Differentiators for Long Term Success*

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## APL: All-round excellence for sustained leadership

### Integrated Project Management



- Integrated approach from project conceptualization to project commissioning
- In-depth optimization at each stage of project management cycle
- Strong project controls, collaboration, and convergence leading to effective project delivery

### Leveraging Technology and Analytics



- Centralised monitoring, analysis, and support through Energy Network Operations Centre (ENOC)
- Data Analytics driven decision-making for ensuring high uptime
- Fostering an organization-wide culture of continuous improvement and innovation with a focus on capability building

### Fuel Management and Logistics



- Only IPP in India with in-house, mine-to-plant logistics capability
- Handling approx. 60 MMTPA of coal and 13 MMTPA of fly ash annually, a substantial logistics organization in its own right
- Annually managing 14,500 rake-equivalent of coal movement through multiple touchpoints with numerous agencies

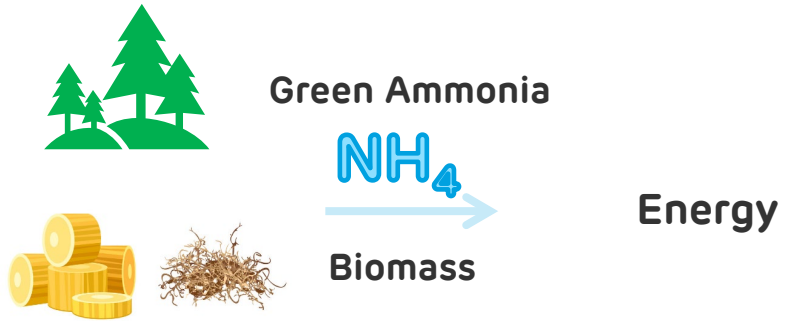
**Critical Success Factors for long-term success and growth in a dynamic sector**

# APL: Enhancing reliability and responsiveness through analytics

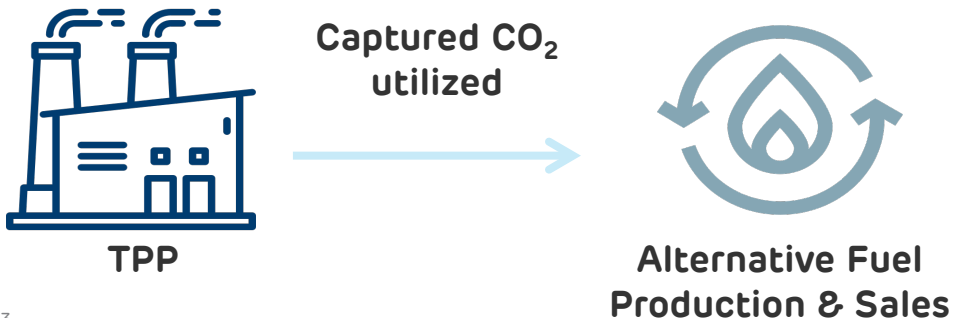


# APL: Reducing Carbon footprint through Benign coal conversion pathways – Ammonia / Biomass Co-firing, CCUS initiatives are progressing...

## Biomass / Ammonia Co-firing



## Carbon Capture & gainful utilization



### Benefits

Choice of dispatch in MOD



Improved ESG rating

Bring in additional investment on improved ESG ratings / Green bonds



New revenue streams

Potentially bring in addtl. revenue in form of methanol, timber etc

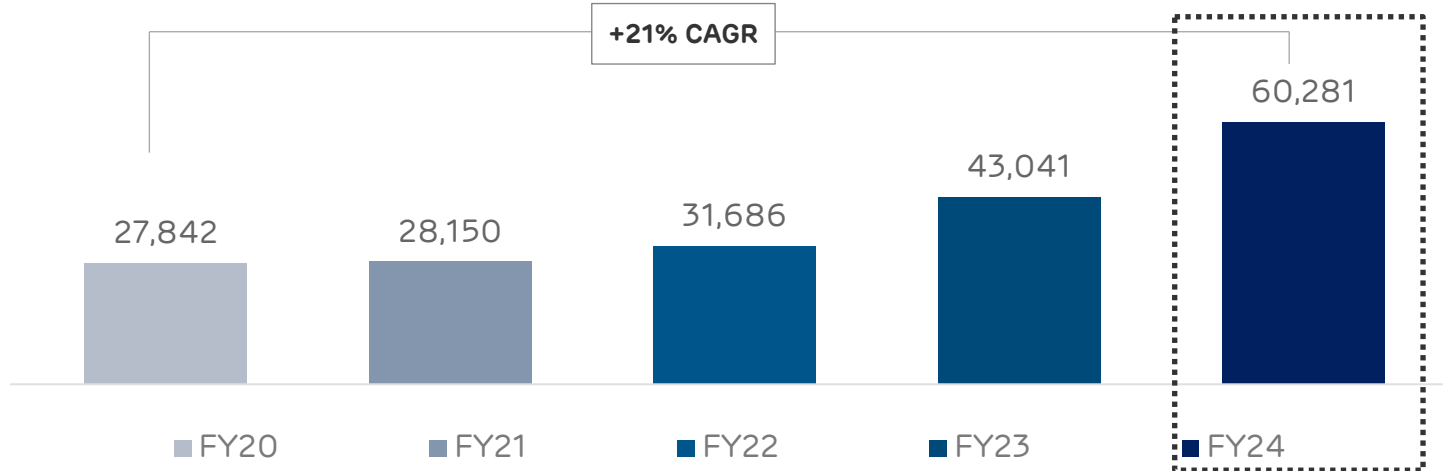
Establish net-zero cost without impacting asset health

## APL : Business Highlights for FY 20 23-24

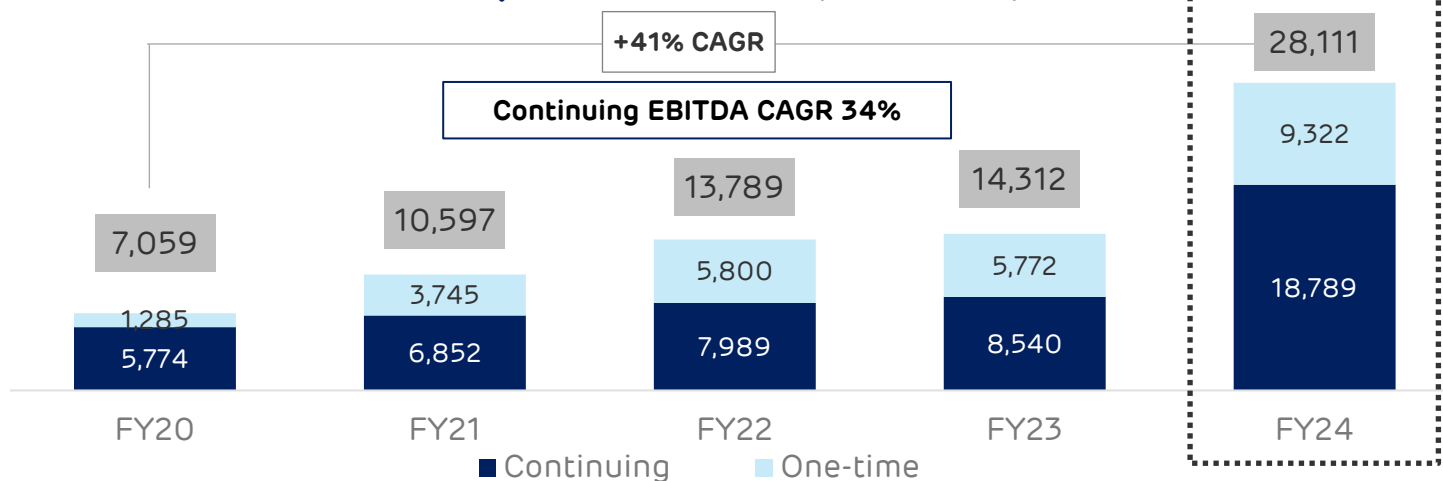
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# APL: Strong growth in revenues and operating margins

## Total Revenues (Rs. Crore)



## Reported EBITDA (Rs. Crore)

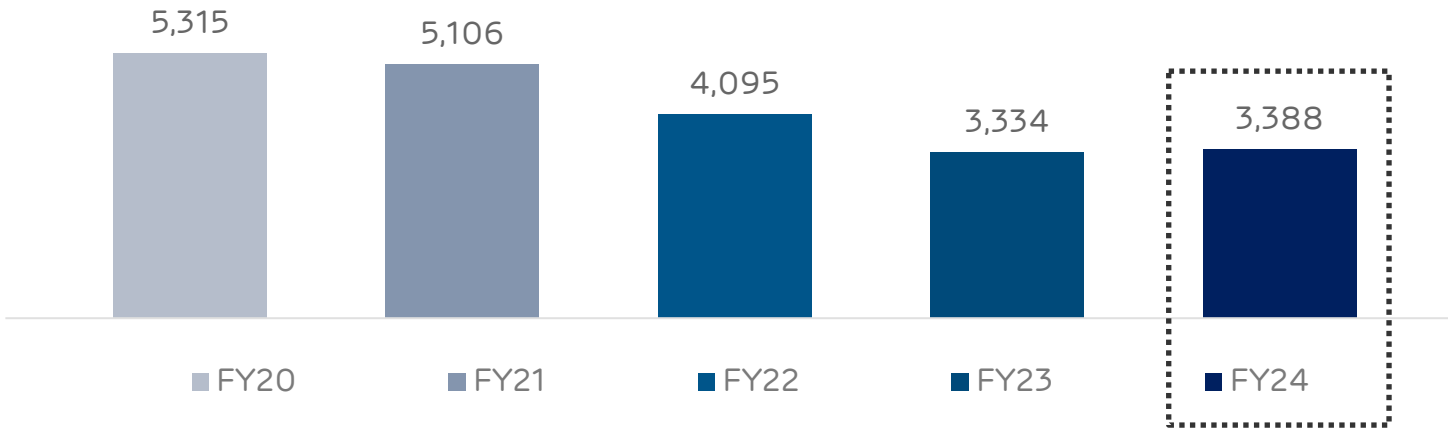


- Higher revenues on back of volume growth (79.3 BU vs 59.4 BU) due to higher power demand and capacity addition (Godda 1600 MW)
- Higher one-time revenue recognition on account of regulatory claims (Rs. 9,322 Crore vs Rs. 5,772 Crore).
- Sharp improvement in EBITDA due to improved fuel cost recovery, inclusion of Godda, and higher prior period revenue recognition.

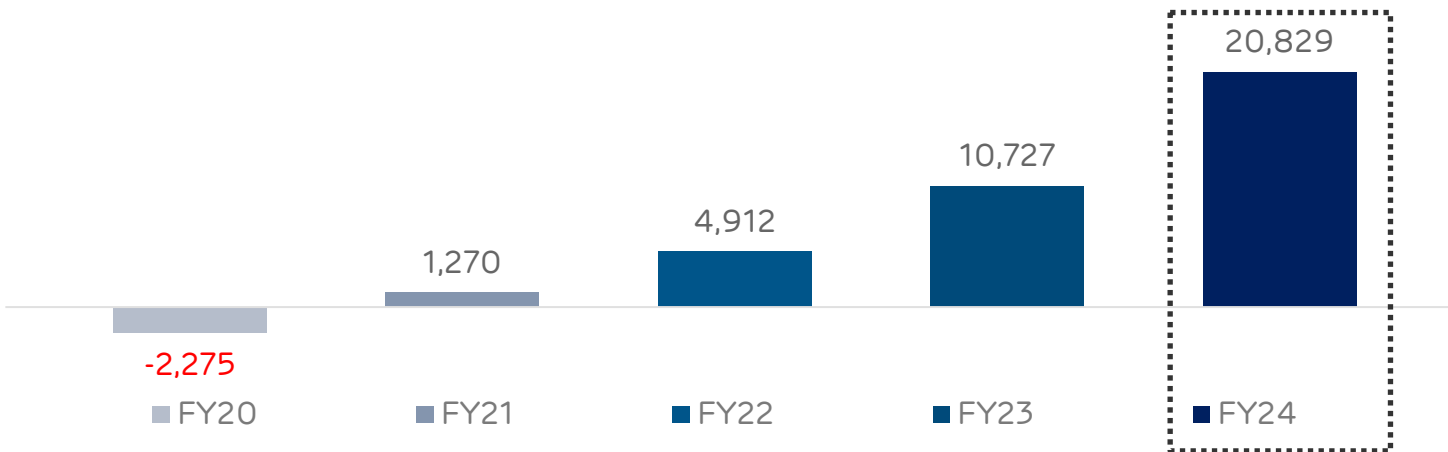


# APL: Reduction in finance cost and improved post-tax profits

Finance Cost (Rs. Crore)



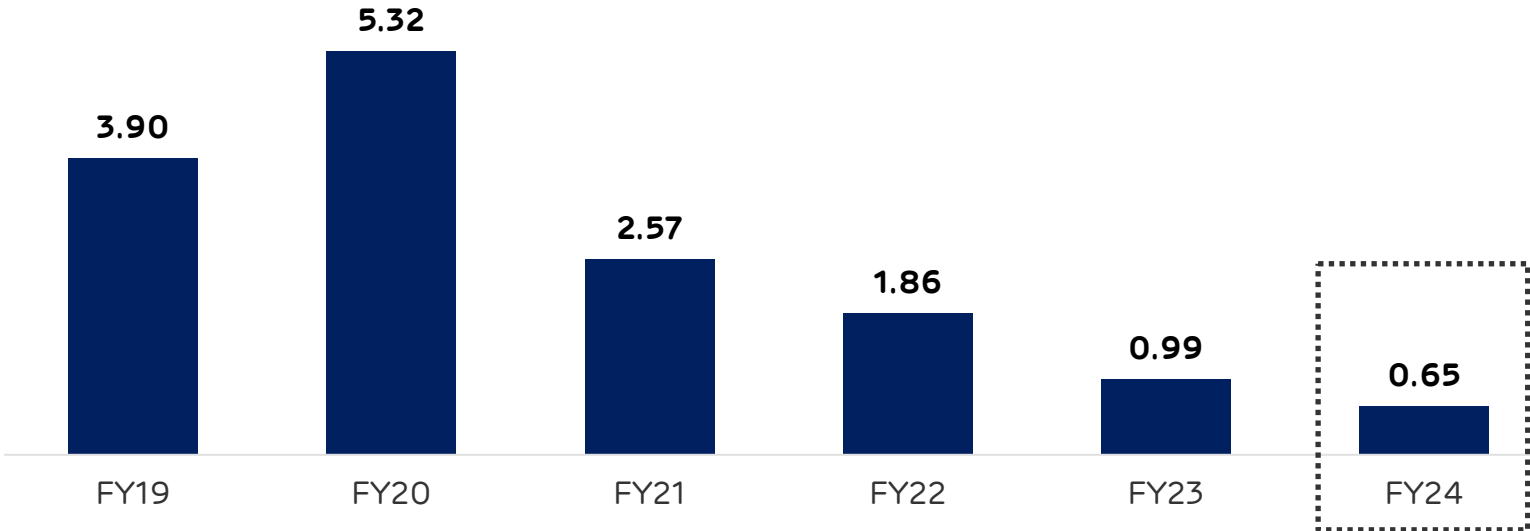
PAT Growth (Rs. Crore)



- Judicious utilization of cash surplus to deleverage by reducing secured and unsecured debt.
- Effective control on Finance Cost despite additional borrowing cost for Godda due to deleveraging.
- Remarkable operating and financial performance reflected in outstanding growth in Profit After Tax over last four years, culminating in exceptional profitability in FY 2023-24.

# APL: Deleveraging of balance sheet and stronger net worth

Senior Term Debt / Equity Ratio (times)



Financial Year Ended	31 <sup>st</sup> March 2019	31 <sup>st</sup> March 2024
Total Debt	46,980	34,457
Senior Debt	35,997	34,273
Total Equity*	7,712	43,145

\* Includes Unsecured Perpetual Securities

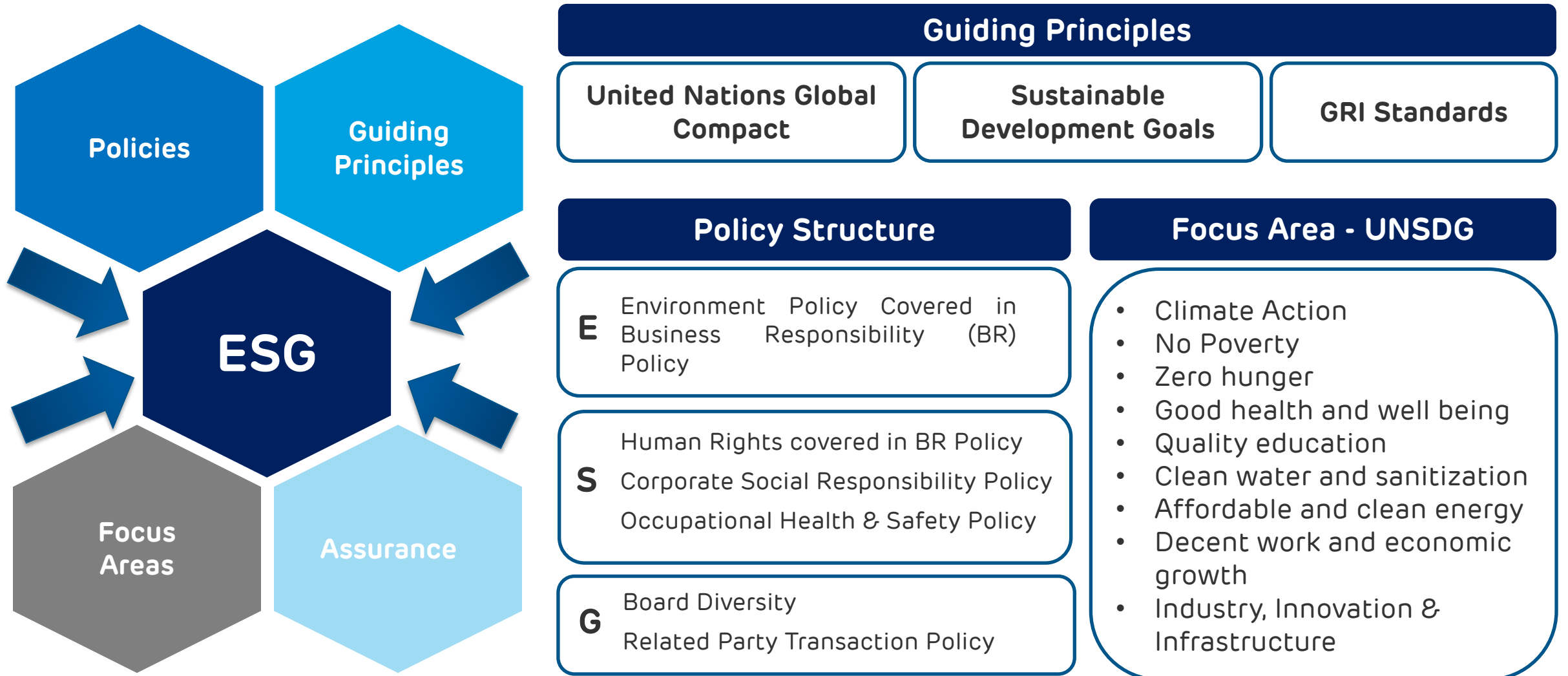
- Significant reduction in senior debt through deleveraging despite ongoing capacity growth.
- Revitalisation of financial position leading to an exceptionally healthy balance sheet.
- Sharp upgrade in APL's credit rating from A to AA- in FY 2023-24.

# 5

## ESG Philosophy and Practice at APL

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# Robust ESG assurance framework



**Policy and framework backed by robust assurance program**

# APL: ESG Highlights

Material Topic	Targets	Key ESG Initiatives/Achievements	UN SDGs
<b>Climate Change Adaptation and Mitigation</b> 	Reduction in GHG emission intensity to <b>0.84</b> tCO <sub>2</sub> e/MWh by FY 2025  Explore Net carbon Neutral possibilities and public disclosures by 2023-24  Explore Net carbon Neutral possibilities and public disclosures by 2024-25	<b>Climate Change Adaptation and mitigation</b> <ul style="list-style-type: none"> <li>Average Emission intensity - 0.85 tCO<sub>2</sub>e/MWh.</li> </ul> <b>Water Management</b> <ul style="list-style-type: none"> <li>Water Intensity is 2.35 m<sup>3</sup>/MWh for FY 24 which is 33% lower than Statuary limit for Hinterland plants (3.50 m<sup>3</sup>/MWh).</li> <li>APL achieved ash utilization of 89% YTD (up to Q4) FY 24.</li> </ul> <b>Waste Management</b> <ul style="list-style-type: none"> <li>07 out of 09 APL operating locations certified with SUP Free certification, APJL &amp; MEL SuPF target for FY 2024 – 25.</li> </ul> <b>Health, Safety and Well-being</b> <ul style="list-style-type: none"> <li>All Plants and Offices assessed on working conditions and health and safety</li> <li>Zero health and safety related injuries</li> </ul>	
<b>Waste Management</b> 	Single-use-Plastic-Free (SuPF) Certified Company for <b>100%</b> of operating locations by 2024-25	<b>ESG Rating Highlights</b> <ul style="list-style-type: none"> <li>APL maintained B Score For Fulfilling Climate Change and Water Security Commitments from CDP for 2024.</li> <li>APL's score of 48 in Corporate Sustainability Assessment (CSA) by S&amp;P Global, is above the world electric utility average score of 34.</li> <li>APL's score 88% in CSR HUB ESG Rating Jan '24 is better than the global industry average.</li> <li>Scored 3.5/5.0 in FTSE ESG rating – better than world utilities average score of 2.7/5.0.</li> <li>APL is a constituent company in the FTSE4Good Index Series.</li> </ul>	
<b>Health and Safety</b> 	<b>0</b> Zero health & safety related injuries		

# APL: Board of Directors and Management overview

	100% IDs	Chaired By IDs	Chaired By NID
<b>Statutory Committees</b>			
- Audit	✓		
- Nomination & Remunerations	✓		
- Stakeholder Relationship		✓	
- Corporate Social Responsibility		✓	
- Risk Management		✓	
<b>Non-statutory Committees</b>			
- IT & Data Security		✓	
- Corporate Responsibility	✓		
- Mergers and Acquisition		✓	
- Legal, Regulatory & Tax		✓	
- Reputation Risk			✓
- Commodity Price Risk		✓	

**40%**  
Comprised of only Independent Directors

**100%** of Statutory Committees Chaired by Independent Directors

**6** Additional Business specific committees

**17%** Fully comprised of Independent Directors

**83%** Chaired by Independent Directors

## Pathway to strengthen Corporate Governance

- **Tenure of IDs** – upto 3 years for max. 2 terms
- **Management Ownership** – CEO and member of executive committees to have share ownership
- **Related Party Transactions** – Independent 3<sup>rd</sup> party review & certification
- **Training & Education** – Min. 4 sessions in a year for education of IDs

## Board of Directors

### Independent Directors



**Chandra Iyengar**

**50+** Yrs of Experience  
Skill & Expertise  
• Regulatory matters  
• Policy framework



**Sushil Kumar Roongta**

**35+** Yrs of Experience  
Skill & Expertise  
• Business leadership  
• Industry expert



**Sangeeta Singh**

**35+** Yrs of Experience  
Skill & Expertise  
• Taxation  
• Strategy Formulation

### Non-Independent Directors



**Gautam Adani**

Chairman

Skill & Expertise  
• Entrepreneurial Vision  
• Business Leadership



**Rajesh Adani**

Director

Skill & Expertise  
• Business relationship  
• Execution



**Anil Sardana**

Managing Director

**40+** Yrs of Experience  
Skill & Expertise  
• Industry veteran  
• Strategic leadership  
• Transition & Development

# 6

## Conclusion

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## APL: Vehicle of choice for long term growth

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### **Credible**

Proven project execution and turnaround skills

### Capable

Aptly demonstrated all-round expertise and financial strength

### **Competent**

Robust systems with highly skilled and experienced team

### Committed

Long term and growing investments in core infrastructure sector



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Thank You

