

addani

Business Case Study of ADANI DEBT STRATEGY

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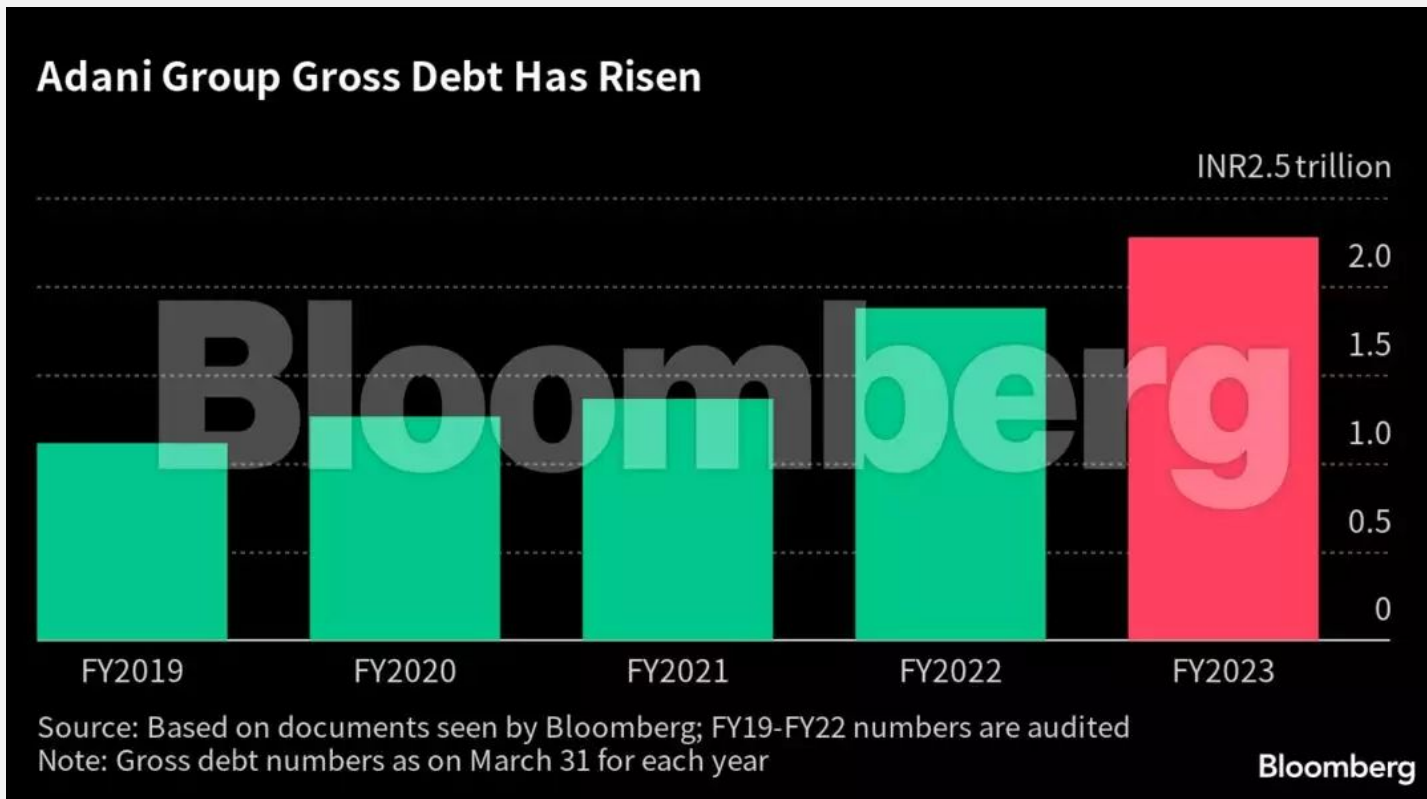
Adani Group

- India's largest private port operator, coal importer, coal miner, private power producer, city gas distributor, edible oil importer.
- Buys various levels of industries and merge with them.
- 2.2 trillion Rs debt.

Adani Group Debt



Adani Group Debt



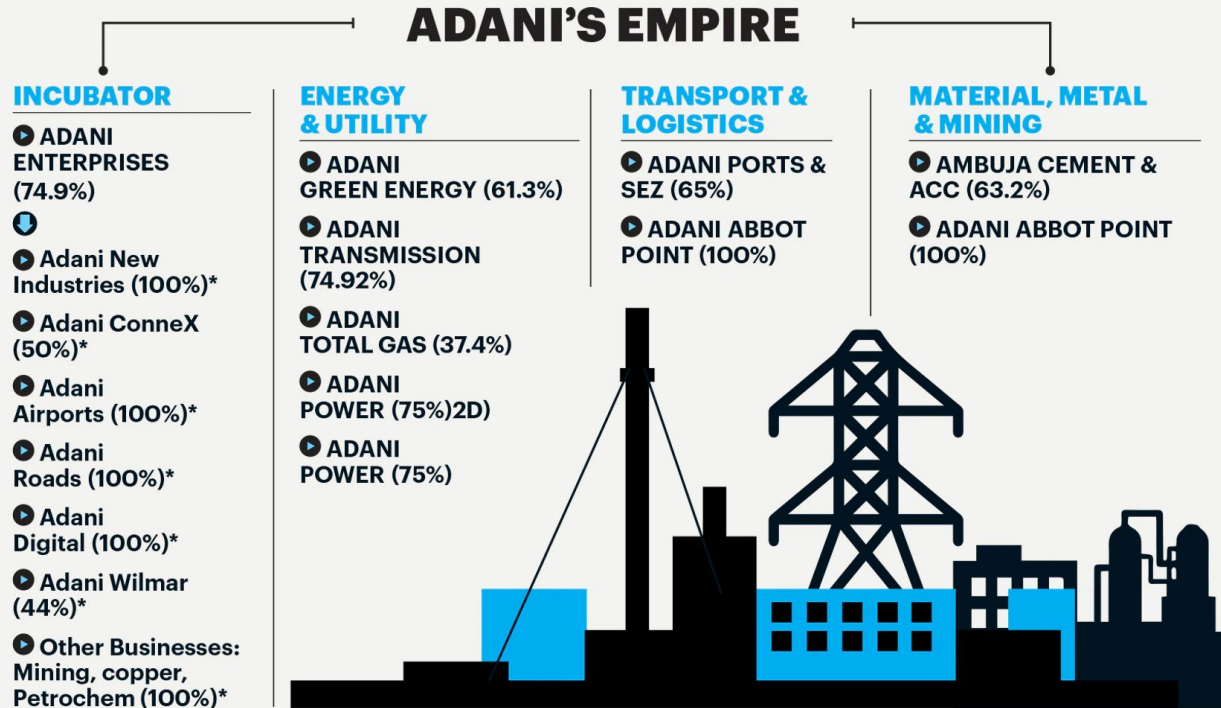
Debt Strategy

- By taking a loan by pledging the shares of the daughter company and then passing it to another group company to help them grab giant projects.
- One company invests money in another group company and when the time comes, this company will sell its stake in the group company and uses the money for itself.

Debt Strategy

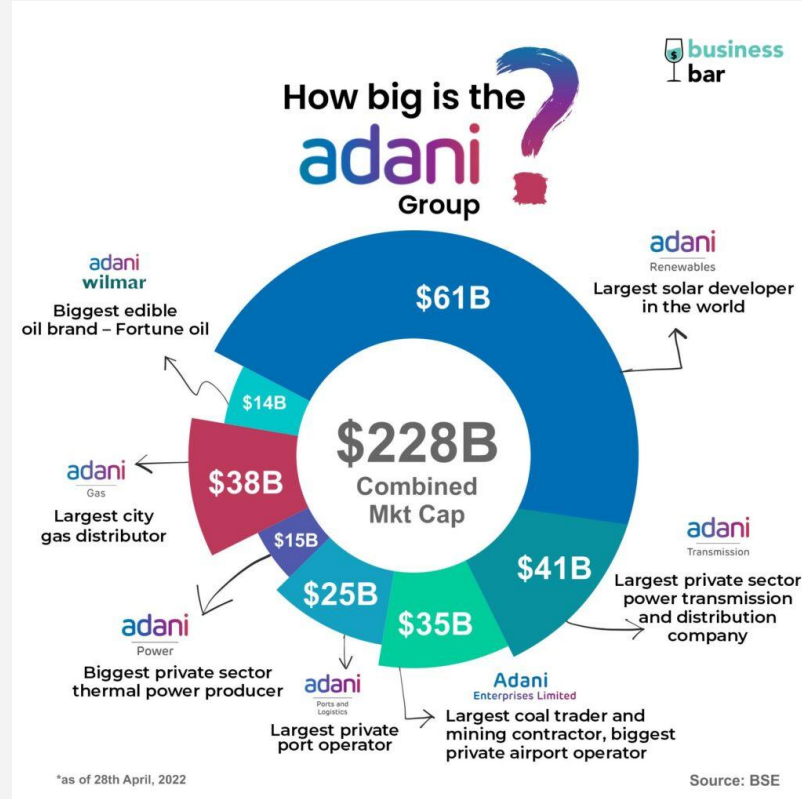
- A company can leverage its brand value and can raise money by circulating and cross investing in own group companies eventually to bag giant projects.
- Money stays within the company and when needed, Adani properties can sell its stake and use the appreciation to carry out their construction projects.

Adani Empire



PROMOTER EQUITY STAKE IN ADANI PORTFOLIO COMPANIES**ADANI ENTERPRISE SUBSIDIARIES"
AEL STAKE IN SUBSIDIARIESCEMENT BUSINESS IS OWNED UNDER ADANI TRUST. **FIGURES** IN BRACKETS REPRESENT PERCENTAGE OF
PROMOTERS' STAKE IN COMPANIES **SOURCE** ADANI ENTERPRISE PRESENTATIONS/ANNUAL REPORTS

Adani Empire



Adani Group Intent

STRATAGIC INTENT

- **VISION;-**

To be the globally admired leader in integrated infrastructure businesses with a deep commitment to nation building. We shall be known for the scale of our ambition, speed of execution and quality of operation

- **MISSION;-**

To assimilate knowledge, develop capabilities and manage collective enterprise to profitably tap global business properties for the benefit everyone associated with adani.

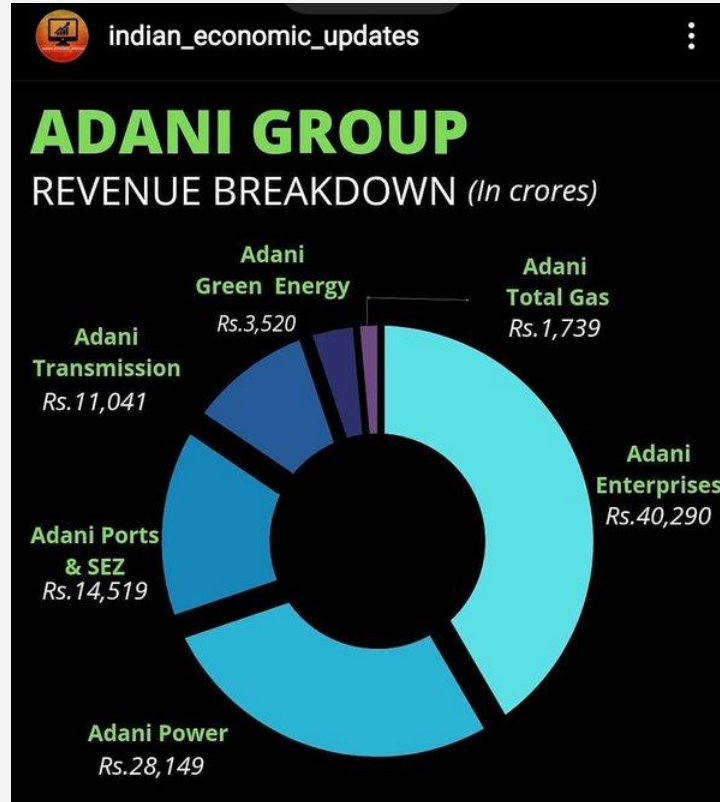
- **VALUES;-**

Courage: We shall embrace new ideas and businesses

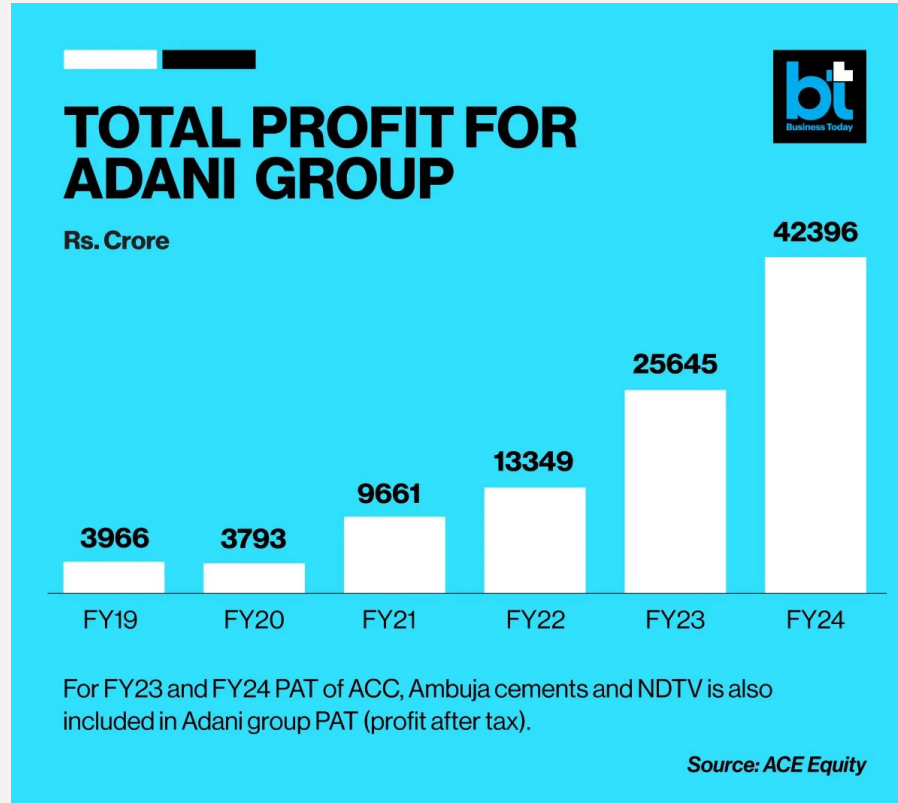
Trust: We shall believe in our employees and other stakeholders

Commitment: We shall stand by our promises and adhere to high standards of business.

Adani Group Revenue Breakdown



Adani Group Revenue



Permutation & Combination of 3 Moves

- Buying equity in group company to generate cash flow in future.
- Using another company's loan eligibility to pass it onto another group company.
- Direct cash flow to a troubled company when needed.

Business Factors

- Master plan of cash flow.
- When contest for tender, Adani easily raised funds with the collaboration of its daughter companies.
- When they build a huge infra project, media will show the news.
- Boost investor confidence and people invest in adani stock.