

BUILDING A BETTER TOMORROW

Connecting India for
Sustainable Energy Solutions



Adani Transmission Limited

Integrated Annual Report 2022-23

Forward-looking statement

Certain statements in this communication may be 'forward-looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations. Adani Transmission Limited, will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Building a Better Tomorrow

The Adani Group's Annual Report for the year 2022-23 presents a growth narrative powered by sustainable infrastructure and building a better future for the world around sustainable practices. This positioning reflects our Chairman's vision of long-term growth. From humble origins, the Adani Group has evolved into India's largest infrastructure platform (outside of the government) with a focus on renewable energy and sustainable development. The Group's efforts have also contributed to the formulation of policies that offer renewable power options to consumers across India, making it available, affordable and accessible. This Annual Report emphasises the overarching theme of sustainability, adaptability, and climate resilience, which underpins the Adani Group's narrative of long-term growth. The report highlights specific achievements, showcasing the overall portfolio growth and the progress of individual companies within the Group. This Annual Report 2022-23 presents a compelling 'Building a better tomorrow' theme through sustainability, adaptability, climate resilience, and community development. Through these attributes, the Group has positioned itself as a leader in driving positive change and creating a better tomorrow for all its stakeholders.

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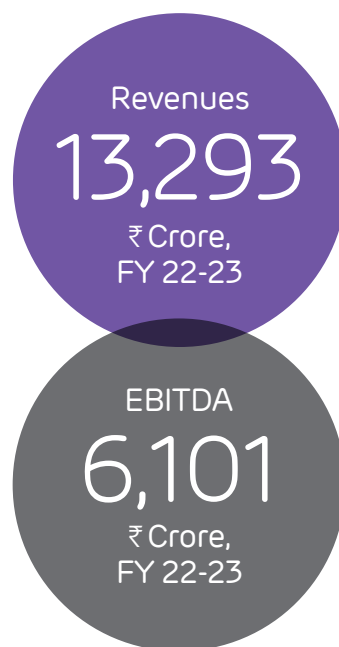
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Highlights of FY 22-23





Building
a Better
Tomorrow

At Adani Transmission Limited, we are bringing to our business the experience of the past, addressing the challenges of the moment, and reinforcing our commitment to build for tomorrow.

PART 1



THIS IS WHAT
WE ARE
AND WHAT
WE DO

CORPORATE SNAPSHOT



Vision

To be a world-class leader in businesses that enrich lives, create sustainable value and contribute to nation-building.



Mission

Transmission: To set up 30,000 circuit km of transmission lines by 2030.

Distribution: To serve our customers within our licensed areas with affordable, reliable and sustainable power with highest quality, availability and renewable mix, whilst employing a whole host of digital technologies for our customer-facing offerings and work force productivity.



Values

Trust: We shall believe in our employees and other stakeholders

Courage: We shall embrace new ideas and businesses

Commitment: We shall stand by our promises and adhere to the highest standard of business

Our background

The Adani Group embarked on its journey in the transmission sector in 2006 to facilitate the evacuation of power from its Mundra thermal power plant. This led to the commissioning of dedicated transmission lines spanning over 3800 circuit kilometers (ckms), connecting Mundra-Dehgam, Mundra-Mahendragarh and Tiroda-Warora. In 2014, an additional transmission line of over 1200 ckms was commissioned for power evacuation from the Tiroda power plant. In 2015, Adani Transmission Limited (ATL) was carved out as separate entity from Adani Enterprises Limited (AEL) to pursue opportunities in the transmission sector.

Our business

Adani Transmission Limited (ATL) is the transmission and distribution arm of the Adani Portfolio, serving as the largest private transmission company in India. It operates across 14 states, comprising a cumulative transmission network of 19,779 circuit kilometers (ckm) of transmission lines and 46,001 MVA of power transformation capacity from 132 to 765 kilovolts of HVAC systems and +/- 500 kilovolts of HVDC systems. Currently, 15,371 ckm are operational, while 4,408 ckm are under construction. ATL also operates power distribution business, catering to over 12 Mn consumers in Mumbai and Mundra SEZ. As India's energy demand is expected to quadruple in the future, ATL is dedicated to establishing a robust and reliable power transmission network to meet this growing need and strive to serve retail customers and service the nation.

Our presence

ATL's acquired MPSEZ Utilities Limited (MUL), which operates

148 ckm of distribution network; and distributed around 389 MUs with a distribution loss of 3.12% as on 31st March 2023.

ATL has approximately 5000 kms of OPGW fiber network, which has the potential to be leased to telecom carriers, neutral data providers, content players and multiple communication service operators, subject to regulatory compliances. Our 30 substations and 10,000+ tower locations can be utilised for telco co-location facilities.

Recently our company entered into the smart metering business. The Company won two smart meter projects.

Human resource

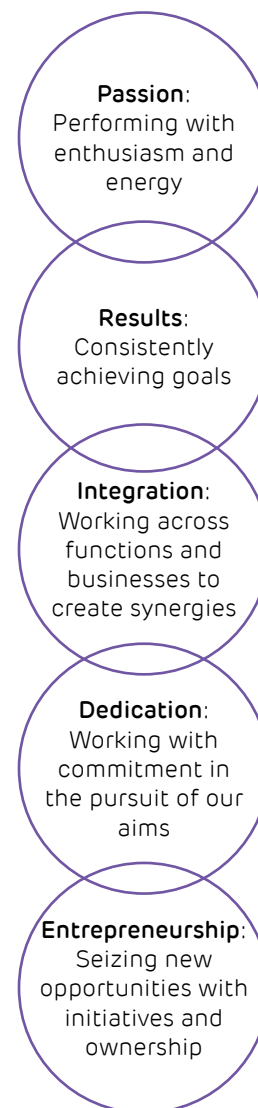
As of 31st March 2023, Adani Transmission Limited had a workforce of 5,002 employees. During the FY 22-23, 264 new employees became a part of the Company. Engineers and professionals accounted for 50% of the total workforce. The average age of employees was 47.42 years. ATL retained 93.28% of its employees in FY 22-23 and ~88% of the workforce had been with the Company for more than five years.

Credit rating

International Rating:

- ATSOL Obligor Group -Dollar bond received credit ratings of BBB-/Stable from Fitch and Baa3/Negative from Moody's.
- AEML -Dollar bond received credit ratings of BBB- from Fitch, BBB-/Negative from S&P and Baa3/Negative from Moody's.
- USPP -Dollar bond received credit ratings of BBB-/Stable from Fitch, and Baa3/Stable from Moody's.
- In the domestic category, India Ratings provided a credit rating of Ind AA+/Negative.

Our distinctive culture



ESG ratings and commitment

Adani Transmission is respected for high ESG standards across all operating O&M sites. The Company received positive ratings from global rating agencies - an MSCI ESG Rating of BBB, a DJSI-S&P Global Corporate Sustainability Assessment score (2022) of 59/100 (higher than world utilities average score of 31) and an FTSE Score (2022) of 3.3/5 (higher than the world utilities average of 2.7/5).

The Company was certified as 'Water Positive' by DNV in FY 22-23, indicating a higher water credit than water consumed. It attained the Zero

Waste to Landfill and received certificate for all O&M sites from Intertek.

The Company achieved a Single-use Plastic Free certification for

all 37 operational sites, aligning with SDG 12.

The Company announced its intention to becoming 'Net zero' by 2050.

Our subsidiaries

- Adani Transmission (India) Limited
- Maharashtra Eastern Grid Power Transmission Company Limited
- Sipat Transmission Limited
- Raipur-Rajnandgaon-Warora Transmission Limited
- Chhattisgarh-WR Transmission Limited
- Adani Transmission (Rajasthan) Limited
- North Karanpura Transco Limited
- Maru Transmission Service Company Limited
- Aravali Transmission Service Company Limited
- Hadoti Power Transmission Service Limited
- Barmer Power Transmission Service Limited
- Thar Power Transmission Service Limited
- Western Transco Power Limited
- Western Transmission (Gujarat) Limited
- Fatehgarh-Bhadla Transmission Limited
- Ghatampur Transmission Limited
- Adani Electricity Mumbai Limited (AEML)
- Adani Electricity Navi Mumbai Limited (Formerly AEML Infrastructure Limited)
- OBRA-C Badaun Transmission Limited
- Adani Transmission Bikaner Sikar Private Limited
- WRSS XXI (A) Transco Limited
- Bikaner Khetri Transco Limited
- Lakadia Banaskantha Transco Limited
- Jamkhambhaliya Transco Limited
- Arasan Infra Limited (Formerly known as 'Arasan Infra Private Limited')
- Sunrays Infra Space Limited (Formerly known as 'Sunrays Infra Space Private Limited')
- Power Distribution Services Limited
- Adani Electricity Mumbai Infra Limited (100% subsidiary of AEML)
- Kharghar Vikhroli Transmission Limited (formerly known as Kharghar Vikhroli Transmission Private Limited)
- Alipurduar Transmission Limited
- AEML SEEPZ Limited (100% subsidiary of AEML)
- Adani Transmission Step One Limited
- Warora Kurnool Transmission Limited
- ATL HVDC Limited
- MP Power Transmission Package-II Limited
- MPSEZ Utilities Limited (formerly known as MPSEZ Utilities private Limited)
- Karur Transmission Limited
- Khavda-Bhuj Transmission Limited
- Adani Transmission Step-Two Limited
- Adani Transmission Mahan Limited
- Adani Electricity Jewar Limited
- BEST Smart Metering Limited
- Adani Cooling Solutions Limited
- WRSR Power Transmission Limited
- Adani Transmission Step-Three Limited
- Adani Transmission Step-Four Limited
- Adani Transmission Step-Five Limited
- Adani Transmission Step-Six Limited
- Adani Transmission Step-Seven Limited
- Adani Transmission Step-Eight Limited
- Adani Transmission Step-Nine Limited (now known as NE Smart Metering Limited)
- Adani Electricity Aurangabad Limited
- Adani Electricity Nashik Limited
- Khavda II-A Transmission Limited
- Adani Green Energy Thirty Limited

The big picture of what we achieved in FY 22-23

Overview

We achieved 8% growth in network addition as against 3% growth at the country level

We achieved a 26% increase in transformation capacity following the addition of new projects

We maintained a supply reliability (Average System Availability Index - ASAI) of more than 99.9%

We achieved 30% renewable power procurement

We sealed equity partnerships with marquee investors like IHC and GQG Partners

We remained a preferred supplier for over 12 Mn consumers in our power distribution business with one of the most competitive power tariffs

Our operational review, FY 22-23

- Operated transmission lines with a reliability rate of over 99.7%
- Expanded the operational network by adding 1,704 ckms, reaching a total network length of 19,779 ckms
- Secured two transmission TBCB projects (Khavda II-A and WRSR) and two smart metering projects (BEST and APDCL)
- Received a regulatory order from Maharashtra Electricity Regulatory Commission related to MEGPTCL and ATIL lines for the Maharashtra-based assets, enabling the realisation of ₹15 Bn in past revenue gap across two years
- Obtained an order in AEML from MERC with revised ARR (Aggregate Revenue Requirement) and tariff, enabling the realisation of ₹18 Bn regulatory deferral balance over two years. Despite the tariff increase, AEML remains competitively priced compared to peers in the region
- Achieved 13.7% YoY growth for units sold, reaching 9,062 Mn units compared to 7,972 Mn units in the previous year. This growth was driven by increased energy demand
- Demonstrated significant decline in distribution loss - from 6.55% in FY 21-22 to 5.93% in FY 22-23.

Our financial review, FY 22-23

Financial metrics	Amount (in ₹ Crore)	YoY growth
Revenue	13,293	18%
EBITDA	6,101	11%
PAT (Profit After Tax)	1,281	4%
Cash Profit	3,411	12%

Our debt profile, FY 22-23

Metric	Value
Consolidated Net Debt	₹280 Bn
Cost of Debt (weighted)	9.1%
Average debt maturity	8.1 years
Net Debt to EBITDA (x)	4x

Our multi-decade journey over the years

