S&P Global Ratings

Research

Adani Ports and Special Economic Zone Ltd.

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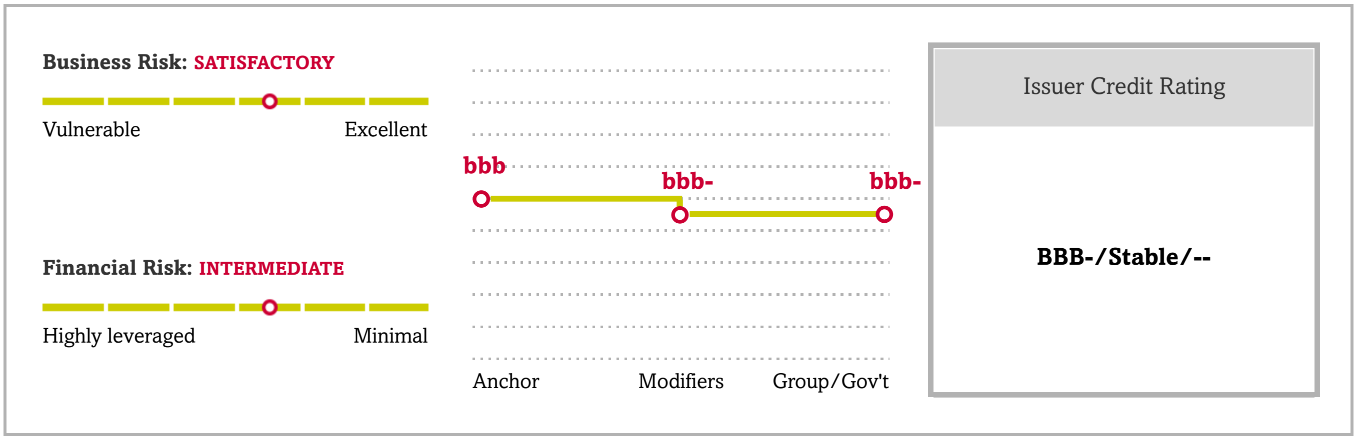
Adani Ports and Special Economic Zone Ltd.



Credit Highlights

Overview

Key strengths	Key risks
Good balance sheet flexibility to absorb operational slowdowns.	Aggressive growth appetite and high shareholder distributions could limit meaningful financial improvement.
Strong operating efficiency and well-located origin and destination (O&D) ports.	High dependence on Mundra port, with material exposure to coal cargoes.
Increasing higher-margin container volumes provide cash flow stability.	

A weaker global and domestic economy as a result of COVID-19 will lower trade volumes for Adani Ports and Special Economic Zone (APSEZ). We expect ports in Asia-Pacific to be more resilient to the consequences of the pandemic than other transportation asset classes. However, APSEZ will be exposed to materially lower domestic demand because 70% of its traffic stems from imports. We expect GDP growth in India to contract by 5% in 2020, before recovering gradually from 2021. This contrasts sharply with our pre-outbreak forecast of an average annual GDP growth of 7%. With weaker economic fundamentals, we conservatively forecast APSEZ's traffic could fall by around 15% in fiscal 2021 (year ending March 2021).

APSEZ's strong balance sheet flexibility and good market position should provide some buffer against weaker operating conditions. The company's ability to cut capital spending by more than 50%, its high discretion over dividends, and strong free operating cash flows will help it to withstand materially weaker operating conditions, even if traffic falls by up to 15%. We do not expect traffic volumes at APSEZ to return to pre-COVID 19 levels before fiscal 2023. However, we believe the company's good operating efficiency and strong market position will allow it to benefit from any recovery in demand. The management also remains committed to maintaining an investment grade rating.

Slower growth in volume and the anticipated acquisition of Krishnapatnam Port Co. Ltd. (KPCL) in fiscal 2021 will increase APSEZ's leverage, but it should remain within our expectations for the current rating level. We anticipate the company's ratio of funds from operations (FFO) to debt would fall in fiscal 2021, potentially below our downgrade trigger of 15%. However, we expect APSEZ will use its balance sheet flexibility to maintain leverage at levels appropriate for the rating. The FFO-to-debt ratio should recover to more than 15% from fiscal 2022 onwards.

Outlook: Stable

The stable outlook reflects our expectation that APSEZ's capital structure can accommodate some softness in operations, given management's ability to adjust its growth aspirations, shareholder distributions, and investments. We expect the company's ratio of adjusted net debt to EBITDA to be below 4x over the next three years. In addition, we expect APSEZ to refrain from significant related-party transactions outside the normal course of business.

Downside scenario

We may lower the rating if APSEZ's ratio of FFO to debt is likely to stay below 15% on a sustainable basis. This could happen if: (1) the company's growth strategy is more aggressive than what we have factored into the rating; or (2) its operating performance deteriorates sharply from our expectations.

We may also lower the rating if APSEZ increases related-party loans or advances outside the normal course of business, such that the company is exposed to the credit quality of the Adani group.

Upside scenario

We could raise the rating if APSEZ meets the sovereign stress test for us to rate the company above the sovereign and either of the following occur:

- APSEZ shows a commitment to maintaining stronger financial ratios, with a ratio of FFO to debt staying in excess of 20% on a consistent basis; or
- Although unlikely over the next two to three years, the company's scale and diversification significantly improve, reducing dependence on its port in Mundra. In addition, we would expect APSEZ to maintain its current financial position.

Our Base-Case Scenario

Assumptions

- India's GDP to contract by 5% in fiscal 2020, before recovering to grow about 8.5% in 2021. Slower growth in 2020 will have a negative impact on cargo and container volumes.
- APSEZ's container traffic and cargo volumes will decline by about 15% due to COVID-19 related disruptions and weaker domestic demand. We expect volumes to recover to pre-COVID-19 levels by fiscal 2023.
- The company's revenue (without considering KPCL acquisition) to decline by about 15% due to the impact of COVID-19.
- Half-year revenue contribution from KPCL to be Indian rupee (INR) 10.2 billion in in fiscal 2021. From fiscal 2022 onwards, we project full year contribution from KPCL of INR22 billion.
- APSEZ's EBITDA margin to be stable at about 62% in fiscals 2021-2023.
- The company to have negative working capital movement of about INR5 billion in fiscal 2021.

- Its annual capital expenditure (capex) to be about INR20 billion in fiscal 2021 and 25 billion in fiscal 2022.
- APSEZ to spend INR61.25 billion on acquisitions, including 75% stake in KPCL, in fiscal 2021.
- Its shareholder distribution to decline to INR5 billion in fiscal 2021, increasing to INR10 billion-INR20 billion annually thereafter.

Key Metrics

Adani Ports and Special Economic Zone Ltd.--Key Metrics

	--Fiscal year ended March 31--				
	2019a	**2020a**	**2021f**	**2022f**	**2023f**
EBITDA (Bil. INR)	65.0	72.4	68.0-68.5	87.5-88.0	96.5-97.0
Debt/EBITDA (x)	3.4	3.7	5.3-5.4	3.9-4.0	3.5-3.6
FFO/Debt (%)*	17.7	16.6	About 10.5	About 15.5	About 18.0

All figures adjusted by S&P Global Ratings. *We adjust reported EBITDA to exclude one-off SEZ development income, which we consider as non-operating. We adjust debt by adding pension liabilities, customer bills and deducting surplus cash. a--Actual. f--Forecast. FFO--Funds from operations. INR--Indian rupee.

Company Description

APSEZ is India's largest commercial port operator, with nine operational ports across six states in the country. This includes APSEZ's flagship port at Mundra, which is the largest private port in India. The company also operates a multi-product port-based special economic zone at Mundra.

The Adani group owns about 63% of APSEZ (mostly by the promoter in his personal capacity or through the family trust), with the remaining stake held by the public. Despite the Adani group's majority ownership, we view APSEZ's credit quality to be independent of the wider group. We believe APSEZ's management is committed to preventing the recurrence of its high exposure to related-party loans and transactions. Any significant increase in related-party transactions remains a key credit risk for APSEZ, even if the company's financial ratios stay above our downgrade trigger.

Peer Comparison

Table 1

Adani Ports and Special Economic Zone Ltd.--Peer Comparison

Industry sector: Infrastructure				
	Adani Ports and Special Economic Zone Ltd.	**PT Pelabuhan Indonesia II (Persero)**	**Novorossiysk Commercial Sea Port PJSC**	**PSA International Pte. Ltd.**
Ratings as of July 7, 2020	BBB-/Stable/--	BBB-/Stable/--	BB/Positive/--	AA/Stable/--
	--Fiscal year ended--			
	March 31, 2020	**Dec. 31, 2018**	**Dec. 31, 2019**	**Dec. 31, 2019**
(Mil. $)				
Revenue	1,516.2	789.1	866.4	3,031.6

Table 1

Adani Ports and Special Economic Zone Ltd.--Peer Comparison (cont.)				
EBITDA	961.3	335.2	629.2	1,578.1
Funds from operations (FFO)	589.8	224.3	370.8	1,211.5
Interest expense	264.1	85.6	93.3	195.3
Cash interest paid	258.7	73.5	94.6	190.5
Cash flow from operations	993.0	173.6	403.5	1,370.6
Capital expenditure	480.9	136.9	75.7	881.5
Free operating cash flow (FOCF)	512.1	36.7	327.8	489.1
Discretionary cash flow (DCF)	139.6	(8.5)	106.2	(4.7)
Cash and short-term investments	972.9	1,261.1	433.5	2,370.3
Debt	3,559.6	742.4	740.3	3,438.3
Equity	3,409.8	1,134.0	1,651.8	9,085.1
Adjusted ratios				
EBITDA margin (%)	63.4	42.5	72.6	52.1
Return on capital (%)	14.8	19.1	26.6	10.4
EBITDA interest coverage (x)	3.6	3.9	6.7	8.1
FFO cash interest coverage (x)	3.3	4.1	4.9	7.4
Debt/EBITDA (x)	3.7	2.2	1.2	2.2
FFO/debt (%)	16.6	30.2	50.1	35.2
Cash flow from operations/debt (%)	27.9	23.4	54.5	39.9
FOCF/debt (%)	14.4	4.9	44.3	14.2
DCF/debt (%)	3.9	(1.1)	14.3	(0.1)

We consider regional sea ports such as PT Pelabuhan Indonesia II (Persero) (Pelindo II), Novorossiysk Commercial Sea Port PJSC, and PSA International Pte. Ltd. as peers of APSEZ.

Like APSEZ, Pelindo II is the largest port in its country and benefits from a good competitive position and regional connectivity. Pelindo II, however, has a natural monopoly and benefits from a higher proportion of stable income from leases/royalties compared with APSEZ, which is exposed to volatility in cargo volumes.

Novorossiysk in Russia has a similar scale and diversity as APSEZ. However, it earns most of its revenues from more volatile stevedoring (loading and unloading ship) services, compared with APSEZ's more stable O&D cargo.

PSA operates with much larger scale and diversity than these peers, supported by an extensive network across all major global ports and trade routes. Unlike O&D ports APSEZ and Pelindo II, PSA is the largest transshipment hub globally. It is therefore more exposed to global economic trends and competition. The strength of PSA's ports network, combined with high operating efficiency that emphasizes high automation and economies of scale, allows it to compete well amid higher competition and the threat of trade tensions.

The leverage of most of these ports is fairly elevated, with the exception of PSA, which has substantially less debt. However, in comparison to other transportation assets, such as airports or toll roads in the region, leverage for ports is considerably lower. We anticipate that this will help them withstand the current weakening operating conditions due to COVID-19.

Business Risk: Satisfactory

APSEZ's strategically located O&D ports, long-term contracted revenues, tariff flexibility, and good operating efficiency support its earnings profile. These strengths are offset by the company's moderate size, high asset concentration, and a less protected competitive market position relative to peers in Asia-Pacific.

APSEZ's good market position and operating efficiency positions it well to benefit from a recovery in operations. The company's flagship Mundra port, accounts for almost 20% of India's major port capacity. The port is the main gateway to land-locked north-west India and is one of the few ports in India that can accommodate ultra-large vessels, given its deep waters. APSEZ is therefore well positioned to benefit from a pickup in economic growth as India recovers from the COVID-19 downturn.

APSEZ's strong operating efficiency positions it to compete well against congested government-run ports, resulting in better profitability. With high automation, adequate capacity, strong evacuation infrastructure, and good port connectivity, APSEZ's ports are highly productive and support stable and higher margins than government-run ports. Furthermore, the tariffs for most of APSEZ's ports, especially Mundra, are not regulated, ensuring pricing flexibility and better margin control.

APSEZ's long-term contracts provide stability to earnings and profitability. The company has long-term contracts and joint ventures with global shipping companies such as Mediterranean Shipping Company (a world leader in container shipping) and CMA CGM S.A, which supports earnings stability. This is because these contracts ensure minimum cargo or container volumes, with no pricing risk. We expect that about 60% of APSEZ's volumes will be derived from long-term contracts.

APSEZ's operating results for fiscal 2020 reflect the company's stability in operating performance, given its solid market position, strong operating efficiency and long-term contracted revenues. Adjusted EBITDA (excluding one-off SEZ development income) amounted to about INR72.4 billion, in line with our projections. EBITDA margin remained stable at about 63%, given the company's long-term contracts.

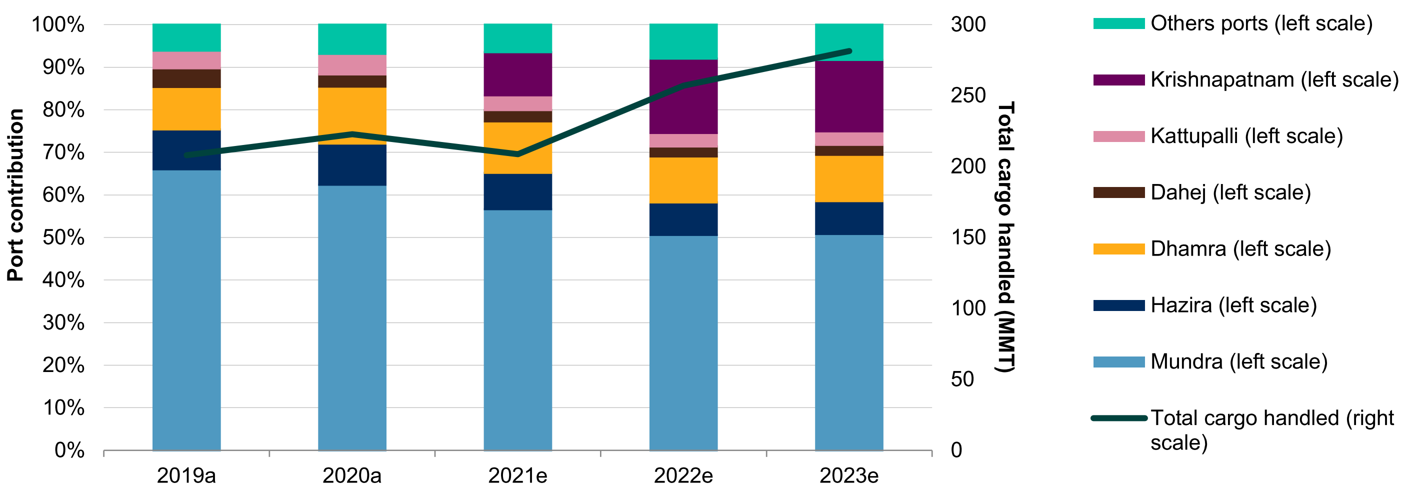
High cargo and asset concentration makes APSEZ more susceptible to India's domestic demand trends. Given that the company's operations stem mainly from O&D ports (accounting for for more than 90% of operations), we view it to be more insulated than peers to the impact of potential trade tensions and a weakening global economy.

Mundra port accounts for 62% of APSEZ's total handled cargo and about 40% of total revenues. Given the port's close proximity to power plants, it naturally has a material concentration to coal cargo. More than 70% of APSEZ's traffic are imports, with 40% of traffic related to energy. Consequently, traffic volumes are highly correlated to our expectation of weaker domestic demand as a result of the ongoing partial lockdown in the country due to COVID-19.

We expect GDP growth in India to contract by 5% in 2020, before recovering gradually from 2021. With weaker economic fundamentals, we forecast APSEZ's traffic could fall by up to 15% in fiscal 2021, with volumes not returning to pre-COVID levels before fiscal 2023.

Chart 1

APSEZ's Traffic Volumes To Be Lower In Fiscal 2021 Due To COVID-19
Recovery to pre-COVID 19 levels is unlikely before FY2023



a--Actual. e--Estimate. MMT--Million metric ton.Source: S&P Global Ratings.

While APSEZ has been making annual capacity additions, mainly through new container terminals (Mundra's CT4 and Ennore Port), these have not been large enough to significantly reduce its concentration risks. The company's proposed acquisition of 75% stake in KPCL will improve port diversification but not cargo diversity, given KPCL is a predominantly cargo volume port with about 34% exposure to coal.

Financial Risk: Intermediate

We believe APSEZ's leverage will increase over the next 12-24 months given weaker demand and the anticipated KPCL acquisition. However, we expect the company to use its balance sheet flexibility to maintain leverage in line with our expectation for the rating.

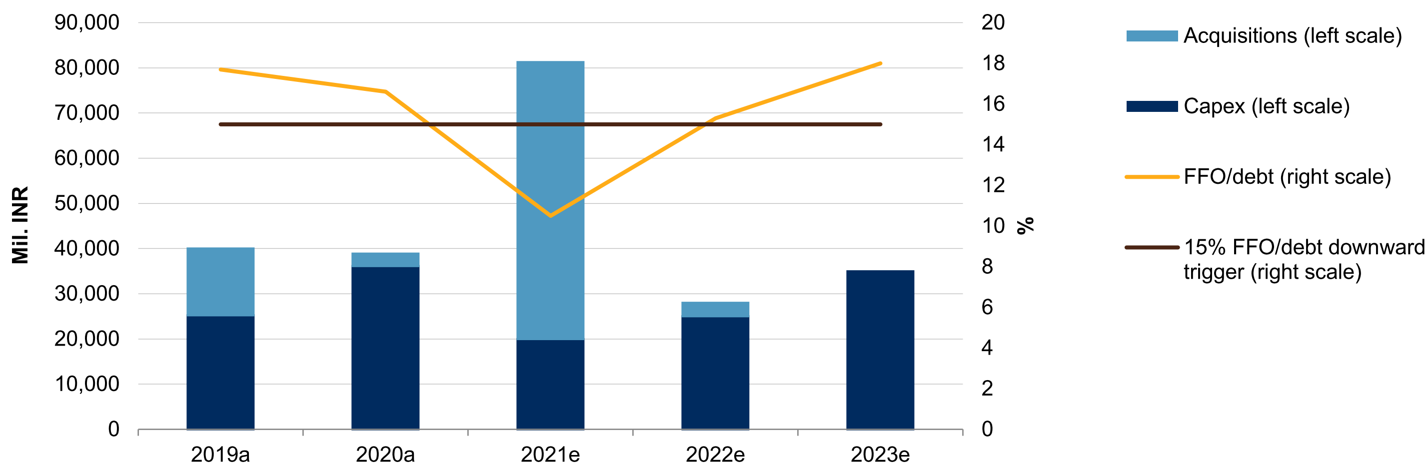
We expect APSEZ's cash outflows toward capital spending and acquisitions to be about INR75 billion in fiscal 2021. We project annual capital spending to be about INR20 billion over the next two years, down from our expectations of INR40 billion pre-COVID-19. The spending will go towards maintenance at existing ports, developing greenfield container terminals in Myanmar and Vizhinjam, and growing the logistics business. We also estimate that the company will spend about INR55 billion on its proposed acquisition of 75% stake in KPCL.

Amid slower volume trends or growth opportunities, we expect APSEZ to exercise its balance sheet flexibility to contain its increase in leverage. The deterioration in operating conditions, combined with the delayed acquisition of KPCL, is likely to result in the company's FFO-to-debt ratio going below our 15% downgrade trigger for fiscal 2021. However, we believe APSEZ's flexibility to reduce capex by at least 50%, its high discretion on dividends, and the full-year earnings contribution from KPCL will help leverage recover to more than 15% from fiscal 2022 onwards.

Chart 2

APSEZ's Leverage To Increase In Fiscal 2021 Due To COVID-19 And The KPCL Acquisition

We expect the company to use its high balancesheet flexibility to protect its credit profile



a--Actual. e--Estimate. FFO--Funds from operations. Capex--Capital expenditure. KPCL--Karnataka Power Corporation Ltd. INR--Indian rupee. Source: S&P Global Ratings.

APSEZ's strong growth aspirations could result in elevated capex and possible acquisitions beyond our base case expectations. However, the company's strong operating cash flows and balance sheet flexibility should allow it to maintain leverage within our rating threshold. We expect APSEZ to adjust its capex, inorganic growth appetite, or dividend distributions to maintain a ratio of FFO to debt of 15%-20% over the longer term.

We estimate APSEZ's U.S. dollar denominated EBITDA will be able to cover its U.S. dollar payment obligations by more than 1.2x over the next 12 months. We expect the company to hedge any significant net currency exposure over and above the natural hedge it enjoys from foreign currency-linked earnings.

Table 2

Adani Ports and Special Economic Zone Ltd.--Currency Cover

	--Fiscal year ended March 31--		
Mil. US$	**2020a**	**2021e**	**2022e**
Estimated EBITDA	263.0	270.0	349.0
Payments	150.7	180.0	161.0
Cover (x)	1.7	1.5	2.2

a--Actual. e--Estimate. Estimated earning to be 25%-28%. Payments includes US$650 million maturing in 2020 as per S&P Global Ratings estimates.

Financial summary

Table 3

Adani Ports and Special Economic Zone Ltd.--Financial Summary

Industry sector: Infrastructure

	--Fiscal year ended March 31--				
	2020	**2019**	**2018**	**2017**	**2016**
(Mil. INR)					
Revenue	114,169.7	102,360.6	91,207.9	82,466.5	65,606.4
EBITDA	72,385.5	65,048.1	57,282.9	52,422.6	39,685.3
Funds from operations (FFO)	44,412.6	39,033.1	35,464.9	34,179.1	20,042.1
Interest expense	19,886.1	14,654.9	12,901.0	13,088.4	12,078.8
Cash interest paid	19,477.2	14,949.8	11,826.2	11,010.6	12,190.9
Cash flow from operations	74,775.0	52,272.0	50,594.7	37,164.8	31,572.3
Capital expenditure	36,214.1	29,404.9	27,321.5	36,875.1	25,268.1
Free operating cash flow (FOCF)	38,560.9	22,867.1	23,273.2	289.7	6,304.2
Discretionary cash flow (DCF)	10,514.7	17,816.6	20,033.5	282.9	826.3
Cash and short-term investments	73,257.5	64,811.1	34,873.3	28,858.3	20,375.2
Gross available cash	73,257.5	64,811.1	34,873.3	28,858.3	20,375.2
Debt	268,045.1	221,045.2	220,763.5	231,479.5	254,698.4
Equity	256,765.5	245,822.6	210,525.1	174,996.4	132,523.6
Adjusted ratios					
EBITDA margin (%)	63.4	63.5	62.8	63.6	60.5
Return on capital (%)	14.8	14.3	12.7	12.6	12.3
EBITDA interest coverage (x)	3.6	4.4	4.4	4.0	3.3
FFO cash interest coverage (x)	3.3	3.6	4.0	4.1	2.6
Debt/EBITDA (x)	3.7	3.4	3.9	4.4	6.4
FFO/debt (%)	16.6	17.7	16.1	14.8	7.9
Cash flow from operations/debt (%)	27.9	23.6	22.9	16.1	12.4
FOCF/debt (%)	14.4	10.3	10.5	0.1	2.5
DCF/debt (%)	3.9	8.1	9.1	0.1	0.3

INR--Indian rupee.

Reconciliation

Table 4

Adani Ports and Special Economic Zone Ltd.--Reconciliation Of Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. INR)

	--Fiscal year ended March 31, 2020--							
Adani Ports and Special Economic Zone Ltd. reported amounts								
	Debt	**Shareholders' equity**	**Revenue**	**EBITDA**	**Operating income**	**Interest expense**	**S&P Global Ratings' adjusted EBITDA**	**Cash flow from operations**
Reported	300,757.9	256,234.9	114,387.7	55,172.0	38,369.2	19,506.4	72,385.5	74,018.1

Table 4

Adani Ports and Special Economic Zone Ltd.--Reconciliation Of Reported Amounts With S&P Global Ratings' Adjusted Amounts (Mil. INR) (cont.)

S&P Global Ratings' adjustments								
Cash taxes paid	--	--	--	--	--	--	(8,495.7)	--
Cash interest paid	--	--	--	--	--	--	(19,238.7)	--
Reported lease liabilities	6,063.3	--	--	--	--	--	--	--
Operating leases	3,183.9	--	--	380.4	238.5	238.5	(238.5)	141.9
Debt-like hybrids	1,665.3	(1,665.3)	--	--	--	139.2	--	--
Postretirement benefit obligations/deferred compensation	38.6	--	--	(0.8)	(0.8)	2.0	--	--
Accessible cash and liquid investments	(54,943.1)	--	--	--	--	--	--	--
Dividends received from equity investments	--	--	--	80.0	--	--	--	--
Asset-retirement obligations	3.4	--	--	--	--	--	--	--
Nonoperating income (expense)	--	--	--	--	17,957.8	--	--	--
Reclassification of interest and dividend cash flows	--	--	--	--	--	--	--	615.0
Noncontrolling interest/minority interest	--	2,195.9	--	--	--	--	--	--
Debt: Guarantees	11,275.9	--	--	--	--	--	--	--
Revenue: Other	--	--	(218.0)	(218.0)	(218.0)	--	--	--
COGS: Other nonoperating nonrecurring items	--	--	--	587.0	587.0	--	--	--
SG&A: Valuation gains/(losses)	--	--	--	124.9	124.9	--	--	--
EBITDA: Foreign exchange gain/(loss)	--	--	--	16,260.0	16,260.0	--	--	--
Total adjustments	(32,712.8)	530.6	(218.0)	17,213.5	34,949.4	379.7	(27,972.9)	756.9

S&P Global Ratings' adjusted amounts	**Debt**	**Equity**	**Revenue**	**EBITDA**	**EBIT**	**Interest expense**	**Funds from operations**	**Cash flow from operations**
Adjusted	268,045.1	256,765.5	114,169.7	72,385.5	73,318.6	19,886.1	44,412.6	74,775.0

INR--Indian rupee.

Liquidity: Adequate

We expect APSEZ to maintain adequate liquidity supported by healthy cash flows and flexible capex. We estimate the company's liquidity sources will exceed uses by at least 1.2x over the 12 months ending march 31, 2021, and net sources will remain positive even if EBITDA declines by 15%. We expect APSEZ to maintain adequate headroom under its financial covenants.

We believe APSEZ has sound relationships with banks and a satisfactory standing in the credit markets. We also view that the company has the flexibility to lower capex and dividends to preserve cash in tighter liquidity situations. APSEZ's liquidity position is also supported by its reduced dependence on short-term commercial papers.

Principal Liquidity Sources	Principal Liquidity Uses
• Cash balance of INR73.3 billion as of March 31, 2020. • Cash FFO that we estimate at about INR40.7 billion for the 12 months ending March 31, 2021. • Domestic bond proceeds of INR15 billion from Life Insurance Corp. of India, raised in April 2020. • Estimated U.S dollar proceeds of INR84 billion from a proposed bond.	• About INR100.9 billion in debt maturities in the 12 months ending March 31, 2021. This includes refinancing of INR62 billion of debt at KPCL. • Minimum spending of about INR55 billion toward the acquisition of KPCL. • Maintenance capex of INR7 billion annually. • Dividends of about INR5 billion in fiscal 2021. • Negative working capital movement of about INR5 billion annually.

Debt maturities

Table 5

Adani Ports and Special Economic Zone Ltd.--Debt Maturities*

Period	Amount (bil. INR)
2021	100.9
2022	47.2
2023-2025	82.9
Thereafter	131.7

*As of March 2020. INR-- Indian rupee.

Covenant Analysis

APSEZ is required to meet a ratio of net debt to net worth of not more than 3x under its bank loan financial covenants. The company's U.S. dollar bond covenants include a debt-to-equity ratio of less than 3.0x. As of March 31, 2020, APSEZ is in compliance with all its covenants. We expect the company to maintain sufficient covenant headroom in the next 12-24 months.

Table 6

Adani Ports and Special Economic Zone Ltd.--Covenant Calculations

	Covenant	Calculation
Gearing ratio	Less than 3.0x	1.08x

*Estimated as of March 31, 2020.

Environmental, Social, And Governance

We assess APSEZ's environmental, social, and governance risks as neutral to its credit quality. We do not envisage any carbon tax or environmental fines that could affect APSEZ's earnings quality due to the company's ports being indirectly exposed to emissions from vessels using the ports. We consider social and environmental risks are unlikely to be primary drivers of APSEZ's credit quality.

We believe APSEZ has a fair governance framework, reflecting the company's management experience and expertise in managing its ports and a strategy broadly in line with market trends.

Issue Ratings - Subordination Risk Analysis

Capital structure

APSEZ's capital structure includes the following bonds:

- US$500 million 4.00% note due in July 2027.
- US$500 million 3.95% note due in January 2022.
- US$650 million 3.375% note due July 2024.
- US$750 million 4.375% note due in July 2029.

We also consider the company's proposed U.S. dollar notes.

Analytical conclusions

We equate our ratings on APSEZ's outstanding unsecured notes with the issuer credit rating on the company. This is because the issuer resides in a jurisdiction (India), where we believe that the priority of claims in a theoretical bankruptcy is highly uncertain.

Ratings Score Snapshot

Issuer Credit Rating

BBB-/Stable/--

Business risk: Satisfactory

- **Country risk:** Moderately high
- **Industry risk:** Low
- **Competitive position:** Satisfactory

Financial risk: Intermediate

- **Cash flow/leverage:** Intermediate

Anchor: bbb

Modifiers

- **Diversification/portfolio effect:** Neutral (no impact)
- **Capital structure:** Neutral (no impact)
- **Financial policy:** Negative (-1 notch)
- **Liquidity:** Adequate (no impact)
- **Management and governance:** Fair (no impact)
- **Comparable rating analysis:** Neutral (no impact)

Stand-alone credit profile : bbb-

Related Criteria

- Criteria | Corporates | General: Reflecting Subordination Risk In Corporate Issue Ratings, March 28, 2018
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Business And Financial Risk Matrix

Business Risk Profile	Financial Risk Profile					
	Minimal	Modest	**Intermediate**	Significant	Aggressive	Highly leveraged
Excellent	aaa/aa+	aa	a+/a	a-	bbb	bbb-/bb+
Strong	aa/aa-	a+/a	a-/bbb+	bbb	bb+	bb
Satisfactory	a/a-	bbb+	**bbb/bbb-**	bbb-/bb+	bb	b+
Fair	bbb/bbb-	bbb-	bb+	bb	bb-	b
Weak	bb+	bb+	bb	bb-	b+	b/b-
Vulnerable	bb-	bb-	bb-/b+	b+	b	b-

Ratings Detail (As Of July 14, 2020)*

Adani Ports and Special Economic Zone Ltd.	
Issuer Credit Rating	BBB-/Stable/--
Senior Unsecured	BBB-
Issuer Credit Ratings History	
14-Jun-2017	BBB-/Stable/--
19-May-2016	BBB-/Negative/--
09-Jun-2015	BBB-/Stable/--

*Unless otherwise noted, all ratings in this report are global scale ratings. S&P Global Ratings' credit ratings on the global scale are comparable across countries. S&P Global Ratings' credit ratings on a national scale are relative to obligors or obligations within that specific country. Issue and debt ratings could include debt guaranteed by another entity, and rated debt that an entity guarantees.