

Adani Portfolio - Credit Ratings Update

A. Executive Summary of the Portfolio Credit Ratings:

Adani Portfolio Ratings in exception of S&P ratings on APSEZ and AEML remains same as it was prior to recent developments. The ratings have been affirmed and confirmed by all rating agencies, namely Fitch and Moody's on International Side, CRISIL, India Ratings, CareEdge and ICRA on Domestic Side. S&P has affirmed its ratings with outlook on APSEZ and AEML changed to negative.

B. The snapshot of the Major Portfolio Long Term Ratings

International Credit Rating:

Company	Agency	Pre-event	Post-event
Adani Ports and Special Economic Zone Limited (APSEZ)			
APSEZ	Fitch	BBB- (underlying bbb, with stable outlook)	BBB- (underlying bbb, with stable outlook)
	S&P	BBB- (with stable outlook)	BBB- (with negative outlook)
	Moody's	Baa3 (with stable outlook)	Baa3 (with stable outlook)
Adani International Container Terminal Private Limited (AICTPL)	Fitch	BBB- (with stable outlook)	BBB- (with stable outlook)
	S&P	BBB- (with stable outlook)	BBB- (with stable outlook)
	Moody's	Baa3 (with stable outlook)	Baa3 (with stable outlook)
Adani Transmission Limited (ATL)			
ATL USPP	Fitch	BBB- (underlying bbb, with stable outlook)	BBB- (underlying bbb, with stable outlook)
	Moody's	Baa3 (with stable outlook)	Baa3 (with stable outlook)
Adani Electricity Mumbai Limited (AEML)	Fitch	BBB-	BBB-
	S&P	BBB- (with stable outlook)	BBB- (with negative outlook)
	Moody's	Baa3 (with stable outlook)	Baa3 (with stable outlook)
Adani Transmission Step One Limited (ATSOL) - Obligor Group	Fitch	BBB- (with stable outlook)	BBB- (with stable outlook)
	Moody's	Baa3 (with stable outlook)	Baa3 (with stable outlook)
Adani Green Energy Limited (AGEL)			
AGEL List Co	Moody's	Ba3 (with stable outlook)	Ba3 (with stable outlook)
AGEL RG2	Fitch	BBB- (with stable outlook)	BBB- (with stable outlook)
	S&P	BB+ (with stable outlook)	BB+ (with stable outlook)
	Moody's	Ba1 (with stable outlook)	Ba1 (with stable outlook)
AGEL RG1	Fitch	BB+ (with stable outlook)	BB+ (with stable outlook)

Company	Agency	Pre-event	Post-event
	S&P	BB- (with stable outlook)	BB- (with stable outlook)
	Moody's	Ba2 (with stable outlook)	Ba2 (with stable outlook)
Adani Airport Holdings Limited (AAHL)			
Mumbai International Airport Limited (MIAL)	Fitch	BB+ (with stable outlook)	BB+ (with stable outlook)

Domestic Credit Rating:

Listed Entities	Domestic Rating Agencies	Pre-event	Post-event
Ambuja / ACC	CRISIL	AAA/Stable	AAA/Stable
Adani Ports and Special Economic Zone (APSEZ)			
APSEZ - List Co (Consol)	India Ratings	AA+/Stable	AA+/Stable
	ICRA	AA+/Stable	AA+/Stable
Adani Transmission Limited (ATL)			
ATL - List Co (Consol)	India Ratings	AA+/Stable	AA+/Stable
Alipurduar Transmission Limited	India Ratings	AAA/Stable	AAA/Stable
Western Transmission (Gujarat) Limited (WTGL)	India Ratings	AAA/Stable	AAA/Stable
Adani Total Gas Limited (ATGL)			
ATGL - List Co	ICRA	AA-/Stable	AA-/Stable
Adani Enterprises Limited (AEL)			
AEL - List Co (Consol)	CARE	A+/Stable	A+/Stable
	India Ratings	A+/Stable	A+/Stable
Adani Wilmar Limited (AWL) - List Co	CARE	AA-/Stable	AA-/Stable
AAHL	India Ratings	A+/Stable	A+/Stable
	CRISIL	A+/Stable	A+/Stable
MIAL	CRISIL	AA-/ Stable	AA-/ Stable
	CAREEDGE	AA-/ Positive	AA-/ Positive
Adani Green Energy Limited (AGEL)			
AGEL - List Co (Consol)	India Ratings	A+/Stable	A+/Stable
AGEL RG 1	CRISIL	AA/Stable	AA/Stable
	India Ratings	AA/Stable	AA/Stable
Adani Power Limited (APL)			
APL - List Co (Consol)	CRISIL, India Ratings	A/Positive	A/Positive
	CRISIL	A/Stable	A/Stable

C. Ratings excerpts of key portfolio companies

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

Latest Rating Excerpts:

Moody's: Baa3 (Sovereign Equivalent)

APSEZ's Baa3 issuer rating primarily reflects the company's strong market position as the largest port developer and operator in India by cargo volume.

https://www.moodys.com/research/Moodys-assigns-Baa3-to-Adani-Ports-proposed-bonds--PR_450811)

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>)

2. Adani Green Energy Limited (AGEL):

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 / Stable

AGEL's operating cash flows are stable, given the geographic diversification of its generation fleet reduces its exposure to potential fluctuations in the availability of solar and wind resources.

Most of AGEL's projects have long-term PPAs with either central government-owned or state government-owned utilities, with predefined tariffs for the duration of the contract. As of June 2021, AGEL's PPAs for operating projects had an average remaining life of around 20 years, which provides visibility over the company's long-term cash flow.

https://www.moodys.com/research/Moodys-assigns-Ba3-rating-to-Adani-Green-Energys-senior-secured--PR_453279

India Ratings : A+ / Stable

India Ratings and Research (Ind-Ra) opines there is no immediate impact on the ratings of Adani group entities following the recent short selling report. Ind-Ra sees limited impact on the cash flows of the underlying business and also takes note of the liquidity available with the respective entities in the form of cash on the balance sheet, unused working capital limits and debt tied-up for the ongoing under construction projects.

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

3. Adani Transmission Limited (ATL):**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 (Sovereign Equivalent)

ATL has sufficient liquidity to meet its operating needs over the next 12 months.

The stable outlook reflects Moody's expectation of improving credit metrics for ATL over the next 12-18 months as the group commissions new projects as planned and effectively recovers the regulated revenue shortfalls in its Mumbai distribution business in the upcoming tariff review.

https://www.moodys.com/research/Moodys-affirms-Adani-Transmission-Step-One-Limiteds-Baa3-bond-ratings--PR_469502

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/infrastructure-project-finance/no-immediate-impact-on-rated-adani-entities-credit-profiles-from-short-seller-r%E2%80%A6>)

India Ratings : AA+ / Stable

India Ratings and Research (Ind-Ra) opines there is no immediate impact on the ratings of Adani group entities following the recent short selling report. Ind-Ra sees limited impact on the cash flows of the underlying business and also takes note of the liquidity available with the respective entities in the form of cash on the balance sheet, unused working capital limits and debt tied-up for the ongoing under construction projects.

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

4. Adani Total Gas Limited (ATGL):

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>)

5. Adani Power Limited (APL):

Latest Rating Excerpts:**Crisil : A / Stable**

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.crisilratings.com/mnt/winshare/Ratings/RatingList/RatingDocs/AdaniPowerLimited_February%2002,%202023_RR_310734.html)

6. Adani Enterprises Limited (AEL):

Latest Rating Excerpts:**CARE : A+ / Stable**

CARE Ratings observed that this event triggered a sharp downward spiral to the combined market capitalization of the listed companies of Adani group. The follow-on public offer (FPO) of Rs.20,000 crore floated by Adani Enterprises Ltd though fully subscribed was subsequently withdrawn following persistent fall in stock price on February 1, 2023. It is pertinent to note that CARE Ratings in its assessment had not factored in this equity infusion. CARE Ratings notes substantial capex being undertaken by Adani group, especially in diverse areas exposes Adani group

to inherent project execution risk. Nevertheless, the company management has conveyed their flexibility to moderate the pace of undertaking capex, given substantial portion of such capex is discretionary in nature.

(https://www.careratings.com/upload/CompanyFiles/PR/02022023113140_Adani_group.pdf)

India Ratings : A+ / Stable

India Ratings and Research (Ind-Ra) opines there is no immediate impact on the ratings of Adani group entities following the recent short selling report. Ind-Ra sees limited impact on the cash flows of the underlying business and also takes note of the liquidity available with the respective entities in the form of cash on the balance sheet, unused working capital limits and debt tied-up for the ongoing under construction projects.

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