"Adani Green Energy Limited
H1 FY2023 Earnings Conference Call"

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Moderator: Ladies and gentlemen, good day and welcome to the Adani Green Energy Limited's Q2 FY2023 earnings conference call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. 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 now hand the conference over to Mr. Mohit Kumar from DAM Capital. Thank you and over to you Sir!

Mohit Kumar: Thank you Tanvi. On behalf of DAM Capital we welcome everyone to Adani Green Energy Q2 FY2023 earnings conference call. Let me introduce the participants from Adani Green on this call. We have Mr. Vneet Jaain, MD & CEO, Mr. Kaushal Shah who has been the CFO at Adani Green for the last two years and will now be taking up new responsibilities within the group, Mr. Phuntsok Wangyal who is now going to take up the responsibilities as the new CFO at Adani Green, also we have Mr. Raj Kumar Jain, Head Business Development, Mr. Viral Raval, Lead Investor Relations. Let me hand over the call to Mr. Kaushal Shah for opening remarks which will be followed by Q&A. Over to you Sir!

Kaushal Shah: Good morning everyone. Mohit thank you for introducing. Primarily, the news you all are aware that we have Mr. Phuntsok Wangyal very experienced guy in this sector who was with Engie India and as you know he has great experience on various fronts so he will be taking over as CFO of Adani Green and I will be moving to some new responsibility within the group. Thank you for joining this call and warm welcome to all of you for joining this earnings call for the half year ended September 30, 2022. We have already uploaded the earnings presentation on the website and we hope that you would have had sufficient time to go through the same.

Let me walk through the key highlights and the recent updates. So on a year-on-year basis the operational capacity has increased by 24% to 6,724 megawatts in the first half of FY2023 and over and above there is a partially commissioned capacity of 948 megawatt so that in due course will be announced as a COD. So AGEL has developed India's first and world's largest solar-wind hybrid power cluster with a capacity of 990 megawatts in Rajasthan and further commissioned the largest wind plant in Madhya Pradesh with a capacity of 325 megawatts so this hybrid project - we are the first in the country to do this and we have completed in time.

Now, I shall brief you on some of the important achievements on the ESG front before I go to the operational performance. So AGEL has achieved Sustainalytics ESG risk rating of 'Low Risk' with a score of 14.6 which is the best amongst the key large global peers and significantly better than the global industry average of 33.5. So as we keep telling every time that the group is focusing both on the environment, social and also based on the governance practices and this is one of the results of the same and also AGEL has won CII Climate Action Program (CAP) 2.0 'Committed' Award and as you all are aware that all of our operating plant is now already single-use-plastic free so that is in line with our commitment to be single-use-plastic free by 2024 but we have started already achieving this in the current year so that process is already there.

Now, let me brief you about the operational and financial performance. So solar portfolio as you are aware that improved by 110 bps year-on-year to 24.3% and this is because of the integration of the high quality SB Energy portfolio as well as high plant and grid availability of more than 99%. Similarly, as you know, wind portfolio barring one plant where we had an issue there is a 41% Wind CUF which was there so this is again a great achievement as far as the CUF and availability is concerned. This is the result of the continuous use of the new technology as we are implementing new projects. The newly commissioned hybrid projects which are there which has deployed bifacial PV modules and Horizontal Single Axis Tracking (HSAT) technology to capture maximum energy and this has yielded almost 37% of CUF. Now this is just the beginning we have just been implementing in the last three to four months and the plant and grid availability is more than 99%. We continue telling that the focus is that all the projects are connected through ENOC and we extensively use the AI and ML to improve the availability and CUF both as we can monitor online all the plants sitting here at the headquarters in Ahmedabad. So some of you when you visit Ahmedabad please let us know we can show you live that this is a world-class facility which we have created here. Sale of energy has increased by 67% to 6,618 million units in this half year and then the revenue from power supply has also increased by 45%. Cash profit has increased by 49% to almost close to Rs.1,300 Crores. One of the important events which has happened in this quarter is Adani Green has received the favorable order from APTEL for 288 megawatt of solar plants at Kamuthi. Now you know that tariff which originally was Rs.7.01 which they were giving us at Rs.5.10 so there is a difference of Rs.568 Crores as you know the past accrued income and then recurring we will be having Rs.90 Crores. Just for the knowledge this is an upside that we have not yet accounted in the books. DISCOM may go to the appeal so as a conservative practice we are not accounted but we are very confident that we will get favorable orders even if they go on the next level so that is the thing. Couple of questions which are normally coming is that since the hybrid projects were commissioned in a partial manner we also have generated infirm power revenue of Rs.1,312 Crores in this first half. Now this is not part of my P&L so friends cash flow is already available with us but this will reduce my capex so that is the next update I wanted to give. Another important development is on the receivables front. During the first half we have received almost Rs.700 plus Crores from Tamil Nadu and Telangana and we are absolutely now more or less current on the receivables front and that also has improved the cash flow. The interest rate front also saw the questions are coming that what is the impact so almost 76% of our portfolio is fixed currently, 11% of another portfolio which is Greenfield where we have a two to three year cycle where there is no impact and it will be fixed so remaining 11% will be the variable whereby the original rate was 8.5% which is now 9% so on and all there is no material impact as far as the increase in the interest environment so this is all from my side. I am happy to take your questions. Phuntsok is also there with me on the call so is Vneet and Raj Kumar Jain are also there so over to you.

Moderator: Thank you very much. We will now begin the question and answer session. We will wait for a moment while the question queue assembles. The first question is from the line of Lavina Quadros from Jefferies. Please go ahead.

Lavina Quadros: I wanted to understand what are the challenges are you seeing today in terms of your capacity ramp up plans I know you have enough land but let us say is it module acquisition strategy because your earnings growth depends on that so just wanted to understand if there is any specific challenges you are facing today? Thanks.

Raj Kumar Jain: I think there are some grid-related delays which we have seen which has moved some of the CODs or commissioning by a few months or in some cases by a couple of quarters which has led to a different COD profile than what we had earlier estimated and that is where Mr. Kaushal just indicated that we also have additional capacity which has been commissioned technically but we are unable to do the COD so some of this will fade away in terms of the COD capacities which we will achieve so that is one part of the growth profile which you see. Second, yes, the next level of capacities which we see would more come towards the mid to end of next financial year in terms of our execution plans so you would see a significant ramp up at that point in time in our COD/commissioning of lot of capacity. We are more or less I would say very comfortable in our procurement strategy for solar modules because we have a lot of PPAs where all of this is whatever duties are there in 'change-in-law'. Last one year increase in the one and one and a half year increase in the module prices has not impacted us much because of our long term strategy of procurement so we are comfortable on that part. It is largely I would say some quarter just because of the way transmission system builds up in India.

Lavina Quadros: Okay so mainly constrained by transmission versus any specific issues on the generation side if I understand?

Raj Kumar Jain: Yes you are right so in a nutshell, you would say it is the transmission system availability and within that also the completeness of the entire system which has impacted announcing the COD and which has not impacted us in terms of revenue because in that case because an infirm revenue and goes in the project cost so no adverse impact on us but yes in terms of a headline number yes you are right that we had to push certain capacity by a couple of quarters in terms of our legal CODs.

Lavina Quadros: Understood and Sir lastly this whole green energy open access the revised norms that have come up how are you looking at it and what is the way forward, are states actually implementing it or what is the update there mainly?

Raj Kumar Jain: It is a very good initiative by the Government of India and it is something which was required for achieving the next level of growth in the green energy adoption by the countries so hoping that for the private sector really helps so you will see that lot of new plants would be set up at the centralized ISTS based plants and those in turn to this green energy open access will supply to the consumers. Now states would adopt it because this has come in very recently two or three months, we have seen that some of the states are adopting it. Even today there are no restrictions per se for catering to a demand of up to 1 megawatt plus so until then there is no regulatory restriction we can straight away go and do it. Some of the procedural things are being done like the portals are being created and all of that is happening so this will help significantly in decarbonizing the industry and we see elevated enquiries from our industry partners to make them green. We are also looking at multiple opportunities within our own ecosystem to make that green so this is a very welcome step towards growing the India's footprint.

Lavina Quadros: Thank you.

Moderator: Thank you. The next question is from the line of Nikhil Abhyankar from DAM Capital. Please go ahead.

Nikhil Abhyankar: Thanks a lot Sir. Thanks for the opportunity. Sir recently APTEL passed a judgement that we will be able to charge Rs.7.01 as tariff so you have also booked a gain of Rs.5.7 so is there any interest component on this and when do we expect that you will start booking the revenue?

Raj Kumar Jain: So yes you are right that APTEL has given the judgement in our favor rightly so, so as a conservative policy we have not recognized any revenues or incomes unless and until we see finality. In this case we are expecting that the amount is large for the DISCOM they are planning to go to Supreme Court under the appeal but we do not see a merit in that case so we believe that there will be an earlier disposition of the same in the Supreme Court and once that happens we will be able to recognize revenue along with the interest because the interest is due as per the PPA to us and so that will come to us.

Nikhil Abhyankar: Understood Sir so this Rs.7.01 tariff will be applicable to the entire power plant right?

Company Speaker: Yes. The entire 648 megawatt will now move to 7.01, they were already more than 300 plus megawatt which was already at 7.01 this takes the balance also to 7.01.

Nikhil Abhyankar: Understood and Sir has the Tamil Nadu Government opted for liquidity scheme and has our receivables reduced because of it?

Raj Kumar Jain: They have opted for the scheme and if you see in our case also we got a lot of the revenue and the liquidity have to come to us also so in a nutshell yes they have opted for this.

Nikhil Abhyankar: Okay and we have been a beneficiary as well?

Raj Kumar Jain: Yes so the good part is that we could received a significant amount of our receivables liquidated even prior to adoption of the scheme so the amounts going into the scheme are lower in our case and within that also they have adopted the scheme so for us it has become really good thing that they have done this.

Nikhil Abhyankar: Okay and Sir last question I have when the PLF for the wind portfolio has reduced substantially in this quarter as compared to Y-o-Y and a similar trend has been observed in certain other companies as well so can we just say that the wind season has not been that good?

Raj Kumar Jain: So in our case one specific case was there which was 150 megawatt of power capacity was down because of certain events and which led to our machines not running for that 150 megawatt. If we take out that, the wind season has been significantly better than the last year and this has been on improving trend and those are also reflected in our figures. The initial part of our brief mention that we have been able to achieve 41% CUF excluding this particular plant, this 150 megawatt, we have resolved substantially and there are still some issues but we are working to fix that.

Nikhil Abhyankar: Understood Sir. That is all from my side. Thanks a lot and all the best.

Moderator: Thank you. The next question is from the line of Apoorva Bahdur from Investec India. Please go ahead.

Apoorva Bahdur: Thank you for the opportunity. Sir I wanted to understand with you on this C&I opportunity now do you intend to serve this out of Adani Green or will it be housed in ANIL which is more for industrial decarbonization?

Raj Kumar Jain: We are generating on for this particular piece of the energy transition is AGEL anything which comes in this space would be within AGEL, ANIL is largely focusing on green hydrogen and ecosystem around.

Apoorva Bahdur: Have we done any tie-ups as of now on this space?

Raj Kumar Jain: We are working extensively on that. There are a few things which are on the verge of closure so we will probably make declarations as the event comes.

Apoorva Bahdur: Fair enough. Sir the next question is on our pumped hydro foray so we had signed a couple of MoUs I think over the last few quarters so wanted to check if we have sort of finalized the business plans over there what type of capex and the timelines?

Company Speaker: So yes you are right. We have been looking at this particular space very rigorously and because we believe this is an important space from the perspective energy concession in the country and as more and more renewables are integrated so we have signed MoUs, we are working on finalizing the investment plans around those MoUs and would be kick starting the execution. The moment we reach to that stage we would obviously make relevant announcements.

Apoorva Bahdur: Fair enough. Sir the next question is on the green bond framework which was recently notified by the government do you foresee this having any material impact in the cost of tech for green projects generally across India and specifically for AGEL?

Kaushal Shah: So as you are aware that most of the new institutions and there is specific fund dedicated on this particular green bonds so we see that the cost of borrowing will have a saving of at least 75 bps to 100 bps.

Apoorva Bahdur: That is quite significant and Sir that will be completely passed through to the players?

Kaushal Shah: Correct.

Apoorva Bahdur: Any idea on the tenure of these bonds for how longer duration will they be issued?

Company Speaker: So typically this can be in the range of around seven years to 10 years.

Apoorva Bahdur: The onus of refinancing for this lies on the government?

Company Speaker: Yes.

Apoorva Bahdur: Very interesting. Sir lastly I think we are seeing your carbon credit income growing over the last few quarters and I believe the company is also sort of setting up some sort of a fund or exchange on exploring the business further so if you can throw some light on your plans over here and where do you see this revenue on a fully built out portfolio built out basis say 20 gigawatt?

Raj Kumar Jain: Yes this has emerged as one of the key contributors to our revenue in the recent past. As you would understand this is something which is more a global phenomena where a lot of players globally are looking for offset credit and that is where this has happened. This is becoming a key focus area for us. We believe that based on various assumptions you take we can probably have on a fully built out basis close to $250 million to $260 million of revenue every year, but you would expect that this is based on multiple assumptions and these assumptions have moved in multiple directions in the last few years.

Apoorva Bahdur: Sir I get your point. One last question if I may and this is on the revenue from the sale of infirm power right we have been commendably been able to sell some part as the transmission systems are not ready and the plant is not fully commissioned but just wanted to understand how are we doing this because a lot of our competitors actually struggle in securing open access for transmission especially for plants which have not been commissioned yet so what does Adani Green as an institution as a practice does differently to ensure that its infirm power gets absorbed by the grid?

Raj Kumar Jain: So yes sure. I am unable to talk about the competition but at the same time we monitor the open access elements which are relevant for evacuation of our power and ensure that our plants are not stranded even if some of the elements are not yet there so if there are five elements or four elements are there or three elements are there we are able to evacuate so we plan our projects accordingly and able to take this benefit in our company which I am not sure the completion is not able to foresee but yes we have been able to ensure that we do not have standard plans at the same time save money.

Apoorva Bahdur: Great thank you so much and all the very best.

Moderator: Thank you. The next question is from the line of Nikhil Nigania from Alliance Bernstein. Please go ahead.

Nikhil Nigania: Thank you for taking my question. My first question is on the 150 megawatt asset which was stranded this quarter so wanted to understand it has been classified as a force majeure so would the lost revenue picked up from the DISCOMs?

Raj Kumar Jain: *Force majeure* does not entitle recovery from DISCOM it is something whereby our performance is excused under the contract so that is the construct of *force majeure* in India and so is the case in this PPA so yes it is one time loss for us to be very clear. Obviously we have some contractual I would say recourse but that whenever it comes we are pursuing that if at all we can recover from vendors that is what we will see but not with the counter party so that what it is.

Nikhil Nigania: Understood. My second question was on the capacity guidance the operational capacity have risen this quarter the guidance given in the previous call was 9 gigawatt close to 9 gigawatt operating capacity by the end of the financial year given the slowdown which was highlighted in the call earlier and even in terms of cash flows we can see that capex cash flows are lower than last year so does the guidance still hold of 9 gigawatt operating capacity by the end of the financial year?

Kaushal Shah: I think last time also we have said in the call very clearly that it will be in the range of 8.3 to 8.5 GW depending on as highlighted in the earlier remarks that availability of the transmission line and other stuffs so may be legal COD may not be there but we are expecting that the yearend should be in the range of around 8,300 to 8,500 MW.

Nikhil Nigania: Thank you that is helpful. My other question was on the dollar bond so as we can see for many players during competition as well as for Adani Green the dollar bond yields have shot up recently especially the holdco bond of Adani Green are at yields they had crossed more than 20% now that in the mid teens so what is and two of the bonds are maturing in 2024 so what is the plan to refinance them at this point given the dollar yields are so high?

Kaushal Shah: So it is a good question so first of all let me just tell you that as per our internal FCFE working and other stuff even if in a worst scenario if we are not able to refinance because of the increased rate scenario we will be able to repay out of our own balance lying with the company so there is no issue or discussion on that. The second thing what we have done if you recollect that in airport also when the yield was around 9% we could close in the private market at 6% so we have enough and more bandwidth available to make sure that the refinance is fully available to us but in the worst scenario the FCFE component and the other stuff which we are planning we will be able to do that and then the backup plan also that if you look at RG1 we have recently did this only Rs.700 Crores which is USD 100 million from the domestic banks so similarly we will be able to do it but our idea is to align with the life of the assets so that is where our first preference will be to go for the dollar bond. Having said that that option is not available then we will access the domestic market whereby three to five years funding is easily available so that is not a challenge.

Nikhil Nigania: Understood. Sir just one followup question on pipeline of 20 GW do we see the existing balance sheet plus future cash flows from operating assets sufficient to meet without the need for raising further equity?

Kaushal Shah: Yes currently if you look at as we have a plan that every year we will be having roughly 3.5 gigawatt to 4 gigawatt which we are going to add will generate enough free cash flow for us to fund the entire thing so we do not see the immediate or any requirement with the equity issuance. We already did one tranche with the IHC in April whereby we already raised USD 500 million so as of now based on our current internal estimates we do not see this requirement coming up.

Nikhil Nigania: That is helpful Sir. Sir one last question from my side then so the market for [inaudible] is not favorable in the sense that interest rates have risen, dollar has strengthened, project costs have gone up whereas the tariff is locked in the pipeline that we did so the returns for projects especially the big manufacturing linked PPA what is the impact which you are foreseeing in your equity when you bid versus now when you look to execute that project?

Raj Kumar Jain: Yes sure so that is a very, very valid question and important question to answer. That is where the discipline comes into the picture. We never bid based on an aggressive market. When there was certain money which was available at a low cost post COVID liquidity boost we never used those assumptions when we bid for it. We look at our own long term interest rate trends and based on that we do the bidding so we have been able to tackle that question very well in our portfolio and even today from the investors perspective we have very healthy IRR. At the same time to augment that returns we have been extensively using the LCs to further reduce the short-term cost of capital so that again we are doing so that is on the interest part. On the rupee part and the currency part so what has further helped us say specifically in the case of manufacturing linked tender which we did two years back or two and a half years back the technological advantage which we have been able to tap which is today the bifacial modules, today the horizontal single axis trackers, watt peaks going higher significantly, all of that has been able to significantly offset in certain cost increases which you have seen on the finance side on the rupee, dollar and some of these things. Obviously, you know very well that any kind of a GST or BCD which has increased after that those are already a pass-through so we have not seen any kind of meaningful deterioration in our equity IRR than what we envisaged when we looked at that investment decision and obviously we are going ahead with all those project implementations so you would see some of the manufacturing projects getting commissioned in the next financial year.

Nikhil Nigania: Understood. Thanks for answering my questions.

Moderator: Thank you. The next question is from the line of Jaitra from DAM Capital. Please go ahead.

Jaitra: My first question is what is the current run rate EBITDA for our portfolio and the second question is how is the bidding pipeline looking at this point in time and has there been a slowdown in the bidding?

Kaushal Shah: The run rate EBITDA for the current operational portfolio will be in the range of around Rs.7,000 Crores so that is my run rate EBITDA and if you look at my net debt to EBITDA now that again is a big thing which of all you should know that you know there is always a question which is coming up but with the new things which has come up as an equity from the IHC as on September as we see this has come down to 5.83 which was 6.53 in March so the cash is also available with us in the business and from that perspective we are very much covered within the range of 7.5 which is the covenant prescribed by the rating agency but we are currently as of September it is 5.83 but year end we are expecting that it will be around 6.25.

Raj Kumar Jain: On the second question of the bidding pipeline there has been some lag just because obviously the tariffs in the market have gone up a bit than what it was in the past so there has been some lag or I would say slowdown in the bidding but at the same time this is something which happens where some policy transitions happens so in case of post April there has been a policy transition with respect to imposition of BCD and also the macroeconomic fundamentals with respect to USD and INR as well as interest rates that is also reduced some interest from the bidders as well as the tariffs going higher have reduced some demand from the DISCOM so that has reflected into the bids, but I think we have seen that cycle multiple times in the last seven to eight years since the time bidding has started in the renewable space so we should see our transition back to normalcy after sometime once the psychological question of tariffs going higher actually gets resolved in the mind of consumers or the cost goes down so it is expected that potentially that the solar module prices should start tapering now onwards.

Jaitra: Okay Sir thank you.

Moderator: Thank you. The next question is from the line of Bharani Vijay Kumar from Spark Capital. Please go ahead.

Bharani Vijay Kumar: My first question is what is the rate at which we are selling this infirm power, is it in the short term market in the exchanges that we are selling this?

Raj Kumar Jain: It depends within the framework within which we get this opportunity. In some cases it gets sold to the same counterparties which are my PPA counterparties, in some cases it could be in exchange, it depends on the particular perspective so I think in terms of an average rate you can send a question and I think the team can respond back to you, but this is how it is.

Kaushal Shah: Normally the spot rate available at that particular point of time we do not have that offhand available, amount we have already shared with you.

Bharani Vijay Kumar: Okay understood. The second question is, is there any policy level help from the government specifically for the solar projects in terms of extending the commissioning dates, etc., or being thought about at the government level?

Raj Kumar Jain: So there are multiple considerations and you saw an article coming in the recent news media where the honorable minister has quoted that they are looking for some kind of a consideration but we have not yet seen any kind of a crystal notification or something so obviously based on that article you can say that there is some consideration of extending things just because of some of the recent harshness you have seen being seen by the developers.

Bharani Vijay Kumar: Understood. Those were my questions. Thank you.

Moderator: Thank you. The next question is from the line of Apoorva Bahdur from Investec India. Please go ahead.

Apoorva Bahdur: Thank you for the opportunity again Sir very curious about your modules sourcing strategy so how do you approach this, how do you plan for sourcing modules, is it based on the project that you have already won or do you have like a long term running commitment?

Raj Kumar Jain: We have tie-ups with today the largest producers of solar modules in the world and those are relationships which we cherish just because we build that those relationships over a period of time and there is the highest most connect available there so with that thing we are able to have long term contracts where we get the most favorable rates in the market from them and the best technology which they would be doing so that we ensure. Now in terms of your question around what do we do for sourcing obviously we do not necessarily buy modules where we do not have the clarity of the PPAs or the revenue uptake on them. We do things where we know that what all projects which we are going to do over the next two years but within that we can tell you that we plan for five years in advance in our business planning and we exactly know what all projects would come in the next two years with some months here and there but we are very much clear on what is happening so that gives a significant advantage in terms of our discussions with the vendors which are our preferred vendors.

Apoorva Bahdur: The pricing how often is it reset, why I am asking is if there is possibility that the solar module prices might correct in the near future, a related question to that would also be where do you see the module prices say six months or a year from now?

Company Speaker: To answer that I can tell you that we get one of the best pricings in the market that I can assure you and that has been the case in the last five to six years even in the worst of the times when the markets were moving up very rapidly we have been able to get the best prices, even when the prices were falling we were able to get one of the best prices in the industry so that we have ensured based on our relationship with some of these players. The module prices going forward it is anyone's guess as of now the market is expecting a meaningful correction, you can see PV InfoLink forecast or some other forecasts which are available, some of these forecasts are talking about 10% to 15% corrections sometime next year so let us see how it plays out.

Apoorva Bahdur: Fair enough. Thank you so much.

Moderator: Thank you. The next question is from the line of Dhruv Muchhal from HDFC Mutual Fund. Please go ahead.

Dhruv Muchhal: Thank you so much. Sir the carbon credit revenue of Rs.149 Crores is it fair to assume this would include the accumulated carbon credits or this is particularly for this quarter's generation?

Raj Kumar Jain: It does not work that way. There is something called a crediting period which we exercise for various projects once we have some accumulation but since it is more a regular phenomena and it goes from one project to another project to another project so the crediting is more or less regular. It is difficult to say quarter-on-quarter we will have the same number but we will be able to have a pretty steady run rate over a year's period so crediting happens for a particular project for a year's worth of generation but since we have so many projects we do some kind of a I would say spread of that over the year and so that we do not necessarily see ups and downs too much but again let us not see it on a quarter-on-quarter basis because it does not run that way.

Dhruv Muchhal: Okay and just to get some sense on the absolute numbers will not make sense by on a per unit basis is there any benchmark that one can look at when one is looking at the carbon credit income and because you said it is not falling, so this will not look quarter-on-quarter but on an annual basis probably that will come through?

Raj Kumar Jain: So the market has been very volatile. We have seen in the last 15 months I would say or 16 months the numbers ranging from $4 to as high as $8 going back to $5.5 or something of that range and our average has been about USD 5 and in terms of math whatever I generate multiplied by 0.93 divided by 1000 is one carbon credit.

Dhruv Muchhala: Generation into 0.93 divided by 1000 is one carbon credit which is effective for you, the average at least in the past was about $5?

Raj Kumar Jain: Yes and see again even this 0.93 moves it is not constant project-on-project, but yes on an average 0.93 to 0.935 is what you use.

Dhruv Muchhala: That is helpful. Sure Sir. The second question was the EBITDA run rate that you mentioned about Rs.7,000 odd Crores that is for the projects which is for the 6724 megawatt project which is already commissioned and does it also include the Rs.900 odd Crores which is partially almost commissioned?

Company Speaker: This is legal COD which we have already announced 6,724 megawatt and then we have another 948 megawatt is partially commissioned so for us we are already at 7,672 megawatt.

Dhruv Muchhala: Got it so when you say Rs.7000 Crores of EBITDA run rate that is for including the projects which are partially commissioned?

Company Speaker: Yes.

Dhruv Muchhala: Sure and Sir the last thing in your PPT on slide number 19 you gave the gross debt for operational projects just wanted to clarity does this debt also include the acquisition debt that you would have paid say for example for SoftBank you might have paid some premium so does it include even that or that is part of the other portion?

Kaushal Shah: No that premium or whatever we have the acquisition cost has a different treatment. Here whatever is the debt of the operational assets which we acquired will be part of these numbers.

Dhruv Muchhala: The debt specific to that projects are included in the operational?

Kaushal Shah: Correct.

Dhruv Muchhala: Sure that makes sense. Thank you so much and all the best.

Moderator: Thank you. As there are no further questions I would now like to hand the conference over to management for closing comments.

Company Speaker: So thank you so much. On behalf of Adani team thank you for patiently hearing. If you have any further questions you can contact Phuntsok and to me as well I am with the group only and then to Viral who is leading our Investor Relations efforts so welcome and thanks to everyone. Be safe. Take care.

Moderator: Thank you. On behalf of DAM Capital Advisors Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.