Adani Power Limited

January 23, 2020

Ratings

Facilities	Amount (Rs. Crore)	Ratings[1]	Rating Action
Long Term Bank Facilities	218.80	**CARE BBB-; Stable [Triple B Minus; Outlook: Stable]**	**Revised from CARE BB+; Stable [Double B Plus; Outlook: Stable]**
Long Term / Short Term Bank Facilities	39.60	**CARE BBB-; Stable / CARE A3 [Triple B Minus; Outlook: Stable / A Three]**	**Revised from CARE BB+; Stable / CARE A4+ [Double B Plus; Outlook: Stable / A Four Plus]**
Total Facilities	**258.40 [Rupees Two Hundred Fifty Eight Crore and Forty Lac Only]**		

Details of facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The revision in the ratings of the bank facilities of Adani Power Limited (APL) factors actual receipt of part cash flows during FY19 (refers to the period from April 01 to March 31) and H1FY20 pertaining to compensatory tariff (CT) relating to short supply of domestic coal arising out of 'Change in Indian Law' by Adani Power Maharashtra Limited (APML; rated CARE A-; Stable / CARE A2) and Adani Power Rajasthan Limited (APRL; rated CARE BBB; Stable / CARE A3+), improvement in plant parameters of all power plants of APL in terms of higher billed plant availability factor (PAF) and plant load factor (PLF) during FY19 due to higher materialisation of domestic coal on a sustained basis leading to lower reliance on costlier alternate sources of coal and implementation of the recommendations of the High Power Committee (HPC) constituted by the Government of Gujarat (GoG) in respect of 1,200 MW power purchase agreement (PPA) of Adani Power (Mundra) Limited (APMuL) with Gujarat Urja Vikas Nigam Limited (GUVNL; rated CARE AA-; Stable / CARE A1+) thereby allowing it almost full pass through of variable cost of power generation as against fixed tariff structure earlier and improvement in its profitability, liquidity and debt coverage indicators on a consolidated level. The revision also takes into account achievement of financial closure by Adani Power Jharkhand Limited (APJL) which has long term PPA with Bangladesh Power Development Board, improvement in APL's capital structure upon conversion of unsecured loans from the promoters into Unsecured Perpetual Securities (UPS) during FY19 whereby APL does not have any interest payment or redemption obligation on these UPS, interest rate reduction from select lenders in APML and APRL and expected interest rate reduction in APMuL.

The ratings continue to draw strength from its parentage of Adani Group along with long standing experience in coal based thermal power generation, presence of Adani Group in entire value chain of power viz. coal import, coal mine developer and operator (MDO), port operations, power generation, transmission & distribution, infusion of significant amount of equity and subordinated promoter debt to support the operations, long term PPAs in place for off-take of majority of power with diverse off-takers and favorable orders of various regulatory authorities with respect to CT claims of APMuL, APML and APRL pertaining to 'Change in Indian Law'.

The ratings, however, continue to remain constrained on account of weak debt coverage indicators of its wholly-owned subsidiary, APMuL, whose senior debt constitutes nearly 34% of the consolidated senior debt of APL as at FY19 end and stretched liquidity profile with only partial creation of debt service reserve account (DSRA) which in turn significantly constrains APL's financial risk profile, higher exposure to risk pertaining to lower merchant power tariff and demand due to significant increase in un-tied capacity upon termination of Bid-02 PPA of 1,234 MW of APMuL with GUVNL and lack of clarity in relation to timelines and quantum of receipt of balance CT dues pertaining to 'Change in Indian Law' for domestic coal shortfall with respect to APMuL, APML and APRL. Also, risk associated with weak credit profile for part of its power off-takers, susceptibility to lower than committed supplies of domestic coal under fuel supply agreements (FSAs) which could ultimately lead to increased working capital intensity in absence of timely receipt of CT arising out of higher usage of costlier alternate sources of coal and expansion plans, including ongoing implementation of large greenfield coal based thermal power generation project in APJL on the back of its already leveraged capital structure further constrain the ratings of APL.

[1]*Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.*

Rating Sensitivities

Positive Factors

- *Determination of envisaged amount and realization of regulatory cash flows pertaining to domestic coal shortfall, cancellation of Lohara coal block and termination of Bid-02 PPA with GUVNL and corresponding carrying cost.*

Negative Factors

- *Significant deterioration in operating and financial performance.*
- *Lower than envisaged realisation in tariff and volumes on merchant basis.*
- *Inordinate delay in realization of regulatory cash flows pertaining to domestic coal shortfall and corresponding carrying cost in respect of APMuL, APML and APRL.*
- *Significant delay in payments from counterparties on a sustained basis.*
- *Change in promoter's stance towards financial support to APL.*
- *Significant level of debt-funded acquisitions affecting the financial profile of APL.*

Detailed description of the key rating drivers

Key Rating Strengths

Improvement in operating and financial performance along with actual receipt of part CT and implementation of recommendations of HPC

Operations of power plants of APL's subsidiaries were impacted during FY18 with very low billed PAF and PLF on the back of short supply of domestic coal, rise in prices of imported coal and technical problems with power plant of Udupi Power Corporation Limited (UPCL; rated CARE A-; Stable / CARE A2+). However, the performance of APL's subsidiaries improved in FY19 on account of better availability of domestic coal to APML and APRL under their respective FSAs which led to their lower reliance on costlier alternate sources of coal and consequently higher billed PAF and PLF due to which they were able to recover their full capacity charges during FY19, receipt of partial CT dues pertaining to domestic coal shortfall by APML and APRL, implementation of the recommendations of the HPC in respect of 1,200 MW PPA of APMuL with GUVNL thereby allowing it almost full pass through of variable cost of power generation and achievement of normative billed PAF by UPCL in FY19 post completion of capital overhauling of its power plant. Accordingly, the PBILDT of APL improved to Rs.6,762 crore in FY19 compared to Rs.5,432 crore in FY18 whereas the as against cash losses of Rs.342 crore in FY18, APL reported gross cash accruals of Rs.2,945 crore in FY19.

Improved availability of domestic coal under all FSAs of APML and APRL

<u>APML</u>

APML was successful in bidding for domestic coal under Scheme for Harnessing and Allocating Koyla (Coal) Transparently in India (SHAKTI) policy in September 2017 and executed FSAs for 5.85 million tonne per annum (MMTPA) of domestic coal with very marginal discount in its PPA tariff. The supplementary PPAs for discount in PPA tariff have been approved by Maharashtra State Electricity Regulatory Commission (MERC). In terms of above FSAs, APML has started receiving domestic coal at Coal India Limited (CIL) notified price from April 2018. During FY19, APML received around 85% of the domestic coal allocated to it under all its FSAs, including FSAs executed under SHAKTI policy. Going forward, APML expects to receive around 85% of the contracted quantity of coal from all its domestic FSAs which could largely result in insignificant reliance on costlier alternate sources of coal provided it is able to actually receive its contracted quantity of coal under its various domestic coal linkages.

<u>APRL</u>

APRL was successful in bidding for domestic coal under SHAKTI policy in September 2017 and executed FSAs for 4.12 MMTPA of domestic coal with very marginal discount in its PPA tariff. The supplementary PPAs for discount in PPA tariff have been approved by Rajasthan Electricity Regulatory Commission (RERC). In terms of above FSAs, APRL has started receiving domestic coal at CIL notified price from February 2018. During FY19, APRL received more than 98% of domestic coal allocated to it under SHAKTI policy. Going forward, APRL expects to receive around 85% of the contracted quantity of coal from all its domestic FSA under SHAKTI policy which could largely result in insignificant reliance on costlier alternate sources of coal provided it is able to actually receive its contracted quantity of coal under its domestic coal linkage.

Pass through of variable cost of power generation to a large extent as per the supplemental PPA signed with GUVNL for 1,200 MW capacity based on the recommendations of the HPC

APMuL signed a supplemental PPA with GUVNL on December 05, 2018 for 1,200 MW of capacity under the Bid-01 PPA, pursuant to the recommendations of the HPC. Under the terms of the supplemental PPA, APMuL is allowed almost full pass through of imported fuel cost, subject to an upper ceiling of HBA Index price that will be reset every five years. The revision also mitigates most of the foreign exchange risk related to the import of coal. Post receipt of Central Electricity Regulatory Commission (CERC) order dated April 12, 2019 approving the supplemental Bid-01 PPA of 1,200 MW, APMuL is entitled to largely pass through its variable cost of power generation thereby minimizing the risk pertaining to under-recovery of energy charges which earlier had eaten away the capacity charges earned by APMuL under the original Bid-01 PPA. Also, in spite of expected increase in the variable power purchase cost for GUVNL due to such pass through of variable cost of power generation allowed to APMuL, the power generated by APMuL is envisaged to occupy a decent place in the merit order dispatch of Gujarat.

Favorable orders of various regulatory authorities with respect to CT claims of APMuL, APML and APRL respectively pertaining to 'Change in Indian Law' and commencement of partial CT cash flows

On April 11, 2017, the Hon'ble Supreme Court of India gave its verdict in the CT matter of APMuL, wherein it disallowed the claim of APMuL for CT based on 'Force Majeure' and 'Change in Indonesian / Foreign Law' with respect to rise in the prices imported coal, whereas it allowed claim of APMuL for CT to the extent it is based on 'Change in Indian Law' with respect to short supply of domestic coal under FSAs, and asked CERC to work out the amount of compensation payable to APMuL. In line with the above-said direction of Hon'ble Supreme Court of India, CERC came out with its order in May 2018 for allowing CT pertaining to sale of power to Haryana Discoms and subsequently Haryana Discoms have also made partial payments against past CT dues.

Similarly, during FY15-FY18, APML and APRL had been largely running their power plants through a mix of imported coal, domestic e-auction coal, FSA coal and coal under short term Memorandum of Understanding (MoUs), resulting in very high blended cost of coal which led to under-recovery of cost at PPA defined tariff structure even after considering CERC linked tariff escalation. This resulted in CT claims of APML and APRL from MSEDCL and Rajasthan Discoms respectively. In light of the Hon'ble Supreme Court of India's judgment in the CT case of APMuL, various regulatory authorities have also passed favorable orders in the CT matters of APML and APRL pertaining to domestic coal shortfall and carrying cost based on which APML and APRL have received Rs.1,880 crore (including carrying cost) and Rs.2,427 crore from MSEDCL and Rajasthan Discoms respectively. Also, APML has also received favorable order from MERC in respect of 800 MW PPA linked to de-allocated Lohara coal block. However, the said order of MERC has been challenged by both APML and MSEDCL and hence, cash flows in respect of the same are yet to commence.

Long term PPAs in place for off-take of majority of power with diverse off-takers

On a consolidated basis, APL has tied up its gross coal based thermal power generation capacity (including auxiliary consumption) of 1,312 MW of power with GUVNL, 1,538 MW with Haryana Discoms, 3,265 MW with Maharashtra State Electricity Distribution Company Limited (MSEDCL; rated CARE BBB+; Stable), 1,270 MW with Rajasthan Discoms, 1,080 MW with Karnataka Discoms, 101.50 MW with Punjab State Power Corporation Limited (PSPCL; rated CARE BB+; Stable / CARE A4+), 30 MW with Chhattisgarh State Power Trading Company Limited (CSPTCL), 54 MW with MPSEZ Utilities Private Limited (MUPL). APL has also tied-up 1,600 MW coal based thermal power generation capacity under APJL with Bangladesh Power Development Board which is under construction. Accordingly, out of total operational coal based thermal power generation capacity of 12,410 MW, it has tied up around 8,651 of its gross generation capacity with State Discoms under 25 year PPAs reflecting nearly 70% of its gross operational capacity tied-up with diverse off-takers providing good revenue visibility. Out of above-said counter parties, except GUVNL, credit risk profile of its other off-takers is weak to moderate, which results in delays in payment of bills leading to cash flow mismatches at times. In order to manage such timing mismatch in cash flows, the subsidiaries of APL have created partial DSRA.

Parentage of Adani Group with vast experience in the entire value of chain of power viz. coal mining, coal import, port operations, power generation, power transmission and power distribution and track record of extending financial support

Adani Group has evolved as a diversified conglomerate with primary interests in the energy sector. Adani Group has operations ranging from coal mining, coal import, port operations and logistics to coal based thermal and renewable power generation, transmission & distribution and city gas distribution through various listed group companies. Adani Group's long track record in the entire chain comprising coal mining, coal imports, port operations and imported coal based thermal power generation provides significant synergetic benefits.

As on December 31, 2019, the promoters held 74.97% equity stake in APL which is the holding company of Adani Group's coal based thermal power generation business. Through its six wholly-owned subsidiaries, APL has total operational coal based thermal power generation capacity of 12,410 MW [4,620 MW (330 MW x 4 units, 660 MW x 5 units) in APMuL at Mundra, Gujarat; 3,300 MW (660 MW x 5 units) in APML at Tiroda, Maharashtra; 1,320 MW (660 MW x 2 units) in APRL at Kawai, Rajasthan, 1,200 MW (600 MW x 2 units) in UPCL at Udupi district, Karnataka, 600 MW (600 MW x 1 unit) in Raigarh Energy Generation Limited (REGL; formerly known as Korba West Power Company Limited) at Raigarh in Chhattisgarh and 1,370 MW (685 MW x 2 units) in Raipur Energen Limited (REL; formerly known as GMR Chhattisgarh Energy Limited) at Raipur in Chhattisgarh]. APL also has a 40 MW operational solar power project located at Kutch, Gujarat on a standalone basis. Also, it is in the process of setting up a 1,600 MW (800 MW x 2 units) ultra-supercritical coal based thermal power plant in Jharkhand through its wholly owned subsidiary APJL. APL on a consolidated basis has vast experience in setting up and operating large coal based thermal power generation capacities. APL's promoters have extended financial support to APL and its subsidiaries over the last few years and Adani Enterprises Limited (AEL; rated CARE A; Stable / CARE A1) has offered extended credit period on coal supplies to assets of APL that use imported coal. By

March 31, 2019, the promoters along with other group companies have infused unsecured loans of more than Rs.9,800 crore in APL (excluding unsecured loans converted into UPS) and the total trade payables of APL pertaining to group entities stood at around Rs.4,900 crore as on March 31, 2019 on a consolidated basis. Further, APL's promoters have high financial flexibility as reflected in total value (market capitalization) of un-pledged promoter holding in listed Adani Group entities at Rs.1,01,312 crore as on December 31, 2019 and they have articulated their strong commitment and support to service the consolidated debt obligations of APL and its subsidiaries on a timely basis. Furthermore, during FY19, unsecured loans from promoters aggregating to Rs.8,000 crore were converted into UPS having no maturity and no interest payment obligations. This has provided flexibility to APL to defer payments on these UPS in case of lower than adequate availability of cash accruals for debt servicing.

Key Rating Weaknesses

Higher exposure to risk pertaining to lower merchant power tariff and demand due to significant increase in un-tied capacity upon termination of Bid-02 PPA of 1,234 MW of APMuL with GUVNL

On July 02, 2019, Hon'ble Supreme Court of India has approved an appeal made by APMuL for cancellation of its Bid-02 PPA (1,000 MW original PPA and 234 MW supplemental PPA) with GUVNL with effect from January 04, 2010. This PPA was based on fixed tariff of Rs.2.35 per kWh and was subsequently allowed compensation for fuel cost pass through based on the recommendations of the HPC in line with compensation allowed to Bid-01 PPA of 1,200 MW. With the order of Hon'ble Supreme Court of India, the Bid-02 PPA stands terminated and the relief allowed under the HPC recommendations also stands withdrawn from July 10, 2019.

Based on the order of Hon'ble Supreme Court of India, APMuL has filed petition with CERC in September 2019 for determination of amount of compensation (including carrying cost) from GUVNL. Post termination of the Bid-02 PPA, APMuL has been selling 1,234 MW capacity under Bid-02 PPA on merchant basis. Also, the recently acquired stressed power plants of 1,370 MW and 600 MW of REL and REGL do not have any long term PPA except 5% of their respective project capacity tied-up with CSPTCL at variable cost of generation. Hence a significant portion i.e. around 30% of the total installed capacity of 12,410 MW of APL's subsidiaries is now un-tied. Lack of long term PPAs for around 30% of the total installed capacity of APL on a consolidated basis exposes it to volatility in merchant power tariffs and demand. The merchant power tariffs are a function of various variables including availability of fuel, fuel cost, cost of generation of alternate sources of power, demand-supply situation which is dependent upon growth rate in the economy and average PLF of the power plants.

Lack of clarity with respect to timelines and quantum of CT cash flows pertaining to 'Change in Indian Law' for short/non-supply of domestic coal with respect to APMuL, APML and APRL

Despite receipt of favorable orders by APMuL, APML and APRL pertaining to their respective CT claims pertaining to domestic coal shortfall arising out of 'Change in Indian Law' from various regulatory authorities, there still exists a fair degree of uncertainty with respect to timelines and quantum of actual receipt of CT. Also, looking at the financial health of respective State Discoms, there is fair degree of uncertainty with respect to their ability to clear the dues of APMuL, APML and APRL within a quick time frame. Further, some of these orders have been contested to by the State Discoms in higher forums. State Discoms had been contesting CT claims of Adani Group companies since long and accordingly, any further litigation could elongate the liquidation of built up CT receivables and delay the improvement in financial risk profile of APL.

Susceptibility to lower than committed supplies of domestic coal leading to higher reliance on costlier imported coal

Before signing FSAs for 5.85 MMTPA and 4.12 MMTPA under SHAKTI in APML and APRL respectively, APL had linkage for 6.40 MMTPA in APMuL and 4.91 MMTPA in APML from CIL's subsidiaries. However, over the last five years' period, there had been lower than committed supply of coal by CIL under these linkages due to mine related or logistics related issues which had resulted in reliance on costlier imported coal for APML and APRL and worsening of their cash flows in the absence of CT. Going forward, actual materialization of coal supply out of APL's combined domestic linkage of 21.28 MMTPA would be critical.

Financial risk profile constrained by weak debt coverage indicators of APMuL

With respect to Mundra power generation business undertaking, APL had recognized CT based on the earlier orders of CERC and Appellate Tribunal for Electricity (APTEL). However, on April 11, 2017, the Hon'ble Supreme Court of India gave its verdict in the CT matter. As per the order, APL's claim for CT on the grounds of 'Force Majeure' and 'Change in Indonesian / Foreign Law' was turned down by the Hon'ble Supreme Court of India. However, it allowed the claim for CT to the extent that it has arisen on the grounds of 'Change in Indian law' (i.e. with respect to its PPAs with Haryana Discoms).

Accordingly, APL reversed the entire CT income booked by it to the extent of around Rs.3,619 crore in FY17 which led to significant erosion of its net-worth base as on March 31, 2017. It further, reported net losses of Rs.2,103 crore in FY18 which further eroded its net-worth base resulting in worsening of its overall gearing from 19.83 times as on March 31, 2017 to 79.05 times as on March 31, 2018. Also, in case of APMuL, as per the recommendations of the HPC, the effective

of the recommendations of the HPC shall be given prospectively rather than retrospectively. The effective date for implementing the recommendations of the HPC has been fixed as October 15, 2018. Hence, the accumulated losses incurred by APMuL prior to October 15, 2018 shall be borne by the company whereas the higher cost of imported coal utilized by APMuL from October 15, 2018 shall be recoverable by APMuL from the Discoms irrespective of the date of PPA approval by CERC. Further, as on March 31, 2019, out of total outstanding debt of APL on a consolidated basis, nearly 42% is occupied by APMuL and out of total consolidated senior debt, nearly 34% is occupied by APMuL which has a very weak financial risk profile. On the back of its tight liquidity, current portion of APL's consolidated long term debt on March 31, 2019 stands at Rs.3,496 crore out of which Rs.2,416 crore pertains to senior debt and balance amount pertains to unsecured loans [including loans from related parties and share backed non-convertible debentures (NCD) issues].
However, during FY19, APL has converted ICDs of Rs.8,000 crore taken from its group companies into UPS in order to augment its net-worth base which was completely eroded due to past accumulated losses pending CT dispute with its power off-takers. This has led to improvement in the overall gearing of APL from 79.05 as on March 31, 2018 to 6.30 as on March 31, 2019 on a consolidated basis.

Expansion plans on the back of its already leveraged capital structure
APL has set-up a subsidiary named APJL for setting-up of a 1,600 MW coal based thermal power plant in Jharkhand at a total cost of around Rs.14,816 crore which is envisaged to be funded through a debt-equity mix of around 68:32. The management of the company has articulated that the equity requirement of APJL's project would be met through promoter funds in the form of unsecured loans and equity like instruments. APJL has already entered in to a PPA for this project with Bangladesh Power Development Board. The project is planned to achieve commercial operations by May 2022.
Also, in Q2FY20, APL has acquired 1,370 MW and 600 MW coal based thermal power generation plants housed under REL and REGL respectively. Moreover, according to APL's management, they keep on evaluating proposals for acquiring stressed power plants after assessing their economic cost-benefit analysis. However, APL's management has also articulated that any such acquisitions (as and when they fructify) would be funded through a mix of promoter funds in the form of unsecured loans and equity like instruments without dipping into APL's cash consolidated cash accruals.

Liquidity: Stretched
The liquidity profile of APL in stretched on the back of cash flows which are tightly matched with the repayment obligations of senior debt and modest free cash and bank balance of around Rs.28 crore as on March 31, 2019 on a consolidated basis. Further, it has capex requirements towards installation of Flue Gas Desulphurisation (FGD) system and greenfield coal based thermal power generation project in APJL which are likely to be funded through a mix of debt and equity. However, the liquidity profile of APL was supported in the past by financial support from the promoters by way of unsecured loans, UPS and extended credit period on purchase of imported coal from group entities. Also, the promoters of APL have articulated their strong commitment and support to service the consolidated debt obligations of APL and its subsidiaries on a timely basis along with meeting the equity requirement of APJL's under-construction project through a mix of promoter funds in the form of unsecured loans and equity like instruments without dipping into APL's cash consolidated cash accruals. Further, the subsidiaries of APL have created partial DSRA through infusion of funds by the promoters / bank guarantees backed by credit enhancement in the form of pledge of promoters' unencumbered shares of listed Adani Group companies on their senior term debt obligations which is likely to provide some cushion in APL's debt servicing in case of any exigencies and any temporary cash flow mismatches.

Analytical Approach: Consolidated, in view of the fact that APL largely acts as a holding company for all for coal based thermal power generation ventures of the Adani Group with 40 MW solar power project on a standalone basis. List of entities getting consolidated in the H1FY20 financials of APL is placed at **Annexure-3.**

Applicable Criteria
[Criteria on Assigning 'Outlook' and 'Credit Watch']
[CARE's Policy on Default Recognition]
[Rating Methodology - Private Power Producers]
[Rating Methodology - Solar Power Projects]
[Rating Methodology - Consolidation and Factoring Linkages in Ratings]
[Criteria for Short Term Instruments]
[Financial Ratios - Non-Financial Sector]

About the Company
APL is created as the flagship company of the Adani Group for coal based thermal power generation ventures. It had implemented 4,620 MW (330 MW x 4 units, 660 MW x 5 units) coal based thermal power generation plant at Mundra in Gujarat. The same was subsequently transferred to its wholly-owned subsidiary APMuL with effective date of December 22, 2017 and appointed date of March 31, 2017 through 'Slump Sale'. APL also operates three other coal based thermal

power generation plants through its wholly-owned subsidiaries viz. 3,300 MW (660 MW x 5 units) in APML, 1,320 MW (660 MW x 2 units) in APRL and 1,200 MW (600 MW x 2 units) in UPCL. Further, APL (on a standalone basis) operates a 40 MW solar power plant in Kutch district of Gujarat wherein it has a PPA with GUVNL. It has also undertaken implementation of a 1,600 MW green-field imported coal based thermal power generation project under its wholly-owned subsidiary APJL. The same is expected to be completed at a total project cost of around Rs.14,816 crore with a project debt to equity ratio of around 68:32. APJL has entered in to a PPA with Bangladesh Power Development Board and the project is expected to achieve commercial operations by May 2022. Further, in Q2FY20, APL has acquired 1,370 MW and 600 MW coal based thermal power generation plants housed under REL and REGL respectively.

Brief Financials - APL (Consolidated) (Rs. Crore)	FY18 (A)	FY19 (A)
Total Operating Income	20,070	25,552
PBILDT	5,432	6,762
PAT	(2,103)	(984)
Overall Gearing (times)	79.05	6.30
Interest Coverage (times)	0.98	1.20

A: Audited

As per provisional consolidated results for H1FY20, APL reported total operating income of Rs.14,527 crore with a net loss of Rs.260 crore.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Facilities

Name of the Bank Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Rating assigned along with Rating Outlook
Non-fund-based - LT/ ST-BG/LC	NA	NA	NA	39.60	CARE BBB-; Stable / CARE A3
Fund-based - LT-Term Loan	NA	NA	March 31, 2023	218.80	CARE BBB-; Stable

NA: Not Applicable

Annexure-2: Rating History of last three years

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Non-fund-based - LT/ ST-BG/LC	LT/ST	39.60	CARE BBB-; Stable / CARE A3	-	1)CARE BB+; Stable / CARE A4+ (18-Sep-18) 2)CARE BB- / CARE A4 (Under Credit watch with Developing Implications) (10-Jul-18)	1)CARE BB- / CARE A4 (Under Credit watch with Developing Implications) (14-Jul-17) 2)CARE BB- / CARE A4 (Under Credit watch with Developing Implications) (16-Jun-17) 3)CARE BBB- / CARE A3 (Under Credit watch with Negative Implications) (14-Apr-17)	1)CARE BBB-; Stable / CARE A3 (27-Jan-17) 2)CARE BBB- / CARE A3 (28-Oct-16) 3)CARE BBB- / CARE A3 (25-Aug-16) 4)CARE BBB- / CARE A3 (04-Aug-16)
2.	Fund-based - LT-External Commercial Borrowings	LT	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE BB- (Under Credit watch with Developing Implications) (14-Jul-17) 2)CARE BB- (Under Credit watch with Developing Implications) (16-Jun-17) 3)CARE BBB- (Under Credit watch with Negative Implications) (14-Apr-17)	1)CARE BBB-; Stable (27-Jan-17) 2)CARE BBB- (28-Oct-16) 3)CARE BBB- (25-Aug-16) 4)CARE BBB- (04-Aug-16)
3.	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (14-Jul-17)	-
4.	Fund-based/Non-fund-based-LT/ST	LT/ST	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE BB- / CARE A4 (Under Credit watch with Developing Implications) (14-Jul-17) 2)CARE BB- / CARE A4 (Under Credit watch with	1)CARE BBB-; Stable / CARE A3 (27-Jan-17) 2)CARE BBB- / CARE A3 (28-Oct-16) 3)CARE BBB- / CARE A3 (25-Aug-16) 4)CARE BBB- /

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
							Developing Implications) (16-Jun-17) 3)CARE BBB- / CARE A3 (Under Credit watch with Negative Implications) (14-Apr-17)	CARE A3 (04-Aug-16)
5.	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE BB- (Under Credit watch with Developing Implications) (14-Jul-17) 2)CARE BB- (Under Credit watch with Developing Implications) (16-Jun-17) 3)CARE BBB+ (SO) (Under Credit watch with Negative Implications) (14-Apr-17)	1)CARE BBB+ (SO); Stable (27-Jan-17) 2)CARE BBB+ (SO) (28-Oct-16) 3)CARE BBB+ (SO) (04-Aug-16)
6.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE AA- (SO); Stable (14-Jul-17)	1)CARE AA- (SO) (04-Aug-16)
7.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE AA- (SO); Stable (14-Jul-17)	1)CARE AA- (SO) (04-Aug-16)
8.	Fund-based - LT-Term Loan	LT	218.80	CARE BBB-; Stable	-	1)CARE BB+; Stable (18-Sep-18) 2)CARE BB- (Under Credit watch with Developing Implications) (10-Jul-18)	1)CARE BB- (Under Credit watch with Developing Implications) (14-Jul-17) 2)CARE BB- (Under Credit watch with Developing Implications) (16-Jun-17) 3)CARE BBB- (Under Credit watch with Negative Implications) (14-Apr-17)	1)CARE BBB-; Stable (27-Jan-17) 2)CARE BBB- (28-Oct-16) 3)CARE BBB- (25-Aug-16) 4)CARE BBB- (04-Aug-16)
9.	Fund-based - LT-External Commercial	LT	-	-	-	1)Withdrawn (10-Jul-18)	1)CARE BB- (Under Credit	1)CARE BBB-; Stable

Sr. No.	Name of the Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
	Borrowings						watch with Developing Implications) (14-Jul-17) 2)CARE BB- (Under Credit watch with Developing Implications) (16-Jun-17) 3)CARE BBB- (Under Credit watch with Negative Implications) (14-Apr-17)	(27-Jan-17) 2)CARE BBB- (28-Oct-16) 3)CARE BBB- (25-Aug-16) 4)CARE BBB- (04-Aug-16)
10.	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (17-Jan-18) 2)CARE BBB (SO); Stable (14-Jul-17)	-

Annexure-3: List of subsidiaries / joint ventures / associates of APL getting consolidated

Name of the Entity	Subsidiary / Associate / Joint Venture	% Shareholding by APL as on September 30, 2019
Adani Power (Mundra) Limited	Subsidiary	100%
Adani Power Maharashtra Limited	Subsidiary	100%
Adani Power Rajasthan Limited	Subsidiary	100%
Udupi Power Corporation Limited	Subsidiary	100%
Adani Power (Jharkhand) Limited	Subsidiary	100%
Adani Power Resources Limited	Subsidiary	100%
Pench Thermal Energy (MP) Limited	Subsidiary	100%
Kutch Power Generation Limited	Subsidiary	100%
Adani Power Dahej Limited	Subsidiary	100%
Raigarh Energy Generation Limited (formerly known as Korba West Power Company Limited) (w.e.f. July 20, 2019)	Subsidiary	100%
Raipur Energen Limited (formerly known as GMR Chhattisgarh Energy Limited) (w.e.f. August 02, 2019)	Subsidiary	100%

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

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