



FROST & SULLIVAN
INSTITUTE

2022 Frost & Sullivan Institute Enlightened Growth Leadership Award



FROST & SULLIVAN
BEST PRACTICES
AWARDS

Adani Transmission Ltd.



Congratulations!

Frost & Sullivan Institute, in partnership with Frost & Sullivan, is proud to present Adani Transmission Ltd. with the Enlightened Growth Leadership Award.

Frost & Sullivan's global team of growth pipeline experts continuously identifies and evaluates growth opportunities across multiple industries, technologies, and regions of the world. As the world emerges into the new norm disrupted and accelerated by the COVID-19 pandemic, it is becoming increasingly important for companies to leverage opportunities to shed old ways of thinking, build value chains that leave no stakeholders behind, and create foundations for stable growth to thrive in these new environments. We identify companies that demonstrate the commitment to embrace emerging technologies and protocols and generate opportunities for all while sustaining continued growth and highlighting best practices for sustainable development. This approach involves deep strategic deliberation around best practices and the development of core analytics across the entire value chain of specific products and services. Against the backdrop of these analytics, Frost & Sullivan Institute, in partnership with Frost & Sullivan, recognizes Adani Transmission Ltd. for its valuable achievement.

Frost & Sullivan strictly reserves this recognition to companies at the innovation to zero and growth forefront in their respective industries. These companies demonstrate proactivity in utilizing business practices to 'innovate to zero' and address global priorities while securing sustainable growth. These companies also uniquely leverage technology and boost their industry partner ecosystem to serve ever-evolving customer needs in a way that facilitates environmental initiatives and supports the planet's well-being. Moreover, by combining business sense with a moral imperative, these companies demonstrate aspirational ideals beyond the simple goal of generating profits.

Moreover, this recognition is the result of many individuals (employees, customers, partners, and investors), making critical decisions every single day to support the organization and meaningfully contribute to its own future in a sustainable and socially responsible way. Frost & Sullivan in partnership with Frost & Sullivan Institute enthusiastically acknowledges and celebrates their contributions.

Once again, congratulations on your accomplishments, and we wish you great success in the future.

Sincerely,

David Frigstad
Chairman, Frost & Sullivan and Executive Director, Frost & Sullivan Institute



Best Practices Criteria for World-Class Performance

Frost & Sullivan Institute leverages Frost & Sullivan's rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria for each nominated company. Adani Transmission Ltd. excels in multiple criteria.



Introduction

Adani Transmission Ltd. (ATL) is an Indian power transmission company headquartered in Ahmedabad, Gujarat. It is a part of the Adani Group, one of India's leading business conglomerates with interests in port management, electricity generation, transmission, renewable energy, mining, airport operations, natural gas, food processing, and infrastructure. The company was founded in 2007 with a mission to build a world-class electricity transmission network that would help unlock the potential of India's vast power sector and meet the country's growing demand for electricity. Today, Adani Transmission Ltd. operates over 12000 kilometers of high voltage transmission lines across 12 states in India. The company has also been at the forefront of several innovative initiatives such as setting up India's first private ultra-mega solar project and building the country's longest Extra High Voltage Direct Current (EHVDC) transmission line.

At ATL sustainability lies at the core of all its activities. It ensures all its obligations towards the environment and social parameters are met. This attitude is reflected in its set standards which are mandatory for all its existing and potential suppliers.

'Innovating to Zero' on Global Priorities

ATL has gone above and beyond in its effort to accomplish environmental stewardship. During the fiscal year 2021, ATL reported no violation of environmental regulations and laws. The outstanding efforts made by the company made it worthy to achieve the ISO 14001: 2015 certification for its Environmental Management System. ATL has implemented its internal control system to ensure legal compliance and employs LEGATRIX system software to periodically check its performance. Annual audits are also



performed to ensure compliance with environmental legislation, permits, and management systems. Furthermore, the Corporate Social Responsibility and Sustainability Committee regularly monitors ATL's environmental and social performance.

ATL has committed to eliminating 72.7% of its greenhouse gas (GHG) intensity (emissions per unit of production), scope 1 and 2, by 2032, and 27.5% of scope 3 GHG emissions by 2031, in accordance with the global agenda to maintain global warming at 1.5°C above pre-industrial levels. Furthermore, by 2050, the corporation wants to use only renewable energy in its operations. ATL has invested in renewable energy projects like as solar photovoltaics throughout its facilities to achieve these goals; by 2027, the firm hopes to replace 60% of its energy sources with renewable energy. ATL has also purchased renewable energy certificates (RECs) in order to reduce its carbon footprint. ISO 50001:2018 certification for its Energy Management System demonstrates the company's commitment to energy efficiency.

“Adani Transmission Ltd.’s commitment to making strides toward ‘innovating to zero’ on global priorities such as the environment and sustainability is genuinely impressive. Environmental accountability is paramount in value creation across its supply chain.”

**- Priyanka Sharma, Research Analyst,
Frost & Sullivan Institute**

To avoid and decrease waste, ATL has implemented a variety of waste management measures across its activities. Adani Dahanu Thermal Power Station (ADTPS) has achieved Zero Trash to Landfill certification, with over 99.87% of waste diverted from its disposal location. Similarly, ATL's ports have achieved 0% hazardous waste. Furthermore, at ATL, all organic wastes are transformed into compost and later used as a natural fertilizer, whereas all non-recyclable wastes are used as fuel in

cement factories or are available free of charge for any type of infrastructural development project in the surrounding region.

In 2019 ATL embarked on an ambitious project to eliminate single-use plastics (SUP) from all operating and project locations. Aligning itself with the sustainable development goal of ensuring sustainable consumption and production patterns, ATL replaced the use of SUPs in its operations in various ways. Since then, ATL has successfully achieved the SUP-Free Certification award by the Confederation of Indian Industry (CII) in its three major sub-stations. Further, it has plans to become SUP-free certified for 100% of its business activities by 2023.

Environmental sustainability is a top priority for ATL. It has initiated a tree plantation initiative in many sites across Gujarat to boost its green cover. The company has planted roughly 24.47 million trees at its sites, totaling 343.3 acres, during the last two decades. Green plantation activities now span 32% of ATL's operational areas. Similarly, to achieve "net water neutrality," ATL and its subsidiaries harvested 8.6 million liters of rainwater in FY21, enough to offset about 275% of the organization's total freshwater



usage. Consequently, Bureau Veritas has certified ADTPS for Water Efficiency Management System ISO 46001:2019 for its efficient water consumption through the reduce, replace, or reuse strategy.

Frost & Sullivan Institute applauds Adani Transmission Ltd.'s unwavering commitment to achieving sustainable development goals by strategically using its resources. Adani Transmission Ltd. has taken substantial steps to reduce its supply chain's greenhouse gas emissions and waste. Frost & Sullivan Institute also recognizes the Company's efforts to foster shared value creation by ensuring environmental and social accountability.

Growth Excellence

Adani Transmission Ltd. is run by India's largest conglomerate. In the fiscal year 2021, the corporation completely outperformed itself making its vision, "ATL always strives to be a world-class business leader by making people's lives better and contributing to the nation by making sustainable infrastructural developments", a reality. ATL has become the second most valuable company in the Adani Group. Furthermore, in a survey of industry players from South Australia, Florida, California, the United Kingdom, and Hong Kong, the firm achieved the greatest Return on Assets (ROA) among global transmission operators.

In the Indian transmission business, ATL has been aggressive in TBCB bids (Tariff Based Competitive Bidding) in FY21, maintaining a 35% market share. Over the previous five years, ATL's stake has progressively increased. By the end of FY21, the company had produced a 79% CAGR post-listing return. The company's EBITDA margin is one of the highest in the Indian T&D business, at 92%, whereas the next best peer margin is 88%. Furthermore, during the pandemic year, when other companies struggled with poor cash flows, ATL produced 45% greater cash profits than the previous year.

ATL is responsible for the country's first power distribution acquisition, as well as seven additional power transmission deals. Acquisitions accounted for 64% of revenue in FY21. The acquisition of two enterprises (Alipurduar Transmission Limited and Warora Kurnool Transmission Limited) aided in the company's Pan-India expansion. It also raised the transmission network's capacity to 18,801 cktms, putting it closer to its 2022 target of 20,000 cktms. Finally, these purchases solidified the company's position as the largest private sector transmission provider in India.

"Adani Transmission Ltd.'s consistent commitment to strategic growth is witnessed by its recent acquisitions that have enabled its unprecedented expansion in India and has increased its transmission network capacity well in line with the Company's 2022 target"

**- Priyanka Sharma, Research Analyst,
Frost & Sullivan Institute**

ATL proved its market leadership by acquiring a competitor's transmission network and distribution license in Mumbai. The acquired company is believed to have a large consumer base with 2.5 times greater revenue potential making the transaction the largest of its kind in India. ATL transformed the culture of the country's electricity T&D segments by the purchase. While the segment had previously relied entirely on organic development, ATL positioned itself as the industry's first mover.



Frost & Sullivan Institute appreciates ATL's ambitious strategic goals to add value to consumers. Without a doubt, ATL has effectively revolutionized the business while also building a sustainable foundation for the country, in a socially responsible manner. Frost & Sullivan Institute would like to acknowledge ATL's achievement of enlightened growth.

Technology Leverage

Adani Transmission Ltd. has focused on developing technology-driven innovative business models and attaining operational excellence. ATL launched High Voltage Direct Current Transmission (HVDC) in 2021 to assist in the transmission of energy over great distances with low losses, as well as capacitor banks and STATCOMs for reactive power management and voltage profile enhancement. The introduction of digital substations based on process buses has reduced the need for control cables because of the development of a fiber optic network. For transmission line construction, Adani Transmission Ltd. also employs LiDAR technology, drones, air cranes, thermo-vision cameras, and android-based software for enhanced operations and maintenance.

In 2021, technologies like insulated cross-arm and new configurations in transmission lines were introduced. This has led the company to a greener approach. Furthermore, the application of digital technology (robotics, artificial intelligence, and virtual reality) and leveraging data analytics for forecasting planning and peak power control has increased the efficiency of the company.

ATL has been an industry pioneer, offering a wide range of technologies for the first time in India and elevating the national bar. Over the years, to reduce energy losses by modernizing transmission and distribution networks, the corporation has invested in design, technology, and periodic upgrades. ATL was one of India's first utilities to invest in advanced Supervisory Control and Data Acquisition (SCADA) and Geographical Information System (GIS) technology, which enhanced seamlessness in operations and resulted in greater service. Consequently, the company's distribution loss was reduced to 7.82% in FY21.

Likewise, in 2021, AEML, a subsidiary of ATL, started implementing smart meters for its Mumbai clients. In the next five years, it intends to deploy over 700,000 smart meters. This initiative represents not just the company's but also the country's largest investment. In these years, the corporation intends to use technology to increase distribution automation from 40% to 100%. With the introduction of these smart meters, the company hopes to empower its customers; the user can now monitor the meter themselves, and invoicing is also digitalized, allowing for contactless payments. It also provides extra services like time-of-day pricing to encourage off-peak usage and to maintain voltage stability. Similarly, in April 2021, the company established a video contact center, allowing clients to be served at home by engaging with AEML remotely via appointments. To further automate its distribution network and provide value to customers, the firm intends to increase the number of Mumbai client touchpoints from 90 self-help kiosks to more than 200 kiosks by 2022, so that customers do not have to go more than two kilometers to be served.

ATL's key objective is to use technology to achieve business excellence. It has been able to stay relevant in the face of a dynamic industry by adopting new advanced technologies. Frost & Sullivan Institute thereby would like to recognize ATL's efforts in leveraging Technology, adapting, and adopting Technology to achieve excellence.



Conclusion

ATL has established itself as a leader in the Indian Transmission and Distribution sector, with sustainable development at its core while adopting cutting-edge technology to innovate and grow throughout its value chain. Frost& Sullivan Institute is delighted to recognize Adani Transmission Ltd. with the “2022 Enlightened Growth Leadership Award”.



What You Need to Know about the Enlightened Growth Leadership Recognition

Frost & Sullivan Institute's Enlightened Growth Leadership Award recognizes the company that addresses the global priorities as identified by the Institute and demonstrates sustainable growth in the industry.

Best Practices Award Analysis

For the Enlightened Growth Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

'Innovating to Zero' on Global Priorities: The company demonstrates proactivity in 'Innovating to Zero' in terms of one or more of the following global priorities that form the seven pillars of the Frost & Sullivan Institute:

- i) **Environment:** Environmental initiatives can include climate change, vulnerable groups, behavioral change, international governance, waste management, or others.
- ii) **Education:** Education can encompass equal access, gender parity, EdTech, quality education, education resources, vocational training, or others.
- iii) **Infrastructure:** Infrastructure can incorporate infrastructure as a basic right, technology and infrastructure, environment and infrastructure, urban infrastructure, and financing models, among others.
- iv) **Healthcare:** Healthcare can comprise healthcare crisis, mental health, finance, healthcare systems, advanced healthcare, and technology and healthcare, among others.
- v) **Security:** Human security can refer to transnational governance, human security, food security, or others.
- vi) **Human Rights:** Human rights can involve governance, special group rights, justice, or other such elements.
- vii) **Economics:** Economics can pertain to inequality, new economic regime, FinTech, behavioral change, or others.

Growth Excellence: The company demonstrates healthy growth over a span of 10 years. It focuses on short-term and long-term growth strategies to maintain a superior industry position. The executive team's vision aligns with the company's growth strategy, effectively translating this vision into growth. The socially responsible organization enforces strategies to increase its share of the customer wallet, successfully differentiating itself from competitors and positively impacting its market share. It also adopts strategies to build upon achieved growth and sustain continued growth while highlighting best practices for sustainable development.



Customer Value Chain: The company pays heed to the planet's well-being and addresses environmental initiatives such as climate change, carbon footprint reduction and elimination, waste management, or clean energy production. Its key value proposition is refined by building on client feedback and continuously improving products and services. The organization prioritizes its customers' needs and provides significantly greater value for the price. It offers exceptional customer value by providing the best purchase experience to customers, placing importance on providing a high degree of satisfaction amongst existing and potential clients, or ensuring the best and differentiated service experience.

Integrated Competition - Industry Partner Ecosystem: The company makes use of unique business models such as corporate partnerships and public-private collaborations to boost the industry partner ecosystem. By combining business sense with a moral imperative, the company demonstrates aspirational ideals beyond the simple goal of generating profits. The organization's efforts to cooperate with competitors reveal its cognizance of a broader vision and endeavors towards positively impacting the overall industry.

Technology Leverage/Innovation: The company incorporates or uniquely leverages technology, standing out among the competition. The technology addresses key future needs and applications and is disruptive to or supersedes existing technologies. The company's technology or technology leverage can be diversely applicable or has created new markets or applications where none existed before. It has introduced creative features and functionality by jumping through hoops to convert its vision into a reality. The organization has a structured process or best practices to incubate new technologies developed internally or through strategic partnerships. The company's innovations or technology incorporation has the potential to become an industry standard.



About Frost & Sullivan Institute

Frost & Sullivan Institute (FSI) is a non-profit organization dedicated to utilizing business practices to address global priorities. The genesis of the institute goes back to our vision of either creating or becoming part of a solution that addresses threats to humanity. Frost & Sullivan Institute has identified strategic imperatives for transformation and believes that by using a Socratic approach, we can truly accelerate innovation to zero. The Institute works in collaboration with leading analyst teams, its internal research team, industry experts, and other partners. It works closely with Frost & Sullivan Inc. to leverage in-house thought leadership in order to identify opportunities for transformation that will arise from innovation, disruptive technologies, and overarching megatrends that will alter the world as we know it today. To learn more about FSI, visit <https://www.frostandullivaninstitute.org/>.

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™



Frost & Sullivan's proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.



Key Impacts:

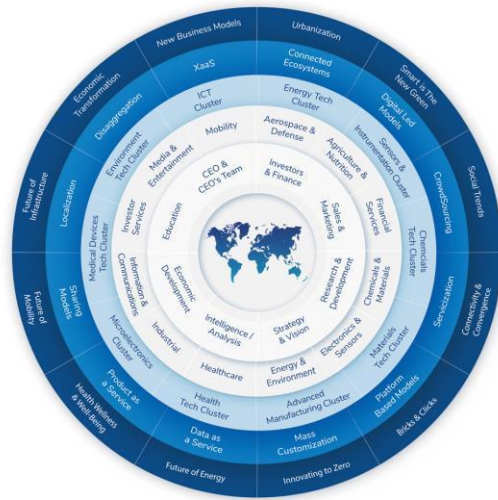
- **Growth Pipeline:** Continuous flow of Growth opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership

The Innovation Generator™

Our six analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- **Mega Trend (MT)**
- **Business Model (BM)**
- **Technology (TE)**
- **Industries (IN)**
- **Customer (CU)**
- **Geographies (GE)**





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