

“Adani Green Energy Ltd. Q1 FY23 Earnings Conference
Call”

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Moderator: Ladies and gentlemen, welcome to the Q1 FY'23 Results Conference Call of Adani Green Energy Limited, hosted by Emkay Global Financial Services. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Abhishek Mody from Emkay Global Financial Services. Thank you, and over to you, sir.

Abhishek Mody: I would like to introduce the management of Adani Green Energy Limited. Mr. Kaushal Shah – CFO; Mr. Raj Kumar Jain - Head of Business Development, and Mr. Viral Raval - Lead, Investor Relations.

Now I'll hand over the call to Mr. Kaushal Shah, CFO for opening remarks, followed by Q&A. Thank you and over to you, sir.

Kaushal Shah: Thank you, Abhishek. Good afternoon and warm welcome to all the participants in this earnings call. Thank you for joining and hope you and your families are safe. We have uploaded the earnings presentation on our website, and we hope that you had a chance to go through the same.

What I will do is that I will quickly take you through the achievements and operational highlights. So, let me start with the capacity growth. So, on a year-to-year basis, the operational capacity has increased by 65% to 5,800 MW through a combination of Greenfield projects execution and a successful acquisition of SB Energy portfolio.

So, in this quarter AGEL has commissioned India's first Solar-Wind Hybrid Project of 390 MW at Jaisalmer, Rajasthan.

Over and above, there is a partially commissioned capacity of 1,275 MW. So, that takes overall to 7,075 MW as we speak, but because of the long-term access issues, that is technically the COD is not announced for that 1,275 MW. And we are in a process to charge another 607 MW in next two weeks to three weeks. So, all in all, we are at almost 7.7 GW, which, translates this company from the developing to the developed company having a very strong EBITDA margin. So, that's what is on the capacity side.

Another important milestone in this quarter, as you are all aware, that we have a strategic partner in the form of IHC, and they have invested US\$500 million in this quarter. So, we have received the cash also and that help us to reduce our debt to that extent. So, that's another important (milestone). So, apart from the Total (TotalEnergies), IHC is another partner and they have invested at close to Rs. 2,000 (per share value) into Adani Green. So, that's a big, big achievement of this quarter.

On the ESG front also, AGEL has received a ESG score of 66 out of 100 in CRISIL Sustainability Year Book, which is the highest in Indian power segment. So, we continue to benchmark the improvement in the ESG score, and making sure that we deliver this consistently.

AGEL has also published Business Responsibility and Sustainability Report. We are well ahead of mandatory adoption required from FY23. For taking all the steps, all our plants are (single-use) plastic-free, as we speak, and there are various other steps which we are taking also.

Our audit committee, on the governance front, is comprising of the independent board and there is no executive director or anybody from the company, so it's complete independent. Apart from that we have various committees; risk mitigation committee, we have a legal tax and regulatory committee; we have CSR committee who oversees the CSR activity and the ESG activity. All of that, the global standard framework on the governance front we have already established.

Now, let me take you through the operations. AGEL has continued to demonstrate consistent improvement in its operational performance. So, if you look at the solar CUF, it has improved by 150 bps to 26.5%. Wind CUF has improved by 850 basis points to 47%. So, this (Wind CUF) is the highest ever reported by AGEL.

Another important thing, the newly added solar wind hybrid plant, which is country's first as I communicated, has robust CUF of almost close to 44%. So, this is what is as far as the CUF is concerned. This is backed by the high plant availability of 100% and high grid availability of almost 99%. So, at both the fronts, we have improved.

Sale of Energy, if you look at, this has increased by 73% to 3,550 mn units, backed by the robust addition of 2,280 MW over last one year. Now, this 3,550 mn units is of 5,800 MW. But there is a further 1,500 mn units approximate for the partially commissioned projects, which we have of 1,275 MW. The revenue on that also, that is part of my Capex. So, Capex is reduced to that extent.

Revenue from the power supply has increased by 57% year-on-year to Rs.1,328 crores and EBITDA from the power supply has increased by 60%. But we have been consistently able to maintain 92% EBITDA margin. Normally, when we look at the numbers, we look at the cash profit. So, that is an increase of 48% to Rs.680 crores in this quarter.

My friends, if you're evaluating the PAT, then in the last quarter of FY21, we had Rs.80 crores as one-time exceptional income. So, if you remove that exceptional income, then the increase in the profit is almost 30%. That exceptional income was generated, because we have got rid of a small operation we had in the US. So, that was the profit we had in that last year Q1, but, that was a one-time, exceptional. So, if you remove that, we are at 30% and compared to Q4, we are almost at 58%. So, there is a big, big, big jump in the operations and the performance.

As far as the run rate EBITDA (is concerned), some of you would like to know that for 7,075 MW it will be expected around Rs.6,100 crores. Roughly this will be the run rate EBITDA. and for another 600 MW which we are making operational, we are talking about roughly around Rs.500 crores as a run rate EBITDA. So, this is what the number is as far as the run rate EBITDA is concerned.

On the cash side, we have cash and bank balance of around Rs.4,000 crores in this quarter. So, consistently maintaining the cash balance, which is sufficient to make sure that whatever is the requirement, we can meet immediately and my net debt-to-EBITDA is 6.16. So, the overall net debt is coming at around Rs.37,158 crores. So, all in all, very, very strong quarter we have.

Some of the friends have a question on the rising interest rate. I'm happy to tell you that 76% of the overall (loan) portfolio is fixed. So, there is no impact of whatsoever in nature. Around 14% of the portfolio, we are about to refinance that in the near future mostly in this quarter itself. So, we have locked more or less for 90%, remaining 10%, I have a reset over a period of next couple of years. So, that's the only limited exposure we have. And having said that, overall cost of borrowing is only 8.9%. So, that also you should know.

As far as some of the questions you might have is on the depreciation of the INR. We as a company have a policy to completely hedge whatever is the FOREX exposure on the loan front. And, we have that already fully hedged. So, there is nothing pending on that front. And I'm happy to report that Vneet ji has joined on this call. So, he is available for the answers of any questions if you have.

So, this is what is the update from my side. If you have any specific questions, we are happy to respond. Thank you so much for patiently hearing.

Moderator: We will now begin the question-and answer-session. We have a first question from the line of Mohit Kumar from DAM Capital. Please go ahead.

Mohit Kumar: So, my first question is given that we have a large portfolio, user appetite for taking more projects on bidding basis is limited at this point of time. And a related question is that if and when the opportunity for hydrogen arises from the group company, will we participate in that entity in setting up renewables from this company or is completely independent?

Vneet S. Jaain: Mohit, first, I come on your question #2 about the hydrogen. About the hydrogen, we are working and as you're aware that, our group company, it is Adani New Industries Limited, we are working very, very on the product at a macro level for this whole green hydrogen value chain starting from manufacturing, then the green hydrogen generation in the downstream which is in respect of the ammonia, urea and ethanol. So, the whole strategy of this green hydrogen is being formed at our group level. Now, what would be the role of Adani Green in that? We can't say right now, because we have not finalized the strategy on this. However, one thing wherein we are working quite aggressively is on the pumped hydro. Because, Mohit, as you're aware of that, either hybrid or solar or wind has a limitation of the higher CUF. And if suppose, the government requires the round the clock power, so, we require either pump hydro or we require the battery storage and we as an organization believe that the battery storage won't be a good long-term solution. So, we in Adani Green are working very, very extensively on the pump hydro. This is in respect of your question #2. In respect of question #1, Mohit, as you are aware of that, presently we are having a large pipeline of our PPA, the manufacturing linked, we have 8 GW besides that, 1.3 GW we have on the hybrid which are in execution, then again we are bidding.

So, we are having a good pipeline of the front PPA project with us and we are also working on all the other new bids which are coming. We are not very aggressive on the bidding part, but we are bidding on and we will continue bidding for the tenders and surely, we'll sign the new PPAs also.

Mohit Kumar: On the P&L in the income statement, was there a large income books in the quarter because of sale on the exchanges in this particular quarter, and if you can quantify the contribution this exchanges?

Kaushal Shah: Mohit, in the P&L, this time we have a revenue of around Rs.44 crores from the carbon credit. So, this is what has started in this quarter. We had eligibility and we sold that in the market. So, that is one thing. The income which we have generated, we have Rs.763 crores to be precise in this quarter, which is part of my CAPEX, not of my P&L. So, that has reduced my overall CAPEX cost as per the accounting standard.

Mohit Kumar: Gross block of 7 GW which is operational right now?

Kaushal Shah: Sorry?

Mohit Kumar: No, sir. My question is what is the gross block for the entire 7 GW which is operational as of now?

Kaushal Shah: I don't have that readymade number because balance sheet is not yet, so we will send you offline on this.

Moderator: We have a next question from the line of Apoorva Bahadur from Investec. Please go ahead.

Apoorva Bahadur: So, wanted to understand, you said that a company is planning to go one pumped hydro. If you can throw some light over there on the type of capacity which you plan to build, the timelines over there and the maths behind it, so both the CAPEX and the tariff side of things?

Vneet S. Jaain: As we mentioned, we have just started working on pumped hydro as a business case within Adani Green. We are evaluating right now six, seven projects in Andhra. in Maharashtra, in Gujarat, in Rajasthan, in Bengal. Right now, the preliminary evaluation part is going on. And in the initial briefing, we have got some very positive outcome. So, therefore, we are going in the second stage of that, which may be in another five or six months, we will have some feasibility report of this six, seven projects and then after that only we can say something, Apoorva. So, it's very difficult for me right now to say how much would be the CAPEX, capacity, the location, OPEX. Maybe in next fiscal or so we will be able to... [line disconnected] I was just mentioning that the pumped hydro, we have started a few months back evaluating the various projects, which are feasible and which are available in the market. And right now, we are working on six, seven projects on the feasibility part, which we are hopeful that in next six months, we will complete the brief feasibility report on these six, seven projects, which are located in Andhra, in Maharashtra, in Gujarat, in Rajasthan and in West Bengal. So, it's very difficult for me right now

giving any number on CAPEX or OPEX or giving some capacity of the project. So, just wait for the next six, seven months, we will come back on this, Apoorva.

Apoorva Bahadur: Sure, sir. We will look forward to it. Secondly, wanted to understand then again on this pump hydro as storage business model. So, what we understand is that Anil will take care of industrial decarbonization, while Adani Green is more for the grid decarbonization, right. Now, so, does that mean that the storage capacity from this pump hydro will be exclusively to meet the grid deficits or will it also be utilized to sort of supply around the clock renewable power to C&I customers and for producing hydrogen as well?

Vneet S. Jaain: So, all the options are possible, Apoorva. Because as I mentioned in the beginning, only wind or hybrid or solar has some limitations on CUF part. So, therefore, then there are round the clock bids are there. When there is a C&I, round the clock the requirement is there. So, within Adani Green, pump hydro will provide a flexibility for grid synchronization and flexibility. So, grid stability could be a part of the C&I suppliers and could be part of something else also.

Apoorva Bahadur: I think Kaushal bhai provided the run rate EBITDA for the operational capacity. I missed that number. If you can please repeat it will be very helpful?

Kaushal Shah: So, for 7,000 MW, we have around 6,100. And another 607 MW which is we're in the process of charging, that could be around 500.

Moderator: We have a next question from the line of Nikhil from Alliance Bernstein. Please go ahead.

Nikhil: So, my first question, just wanted a clarification regarding the short-term market sale. So, what I understood was that about Rs.763 crores is the revenue realized from selling in the short term market and even the units corresponding to that about 1,500 mn units is not part of the 3,500 which has been shown in the presentation, that's over and above, and it's all being adjusted from CAPEX.

Kaushal Shah: You are right.

Nikhil: My second clarification I needed was on the FOREX part. So, in the P&L, we could see two large FOREX items. One was about adjusted on interest gain and 300 loss outside that. So, just wanted to clarify, if you could give some more details on both these items?

Kaushal Shah: See, what is happening is that every quarter, I have to do mark-to-market provision in the books. So, since dollar has moved from 77 to let's say, 80, so there is a loss on account of that and there is a corresponding income also. So, net-net, it's a premium, which I'm paying at around 4% on the outstanding loan of around \$2.5 billion roughly I'm just saying I'm off-hand I'm remembering. So, that's the number. So, it's a premium cost net-net you have to see that. But if you need any specific further detailing, what we will do is I will ask Viral to send you separately these details.

- Nikhil:** My other question was regarding the debt position. I think you said 76% is fixed rate debt which you have I think which is great. If you could just give us clarity on how long is the fixed duration for, is it fixed for three, four years?
- Kaushal Shah:** More or less more than 10%, so, 10 years. So, what is happening is that we have some of the bonds which we have done and the ECBs for some of the loans which we have done and then the rupee loan are there. So, both combined put together, we have this percentage coming up.
- Nikhil:** So, you are saying they're fixed in general for 10-years almost, that's the duration for which the interest, something?
- Kaushal Shah:** Yes, for example, RG-II, we have issued a bond for 20 years. So, that's how my duration is high. Similarly, for some of the rupee also, I have a fixed. We have recently done the bond issuance, which is at 7.63% which is also fixed. So, there is no increase on the cost on account of this. I'm happy to inform that we could refinance Rs.3,200 crores whereby there is a reduction interest in these high environments. We completed just before RBI first time announces the increase in the rate, and thereby we will have a saving of around Rs.44 crores annually on these Rs.3,200 crores.
- Nikhil:** My last question was on receivables. I think great to see receivables improve so much, which is much better than many competitors that we have seen in the space. So, wanted to understand, do you see this sustainable low receivables?
- Kaushal Shah:** No-no, I forgot in my opening remark but it's good that you raised this issue, which was a headache for us, normally we used to receive it in 120, 150 days. And I'm happy to inform that receivable is now absolutely current. And at least right from April onwards, we have seen this trend, in fact, April we have received Rs.400-odd crores trade at one stroke and thereafter every month we are receiving the due payment. The rest of the receivable were more or less was not a major issue, but, Tamil Nadu was one of the concern area which is now resolved. So, we feel that this will continue.
- Nikhil:** On this, do you see any impact? There was some news going around that, government is looking to give 48-month period to discoms to pay long outstanding dues. Do you see any impact from that sort of a guidance coming in from the ministry or nothing?
- Raj Kumar Jain:** This is Raj. So, from the government's notification, Adani Green is barely impacted just because we do not have long standing outstanding. And as Kaushal bhai has just told, largest outstanding has been cleared. So, I don't get impacted mainly with this. There may be some minor ifs and buts, but it is not impacting us. And then second, for it to become operational against any counterparty which is me, the counterparty has to opt for it. So, we have not seen those things happening. So, at least AGEL portfolio is not impacted. As an industry it depends each party and each discom how they have moved on this. There was also a recent challenge against this in one of the high court. Although again there is some movement there in that particular event as well. So, there is a lot of water to flow in this case, but I am more and less immune in this case.

- Moderator:** We have our next question from the line of Puneet from HSBC. Please go ahead.
- Puneet:** My first question is with respect to you 1,275 MW, where you commissioned. When do you expect it to start throwing EBITDA so that you don't have to charge it to your CAPEX?
- Kaushal Shah:** So, there is a long-term access issue which is going on. We expected to resolve in this quarter. So, we are not sure when they are going. We are putting our best efforts. But as long as we are able to earn the revenue on a short-term basis and which is a good one, that is okay with us.
- Puneet:** What kind of revenues are you earning? Does it also mark the start of PPA from your perspective?
- Kaushal Shah:** No, it is not starting. Unless and until official COD certificate is issued, my PPA clock start from the date of issuance of COD. So, still it is not. So, 25-years start from that date.
- Puneet:** What kind of tariffs are you able to earn on that, if you could elaborate?
- Kaushal Shah:** It depends on the market.
- Puneet:** So, last quarter what would be on an average?
- Kaushal Shah:** Rs.763 crores I have told that, this is the amount. Actually, I don't have that average number.
- Puneet:** What is the problem with the long term access issue, if you can elaborate a bit there?
- Raj Kumar Jain:** So, what happens in an evacuation capacity, when you get it from say CTU or whichever is your transmission counterparty, they numerate multiple elements which needs to be completed for ensuring 100% guaranteed evacuation. Because this process involves multiple such elements. So, one or two or three of such element out of say five or seven, may not still be ready, which is delayed by say two months, three months, six months kind of a thing. So, this is the typical where there is a catching game between the generator and the transmission elements which we need to generally time that we are commissioning our capacities along with those elements. So, what we see is, whether our power will actually get evacuated irrespective of all elements coming in. So, in a lot of these cases, while 70%, 80% of elements have come in, maybe one or two elements which are slightly delayed, so which is leading to long term open access not being operationalized, and once those elements are over, which are very near to their commissioning, the LTA will be operationalized and we will have our CODs, but we can evacuate power, that is the reason we are able to sell it in the market.
- Puneet:** That's what I was curious about. You could evacuate power but the long term access is still not sorted?
- Raj Kumar Jain:** Yes-yes. As I said, there would be at least in every LTA which you are, because the capacities are no longer 10, 15, 20 MW, these are 300, 500, 700 MW. So, they need to have the multiple transmission lines, multiple substations and all of that being done as part of giving you their

100% guarantee that for next 25-years come what may or power will be evacuated. So, for that kind of a statement to make, they need to have all those elements. But technically the system can still evacuate because the substation which you are connected that has those transformers, there are some transmission lines which are already made. So, you can evacuate your power through that.

Puneet: The second is for the new plants, which you are commissioning. What kind of PLF are you now getting on the new technology both on the solar and the wind side?

Kaushal Shah: So, in hybrid projects, we could generate 44% CUF.

Puneet: Is it possible to break it between solar and wind?

Kaushal Shah: Solar is 32% and wind is 54%.

Puneet: The second is, if you can also talk a bit about what are you experiencing in terms of the bidding environment, which has slowed down a bit? And what kind of bids are you expecting and how do you expect to participate in that given that you already have a very strong pipeline?

Raj Kumar Jain: As AGEL, If you see our history, we have not necessarily changed the price down despite having the capability. And that is the reason why our cash flows are healthy and the performance is good. So, if you are tracking the market in the recent past, we are not necessarily bidding the prices down. And we believe the market needs to correct a bit, and with the recent increase in the interest rates, and the recent increase in the last one, one and a half years in the module prices, some of these projects which have been recently bid out, may see a meaningful stress, and market should correct which is the way it has moved in the last five, six years in the industry. So, given that, we have a large pipeline, we don't need to necessarily worry about the near-term execution, whether we have the expansion whatever we want to achieve is there or not. So, we are watching the market and we bid where we believe that we are making the differentiator. So, we believe the market should correct a bit, and then we will probably be there taking some projects.

Puneet: And what kind of tenders are you likely to see, any thoughts there?

Raj Kumar Jain: In the last two years, three, four things has happened, in the sense that the concept of hybrid has helped the country in integrating more renewable, the concept of RTC power is something which is evolving, at the same time, solar and wind has played some role, just because of what India has solar capacity today, we don't necessarily see the prices in the daytime, whatever peaks you've seen in the evening. So, everything has its own merit. So, we expect that there will be balance of all the three or four types coming in. In some cases, as Vneet was just mentioning, pump hydros will be roped in, to cater to that evening peaks being addressed. So, all of that is expected to come and market is expected to evolve as we move forward. The project sizes may become further large if we're talking about RTC solutions, because if we talk about pump hydros being tied up, they need to be tied up in a meaningful capacity. So, broadly speaking, we are

saying, yes, all three or four modes of the bids will come in and there will be emphasis towards meeting the non-solar hours power as well to some of these solutions.

Moderator: We have a next question from the line of Rahul Modi from ICICI Securities. Please go ahead.

Rahul Modi: A couple of questions. Just to understand, sir, how is the module availability now that we've got both tariff and non-tariff barriers, so, for the new capacities that we are targeting both in the hybrid and only solar space, so, how are you looking to mitigate availability issues? And when do you expect our captive module supplies to start coming in?

Raj Kumar Jain: So, Rahul, that's a very pertinent question and which is what is impacting lot of our competitors for their near-term projects. So, good part is we as part of our manufacturing tender, got allocation of 2 GW of solar manufacturing capacity of cell and module. We have 26% stake in that and balance is held by our sister company, which is expert in doing solar modules manufacturing. So, that capacity is just nearing its completion, modules are already done and cell is about to be made operational very soon in the next one, one and a half months. So, that provides us or basically gives us some amount of comfort with respect to our supplies, if we need to have that supplies coming from there. At the same time, for the requirements of FY'23, we are more or less already done in terms of what we want to buy. Going forward, as I said, we will have these capacities in almost all the customs duties on the modules which has been imposed is a pass-through for us in our PPAs. So, there again, we have an option of buying it from outside India. So, we have significant flexibility in doing what we are doing. Separately that particular sister company is further expanding their manufacturing capacity. By early next year, the manufacturing capacity with that company with cell and modules will be close to 4 GW per annum and they are further expanding that in stages to a significantly higher price. So, from an Adani perspective, we have significant flexibility in terms of what we want to do based on where I have the change in law, not change in law or going forward, how I want to bid where the BCD will not be a change in law. I can always tie up my capacities prior to the bid even with my sister company. So, all of that flexibility is available with me.

Rahul Modi: So, this 4 GW, we are expecting to get commissioned in the manufacturing over the next 12-months, that will be on an annualized basis. So, that'll be module plus cell and then you will be backward integrating further over a period of time?

Raj Kumar Jain: Yes, the sister company is further backward integrating. They are going up to from MG silica till the modules, fully integrated in phases. So, they have also won some capacity under the PLI tender to do it. So, that is a mandate in any which way they have it. So, they are moving ahead with that.

Rahul Modi: The manufacturing tender at the PPAs for around 9 GW out of the 12 GW. So, are you seeing an interest for the balance three or we will be concluding at least this as for now?

Raj Kumar Jain: No, no. So, in my portfolio, I think I have some 2,100-odd MW capacity to be tied up and we know that SECI already have proposals to close them. So, the process is on. And we expect that

probably in the next 30 to 60-days, most of that capacity should be closed. Rahul, because of the recent increase in the power prices, some of this backlog is no longer a stress for SECI to place. So, some of the discoms which were otherwise looking to price it very fine and wait for the prices to go further down in the future because there is no compulsion to buy for immediate demand. All of that capital has gone out of the picture now.

Rahul Modi: Now, on this, just taking this further in terms of the capacity addition, now that the module prices at least the rake rates from China have stabilized to a great extent. I know only solar bids are not coming as much. But where do you see the tariff stabilizing overall and what is our comfort level as Adani Green?

Raj Kumar Jain: See, I think this is a difficult question to answer if you ask me, just because everyone has their own internal thresholds on the tariff or on the returns and their own cost of setting up the plant, cost of procurement of module, their own optimization level on configurations. But what at least I can tell you is, today's tariff which we are seeing in the market after considering the impact of BCD and the revised GST are not remunerative tax. And there will be reverse. How much? Let's see how the interest rate environment moves. But it is fair to assume that we should see at least 8% to 10% movement up back. But it's difficult and how the market moves will decide it. Suppose, there are other considerations which can keep the tariff flow, fine. What I'm concerned about as a strategy is whether I can get better returns in the market when I execute my project. For that, I have my own capabilities, which I can do.

Rahul Modi: But you see the market stabilizing when you say 8% to 10%, that's on a base of 250?

Raj Kumar Jain: I don't want to necessarily give a number on this because it is very subjective, it can be taken in multiple different context. As I said, it is the consideration of each and every party, it may so happen, some strong parties can actually work with even lower increase, some parties may not be able to do. So, it's different. The question is whether I am able to optimize myself, and how am I making the tariff workable for me, am I better than others. That is what I can drive, which is I can drive and I have been able to achieve. I understand your point. So, for the recent bids, plus 8% to 10% is what you should assume.

Rahul Modi: At Adani Green, how much would be an idle capacity addition that you would like to see on an annual basis basically for anywhere between five to eight years?

Kaushal Shah: So, answer to your question, Rahul, is that we are planning 3.5 GW to 4 GW annually, that is about the Greenfield, and if something comes up on inorganic, that will be over and above that.

Moderator: We have our next question from the line of Apoorva Bahadur from Investec. Please go ahead.

Apoorva Bahadur: I understand you cannot share the tariffs probably at the current module prices, but can you please share the capital costs that we are seeing for the projects being built on current modules, including the BCD and the GST?

- Kaushal Shah:** So, we don't have that off-hand number. What we will do is that I will ask Viral to share it separately with you.
- Apoorva Bahadur:** If you can share that number for wind capacity as well, what would be the current capital cost?
- Kaushal Shah:** No, no, I don't have that available. Typically it is Rs.4 - 4.5 crores for solar and wind it is Rs.5.5 to Rs.6 crores. But it depends on individual case-to-case basis. So, very difficult to off-hand tell you about general cost. So, we will share that separately.
- Moderator:** We have our next question from the line of Puneet from HSBC. Please go ahead.
- Puneet:** My first question is if you can share what kind of hedging costs are you seeing right now in the current environment of sharp rupee depreciation?
- Kaushal Shah:** So, in fact, the forward cost has come down to 3.5%, while the dollar has increased from 78 to 80. So, all in all, we are seeing that 4% is reasonable cost to assume over and above the cost of borrowing. That's what we are seeing in this.
- Puneet:** Second, you also talked about potential capacity addition from inorganic opportunities. Can you talk about which are the large ones that are on the block currently?
- Kaushal Shah:** No, no, we don't have currently on the block. Actually, our internal target which is visible, clearly from the Greenfield angle, which is 3.5 to 4, but, if some opportunity comes up, then that will be an additional. Now, today I don't have that opportunity available. Unless and until we have that minimum return threshold of around 16%, we are not in a hurry to buy any asset.
- Puneet:** But, are there some large assets which are awaiting buyers?
- Kaushal Shah:** I want to know from you dear friend, if you have anything, please share with us. We are happy to look at it. You are talking to so many companies on your call. So, you must have some information. If you can share with us that would be of great help.
- Raj Kumar Jain:** The last large public process was done for MT which was under consideration, which if I take the liberty was I think Shell. I think that was the last large public process. Obviously, you would understand that privately there are multiple discussions which happened which has their own obligations of confidentiality. But what Kaushal bhai is saying that, we are open as a strategy to look at large scale acquisitions. We have done that in past and we have successfully integrated them in our business. So, for us, the growth side is open both on the Greenfield side as well as in the Brownfield/fully built portfolio as long as these satisfy our returns. So, that I think should help you in your question.
- Puneet:** And are you largely satisfied with how SB Energy acquisition has been going on execution?
- Raj Kumar Jain:** Yes, yes, yes. So, the good part about that acquisition is we were in a very good position to integrate that in our current set of stream in terms of project execution. Some of those projects

are just coming now for execution, some of those were there last year. And the issues which probably the portfolio was facing were something which we were very comfortable to handle it. And those could give us the additional kickers which I think some of the players in the market could not achieve. So, from that perspective, it's a very good acquisition which we have done and we have been able to integrate that very well. Results, obviously, as we move forward, you will be able to see.

- Puneet:** And also, can you give your execution plan for FY'23, '24 and '25, what all capacity?
- Kaushal Shah:** So, I've told you generally, we will be adding around 3.5 GW to 4 GW annually. That's what you should count when you consider the overall numbers.
- Puneet:** This will be excluding the 1,275 number or will it be in addition to that?
- Kaushal Shah:** Sorry.
- Puneet:** 3.5 to 5 GW, will be in addition to what you've already done?
- Kaushal Shah:** This is including whatever we have done. I'm talking about yearly, not quarterly.
- Viral Raval:** The schedule of commissioning is already published by us recently in our AGM presentation for the existing portfolio. So, it gives year wise up to FY'26 how we plan to execute the projects.
- Moderator:** As there are no further questions, I now hand the conference over to Mr. Abhishek Modi of Emkay Global for closing comments. Over to you, sir.
- Abhishek Mody:** Thanks to the management for participating in the conference. Any more further questions you may have, you may contact investor relations, Adani Green Energy.
- Moderator:** On behalf of Emkay Global Financial Services, that concludes this conference. Thank you for joining us and you may now disconnect your lines.
- Kaushal Shah:** Thank you and if you have any questions, please reach out to Viral or our group Investor Relations Head, Bala.

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