CITIGROUP GLOBAL MARKETS

ADANI GREEN ENERGY LIMITED (AGEL)

MANAGEMENT UPDATE CALL

ACQUISITION OF SB ENERGY'S 5 GW INDIA RENEWABLE PORTFOLIO

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(Recording starts here)

OPERATOR: Good afternoon. Welcome to Citi's conference call. Our chairperson today is Mr Atul Tiwari. Atul, please begin your call. I'll be standing by for the Q&A session. Thank you.

ATUL TIWARI: Thanks, Charlotte. Good afternoon everyone. Welcome to this call with senior management of Adani Green Energy Limited on yesterday's acquisition announcement. I am Atul Tiwari and I cover the electric-related, infrastructure and industrial space for Citi Research in India.

I'll just quickly introduce the members from the senior management team on the call. We have with us Mr Jugeshinder Singh, Group CFO for Adani Group; we have Mr Sagar Adani, Executive Director; Mr Kaushal Shah, CFO; Mr D Balasubramanyam, Group Head - IR; Mr Anupam Misra, Senior VP - M&A; Mr Raj Kumar Jain, VP - BD; Mr Nitin Gupta, Finance Controller; Mr Viral Raval, AGM - IR; and Mr Udayan Sharma, DGM - IR.

Without taking too much time, I will hand over the floor to Mr Singh for his opening remarks. After opening remarks by management, we will start the Q&A. Just a gentle reminder that please restrict your questions to yesterday's acquisition. For any other general questions on the company's business or the sector, you can reach out to the IR team later. Thanks. Over to you, sir.

J SINGH: Thank you, Atul and Citi team for organising this call for us. Welcome everyone, on this call, and the participants joining us today. Just a brief about the transaction. Adani Green Energy has signed definitive agreements for 100 per cent acquisition of SB Energy Holdings Limited. SB Energy is an 80:20 joint venture between Japan-based SoftBank Group Corporation and Bharti Group; and houses 4,954 MW, roughly 5 GW, of renewable assets in India.

The transaction marks the largest acquisition in the renewable energy sector in India. The transaction values SB Energy India at an enterprise value of approximately USD 3.5 billion. The acquisition is at an EV with a multiple of between 7.5 to 7.8 on a completion basis. The range being we are building some flexibility for completion timelines.

The brief portfolio details - the target portfolio consists of large-scale utility assets with about 84 per cent in solar and 9 per cent in solar-wind hybrid, plus a 7 per cent pure wind portfolio. The portfolio comprises 1.4 GW of operational solar, near-term development of another 2-2.5 GW, and 1 GW of medium-term development.

The key value accretive factors for AGEL - this portfolio, 98 per cent is contracted with a 25-year PPA. All of these PPAs are with sovereign equivalent counterparties; NTPC and SECI, also NHPC. All projects forming part of the portfolio are large-scale utility renewables.

The portfolio is spread across 15 projects; and the key aspect of this spread is that 75 per cent of the portfolio is in Rajasthan where AGEL already has a large presence, and a further 17 per cent is in Andhra Pradesh where again AGEL has a presence. Thus 90 per cent of the portfolio is located in the two states where AGEL has existence presence.

Many of the assets in this portfolio are solar park based; and have been built following best-in-class governance, project development, construction, and operations and maintenance practices. This has resulted in this being one of the best quality renewable portfolios in the country.

The average tariff for the portfolio is INR 2.75 per unit, which is significantly lower than the APPC; APPC being the average procurement price of discounts. This gives us, in relation to PPA, certainty of payments, etc; and it is shown in the receivables, which are all less than one month.

On the ESG front, the key highlights of this portfolio - these projects are constructed on about 39,000 acres of wasteland; all but one operating plant have deployed robotics, saving water required for cleaning; the plants have achieved zero fatality rates, and recordable incident rates with 7.35 million accident-free hours.

Financing - the acquisition is all cash deal and will be fully funded with internal accruals and overall investment of USD 2.5 billion from Total in FY21.

Conclusion - with this acquisition, AGEL will achieve total renewable capacity of 24.3 GW and an operating renewable capacity of 4.9 GW, with a further 5 GW to be added in the next 12 months. This acquisition demonstrates AGEL's intent to be the leader in sustainable energy and transition globally, and makes it one of the largest renewable energy platforms in the world.

This investment continues Adani's, at a portfolio level, commitment to the Paris Agreement and COP21, and our commitment to India achieving its target of 450 GW renewable capacity by 2030. Thank you. We're open for questions.

ATUL TIWARI: Charlotte, can we start the Q&A, please.

OPERATOR: Certainly. Ladies and gentlemen, we are polling for questions. If you wish to ask a question, please press "*1" on your telephone touchpad. Thank you. Once again, ladies and gentlemen, if you wish to ask a question, please press "*1". Thank you. Our first question comes from Mohit of DMI. Please go ahead, Mohit.

MOHIT(DMI): Yes, this is Mohit from DAM Capital. Sir, congratulations on the acquisition. So, my first question is - how do you intend to fund the acquisition, do we have enough cash on the balance sheet? What is the cash outgo for the assets in place, and how much the cost is still required to be incurred on this portfolio?

J SINGH: Yes, from balance sheet point of view - for your first question, Mohit, thank you for asking the question - we have the liquidity lines available at the balance sheet level to utilise for this. Because if you recall, Mr Adani, our Chairman, had made a statement last year in 2019 WEF forum that Adani Green will target 25 GW capacity by 2025.

So from a capital point of view, we are prepared to do that. So this just accelerates that, and which will mean that we will upgrade our capital plan in 2023 and refresh it. But for the time being, the liquidity lines available for us to fund this are there.

Now on your second part of your question, which relates to how much of this we have to be, total to complete would be approximately 26,000 crore.

That includes the operating assets. So we expect, in terms of further investments from us including debt and equity capital, in the order of about 20,000 crore; plus transaction costs, plus initial payment that we will make for this acquisition which will total another 6,000.

MOHIT(DMI): My second question is - what is your operational EBIDTA at this point of time, and what will be the fully constructed EBIDTA expectation? Will you complete this project in the next two years? Are there any significant delays in the portfolio which will warrant some kind of discussion with the off-takers?

J SINGH: No. Answering your second part first, we don't think that the delay in the projects is an issue. I think we remain that it would not require any specific discussion, other than in the ordinary course of business.

In relation to the EBITDA, we look at more from the point of view of through AGEL because this was an acquisition by AGEL and the SPV is underneath, what kind of free cash flow this will mean for AGEL. In the first year, it will allow for AGEL parent to have a free cash flow available to it of about 965 crore; and one year hence, it will allow AGEL to have a cash flow from this portfolio of approximately 2,000 crore.

MOHIT(DMI): The 2,000 crore is EBITDA minus interest payment, am I right?

J SINGH: No, it is free cash flow; it is net number post all expenses at the SPV levels.

MOHIT(DMI): Understood. Thank you, sir. Thank you, and all the best.

OPERATOR: Thank you. The next question comes from Sunny of JPM. Please go head, Sunny.

SUNNY(JPM): Thank you. Just want to ask a few questions. The first question would be about the valuation. Can you talk about the PP level and what is the IRR of the project because the tariff is quite low and majority of the off-takers should be sovereign-related, right. So just wondering the IRR of the project after you acquire the business, and I just want to work out what is the return.

The second part of the question would be the SB Energy, they used to have Foxconn in the business, right, business partner and they exit. Just wondering, can you give us some colour about the asset quality as well as some of the reasons why Foxconn exit the SB Energy before? Just want to understand a bit more about the history of this company. Thank you.

J SINGH: I'm sorry, I'm unable to comment on the Foxconn issue; it's not something that we look at. For us, we look at the assets and we do our due diligence on the assets. We've acquired this portfolio on a completed basis at approximately 7.5 to 7.8 enterprise multiple. So which will give us a return on a project level of about 13 per cent; and at project IRR, and it might be for one project - here or there, it might be less or more - but on average, we expect to make approximately 13 per cent project IRR.

Additionally, in relation to your quality question, we have absolutely no doubt about the good quality of what has happened here. So, we believe that this is one of the highest quality portfolios available in the country. We know the portfolio, where it is and what the sites are; and we've seen that, our teams have seen that, and we do not doubt the quality of the assets.

SUNNY(JPM): Okay, thank you.

OPERATOR: Thank you. Our next question comes from Akhilesh of ICICI Prudential. Thank you.

AKHILESH(ICICI P): Sir, thank you for taking my question. I just wanted to ask - is there any projects for which the PPA or the PSA is yet to be signed, or have the PPAs been signed for all the projects which are under construction?

J SINGH: For some of the projects, the PSA process is underway, but we don't anticipate any issues in that; but majority of the PPAs are signed.

AKHILESH(ICICI P): Can you comment on the quantum of capacity for which the PSAs are yet to be signed?

J SINGH: Can we take this question and revert? But approximately, just a round figure number of about 600 MW in spending.

AKHILESH(ICICI P): Okay, thank you, sir.

OPERATOR: Thank you. Ladies and gentlemen, if you have other questions, please press "*1" key. Thank you. Ladies and gentlemen, "*1" to ask a question. Thank you. Our next question comes from Abhuh of Investec. Please go ahead, thank you.

ABHUH (INVESTEC): Hi, sir. Congratulations on your transaction. Thank you for the opportunity. Sir, I wanted to understand a couple of things. Firstly, correct me if I'm wrong, but the first 6,000 crore that you are paying for the operational assets and the transaction costs, that forms a part of equity payment and probably 20,000 crore will be borrowing. Is that correct?

J SINGH: No. You know, because the aggregate numbers have been released to the market, we formally give that. But broadly speaking, I indicated a number that's just about total initial payments, cost of the transactions and ongoing construction is also ongoing - that will be about 6,000; and rest 20,000 is ongoing construction costs that we will accept.

It's out of which the overall construction and development that we will have to complete will be just under Rs. 16,000 crore. So because part of the process will continue till we have the final settlement, as per SPA, these numbers will be crystalised at the settlement date as to what would be the final payments between the two parties. It's a locked-box concept.

OPERATOR: Thank you. Our next question comes from A Bhandara from Nippon India Mutual Fund. Please go ahead, thank you.

A BHANDARA(NIMF): Hi. Thanks for the opportunity, and congratulations for the transaction. I had two questions. One is in your opening remarks, you mentioned near-term of about 2.5 GW and medium-term commissioning of 1 GW. So while the near-term is very clear, just trying to understand the timeline for that medium-term 1 GW.

J SINGH: December 2022, most likely.

A BHANDARA(NIMF): Sure. The second question was on the operating portfolio where you mentioned that the quality is much to your satisfaction, etc. But any areas where you would like to bring at par as far as efficiency of your own operating projects is concerned; and if yes, what kind of incremental investment can we expect, either in terms of extra loading or any other efficiency parameter in the operating portfolio?

J SINGH: I think I can give you a broad answer. The first thing I just want to highlight is that both Bharti and SoftBank are very substantial organisations. Certainly for Bharti, you know, it's one of the top entities in India; they make India proud, they make us proud as a company. So, we don't doubt the capability with what they've done this.

On the other hand, we are a very specialist infrastructure provider and infrastructure utility. So we have our own Energy Network Operating Centre and Project Management Assurance Group, which will now execute this project. So, we believe there will be some efficiencies that will come forward. We will go through that. We have not built those efficiencies and we have not built those numbers into the value that we have paid.

But most certainly, we will certainly see efficiencies in terms of operations; we will see efficiencies in terms of supply chain because we have a much deeper supply chain as we are a much larger business in solar and wind. Sorry, I'm not able quantify the number at this stage; but we'll most certainly update at the settlement time.

A BHANDARA(NIMF): Sure. That's fine, sir. Just one last question, and this is to get a broad understanding from a perspective of your earlier guidance of 25 GW by '25. So should one assume that now the target stands at 30 GW, because you already have your own pipeline to be executed by '25. So, is that understanding correct?

J SINGH: Your understanding is correct; but hopefully, we'd like to surprise you on the upside by 2025.

A BHANDARA(NIMF): Sure. Got it, sir. Thanks a lot for all the answers, sir, and congratulations once again for this significant landmark.

J SINGH: Many thanks for your wishes. Thank you so much.

OPERATOR: Thank you. Our next question comes from Parth of GM. Please go ahead, Parth. Parth, are having a question? We haven't hear your question yet.

P JHALA(GSIM): Hello, hi. This is Parth Jhala from GSIM. Thanks a lot for the presentation, and congratulations on the acquisition. Just wanted to clarify a couple of things on the funding details in terms of how you plan to fund this. Maybe you covered that earlier and I missed it. So, could you please just refresh us on how you plan to fund the acquisition in terms of return between debt and equity?

J SINGH: See largely, there is a significant portfolio that is under development; so that is already fully funded from a debt perspective by the banks. You know, we will speak to them; and if required, we can look at rolling this into our own construction and development programme.

As you are aware, and the team - you know Anupam, Kaushal, etc on the call for AGEL - who worked on one of the largest green renewable go-to-market facilities, 1.35 billion, which was entered into by AGEL in February; so we can always start a series 2 of that to complete that.

So from the SPV level debt point of view, which will be in the order of about 20,000 crore once this portfolio is fully completed, we have no issues. The rest of the funding - upfront, AGEL itself has sufficient liquidity lines to fund this; so we don't anticipate any sort of going to market for the funding of this asset. The reason for that being Mr Adani had already announced in 2019, flagged that we would like to reach a capacity of 25 GW.

By 2015, our capital management plan already was planned for 25 GW. What this does is it accelerates plan and increases that capacity in 2025; which would mean that from a capital point of view, we'll refresh that in 2023. But for the time being, we are fully funded for this acquisition and for the full completed value; and we don't see any specifically going to the market for any of this funding, either for debt or equity.

P JHALA(GSIM): Got it, thank you.

OPERATOR: Thank you. Our next question comes from Pavish Shah from Mosaic Advisors. Please go ahead, thank you. Mr Shah, are you having a question? If not, then let's move on. The next question comes from Ashish of Centrum. Please go ahead.

A SHAH(CENTRUM): Good afternoon, sir. Sir, a few questions. One, if you could just give the makeup of the counterparties in terms of the PPAs of the capacity. So how much could SECI and NTPC, and NHPC? Secondly, if you can also throw some light on the tariff, the average tariff in the PPA for the capacities which have been contracted with these counterparties?

J SINGH: SECI/NTPC is 98 per cent; for all practical purposes, 100 per cent of the capacity. In relation to tariff, the average tariff across the pool is INR 2.75 per unit.

A SHAH(CENTRUM): As mentioned in the press release, these are all 25-year PPAs, right.

J SINGH: Correct.

A SHAH(CENTRUM): Okay. Just a little bit on any potential synergies that you see from the taking over of these capacities. Are there any those kind of benefits which are possible, or these are to be taken as standalone assets which will have a 13 per cent (indistinct)?

J SINGH: There will be synergies out of the supply chain integration. It will come through now to Adani Green's supply chain and the sourcing. Then there will be synergies in relation to how we, not synergies by how we run our O&M in terms of day-to-day of operating assets; and finally, we have our own capital management plan which is structured differently, much much more consistent with long-term infra and the underlying contracts.

So we expect in all three areas of the core values that Adani infra portfolio and all of our infra verticals have - which is excellence in origination and development, excellence in O&M and capital management planning - so we expect to bring all of those to the table; and in all of those areas, the three areas, we expect to have efficiencies.

A SHAH(CENTRUM): Sure, that's it from my side. Thank you.

OPERATOR: Thank you. Our next question comes from Pavish from Mosaic. Please go ahead. Thank you.

P SHAH(MOSAIC): Hi, congratulations on the transaction. Sir, my question was - what would be the debt to EBITDA for Adani Green post the acquisition, if it's fully done and all the assets are back in the operations? So on a full EBITDA basis, once you get the full EBITDA of the business, what would be the debt EBITDA for the overall company?

J SINGH: The way Adani Green and a lot of our infra verticals are funded, we have projects at where the contracts are; so we are not funded in a corporate manner because that's not suitable for infra and utilities. So, we are funded on a SPV level.

It's a forward-looking statement, so I have to be careful. But we expect - so I can't give you the numbers due to forward-looking nature - but overall, on a fully operating basis, our solar portfolio will start off at about 5 times EBITDA in terms of debt; wind portfolio slightly higher.

Over the term of the contract, they all trend to zero. So the average EBITDA multiple to the debt is 3.35, the mathematical average. So that's where AGEL will end up, in total, of all of its SPVs combined; a weighted average life EBITDA multiple of 3.35 times in terms of debt.

P SHAH(MOSAIC): Okay. Sir, what would be the debt at the holdco level?

J SINGH: Holdco, from time to time, might have some debt; but majority on a net debt basis, it will be no debt at holdco level. On a gross basis, it will carry debt for capital management, working capital, timing differences in development, portfolio etc. But in the long term, we don't anticipate the holdco to have debt.

In the medium term, debt could be say another 1 turn of EBITDA on a cycle basis. So, cycle being five years. So the SPV is 3.35 on average, and on a cycle basis at holdco 1 times; but that is to match the timing differences in development profile of underlying SPVs.

P SHAH(MOSAIC): So, just correct me if I'm wrong. Did you mention that around 26,000 crore would be from the holdco for this particular transaction, or it's something I missed it?

J SINGH: No, you didn't miss. That's correct.

P SHAH(MOSAIC): So at the holdco level, there will be a bit of increase in debt. That's a fair assessment, right, of that 6,000 crore.

J SINGH: It would be holdco has liquidity available to it, so it will draw down on that liquidity. It all depends as to what we do at settlement; and how we see the process between now and settlement, what is the development profile. We will decide at settlement, but holdco has enough liquidity lines available to it.

P SHAH(MOSAIC): Fair enough, sir. When you say, "has enough liquidity", it's physically more at the debt level, the funding options that you have, the convertibles of ESG.

J SINGH: Yes, absolutely. After 2025, we would likely have some timing differences in our development profile and operating profile, so there would be some holdco level debt.

P SHAH(MOSAIC): Okay, fair enough, sir. Thank you very much, and congratulations.

J SINGH: Thank you so much.

OPERATOR: Thank you. Our next question comes from Lokesh of Credit Suisse. Please go ahead, thank you.

LOKESH(CS): Hi, sir; good afternoon. Basically, wanted to ask you - it has been said that assets have been set up in solar parks; and previously, we are seeing that solar parks had higher costs of operation related to fees itself that infrastructure provide the charges. So relative to your normal assets, how much is it higher by, if that is really so? So, that's one question.

Second question, if you can answer that, probably you may not like to; but as much perspective as you can give, which is - how do you sort of see this transaction relative to let's say a decent US listing that we have seen from India as well as the third-rated assets in the renewable space? Basically, the context is set on an EV per watt basis, it seems cheaper than at least those transactions. I'll stop here, and I'll pass it on to you.

J SINGH: I'll answer your second question first. You know, quite frankly, I don't mean it in any ways so please don't take offence. What somebody else does is not what we benchmark. We have our cost of capital. We try to acquire assets below our cost of capital so they are accretive to equity, and that's what this transaction is for us. We have acquired it at between 7.5 it 7.8 times EBITDA in a completed basis, so we believe that's significant accretion to equity will occur. So, that's what we are focussed on.

I have no comment on what the relative values are. We look at it from the point of view Adani's utility platform. In Adani's utility platform, we have Adani Green, Adani Transmission, Adani Total Gas and Adani Power. So, our objective is to have the world's best utility platform with these four verticals independently listed.

So, our focus remains on our businesses. In relation to O&M and park efficiencies, that specific issue is not material in this transaction at all because these assets are quite well run.

OPERATOR: Thank you. Our next question comes from Srangan Sai of Blackhorn. Please go ahead, thank you.

S SAI(BLACKHORN): Yes, good afternoon. I just wanted to ask you about your partnership with Total Group of France, and what do you expect them to be bringing into this recent acquisition in terms of a financing contribution and other expertise.

J SINGH: Total and Adani have a very comprehensive partnership across our utility platforms. They are partners in Adani Gas. They're also partners in our private side on LNG terminals and LNG marketing. Now they are partners with us, or they are star shareholder actually, in Adani Green.

Specifically on this asset, not on operation and development side, but we have comprehensive dialogue with them in relation to how we can maximise value for all shareholders including Total and us and minority shareholders.

So, we are unable to answer specifically because these are ongoing discussions on finance. But beyond finance though, Total is a substantial energy major focussed heavily now into energies outside of oil and gas.

So we have a comprehensive dialogue with them as to how best to continue to develop our green platform, and how to take Adani Green to be one of the solution providers right across the energy chain.

Currently, we are focussed on power. Eventually, we'll also get into providing energy for the transport sector as well; so which is EV batteries, etc. So that aspect of it, they play a major role with us; and we are grateful for their participation.

S SAI(BLACKHORN): Okay, thank you.

OPERATOR: Thank you. Our next question comes from Abhuh of Investec. Please go ahead. Thank you.

ABHUH(INVESTEC): Hi, sir. Sorry if there was a line dropped from my end last time around. Just for me to understand, basically I think the previous caller has also asked, like more directly - is there a possibility of a part of or chunk of these assets going into the JV that you have with Total?

J SINGH: No.

ABHUH(INVESTEC): Okay. So, these will remain in the books of AGEL for some period.

J SINGH: Correct.

ABHUH(INVESTEC): Okay, got it. Secondly, if I look on an EV to MW basis, the assets are valued at roughly INR 53 million per MW, appears slightly higher given that a large part of it is solar. So, is it mainly because (indistinct) on the IRR basis that's favourable? Or is it also for the reason that the capital costs for the under-development project is higher (indistinct) material (indistinct)?

J SINGH: I think the number you quote is a result. But in terms of how you look at on asset basis, that is a result of calculation; but the way we look at is the rate of return on capital employed and the ability to generate. That is the CUF of each of the plants.

So on that basis, at 7.5x on a completed basis to EBITDA or up to, depending on some flexibility in relation to development assets, 7.8, I mean that range is an excellent outcome for such a large portfolio of 5 GW in one go; and it is well within our cost of capital. So, very significantly accretive to the shareholders.

ABHUH(INVESTEC): Thanks a lot.

J SINGH: Thank you.

OPERATOR: Thank you. Next question comes from Anuj of HDFC Securities. Please go ahead, thank you.

ANUJ(HDFC SEC): Thanks for the opportunity, sir. I need one clarification on the Basic Customs Duty. As the (indistinct) goes into (indistinct) earlier, so does the base of under-construction detailed already (indistinct) or at least if you have any solution for enhancing the tariff at the time of taking operation?

J SINGH: You've answered your question yourself relating to the BCD issue. Look, to an extent, there is an impact that will follow through the change of law process. But because these projects are already underway, so when we come to that, we will deal with it. But we again do not think that that is a material consideration in this acquisition.

ANUJ(HDFC SEC): Also, just one clarification - you mentioned that the balance between 5 GW (indistinct), right.

J SINGH: The majority of it is actually near term; but, yes.

ANUJ(HDFC SEC): At 2.5, yes. Okay, thanks.

OPERATOR: Thank you. Ladies and gentlemen, if you have other questions, please press "*1" on your telephone touchpad. Thank you. Once again, ladies and gentlemen, if you have other questions, please press "*1" on your telephone touchpad. Thank you.

ATUL TIWARI: Charlotte, Atul here. So if there are no more questions, then we can conclude the call here. Yes, I think there is one more question, Charlotte. Can you just go ahead.

OPERATOR: Yes. We have a question comes from Lavina of Jefferies. Sorry, the call was put on hold. We do have another question; just one moment. Our next question comes from Akhilesh of ICICI Prudential. Thank you.

AKHILESH(ICICI P): Sir, thank you for the follow-up. Sir, we have seen that recently, module costs have started going up. In this context, do you expect any change in capex costs versus the expected number which would have be considered by SB Energy at the time of bidding, or has majority or bulk of the procurement of modules already happened for the under-construction volumes?

J SINGH: I think let me answer it this way. In the capital costs, two completion numbers I have given you. We've considered this rise in the costs. What specifically was utilised in the bidding assumptions of SB Energy, whilst we're privy to the information from data room, etc, but I don't want to be sharing that. But our costs assume the changing profile in the supply chain.

AKHILESH(ICICI P): Got it. Thank you, sir.

OPERATOR: Thank you. Next question comes from Lavina of Jefferies. Please go ahead, Lavina.

LAVINA(JEFFERIES): Hi sir. Sorry, I had some issues logging in. Excuse me if I'm repeating my question. But more from a macro, I mean from a strategy perspective, right, unlike in the case of thermal power plants where there are a lot more operational efficiencies that acquisitions can bring, for example on coal price side or fuel price - I think renewables, it's primarily financing costs, right.

Is that how we should look at acquisitions that have been done by Adani Green, that it's primarily refinancing that will benefit and some efficiencies? Or are there any major efficiencies that can move the needle on profitability? Thank you.

J SINGH: No, Lavina, you're right. But by and large in the majority of the utility type infrastructure, even conventional power, the biggest chunk of efficiency you can bring on something is on the capital. However, there are benefits in relation to, like I said, 75 per cent of this portfolio is in Rajasthan; and AGEL itself has a large portfolio in Rajasthan.

Adani, as a platform, has very large businesses in Rajasthan across the board. So, we have high embedded infrastructure that is required to complete assets. So our vendor programme, our vendor management, our vendor mobilisation, all of those aspects we can bring here.

So because there is some development portfolio left, so yes, there is an efficiency that we can get from there. But largely, the efficiencies will come from how we overall integrate this into the comprehensive capital management plan of AGEL where we believe that we will have a significant accretive value for equity.

LAVINA(JEFFERIES): Got it, thank you so much.

J SINGH: Not at all.

OPERATOR: Thank you. Ladies and gentlemen, if you have other questions, please press "*1". Thank you. Atul, there's no other questions online.

ATUL TIWARI: Yes. So, I guess this concludes the call. I will hand over the floor to Mr Singh once again for his concluding remarks.

J SINGH: So Atul and Citi team, thank you very much again for organising this. Those who attended and asked questions, we appreciate your questions. If you have anything else, you can please reach out to Viral and Bala and team for AGEL. We're happy to answer.

Again, we take the opportunity to thank all of you who participated, and especially those who asked questions. Very grateful, and look forward to continuing engagement with the investor community. Thank you so much.

ATUL TIWARI: Thank you sir. Thanks a lot and thanks everyone for joining, and we shall disconnect now.

OPERATOR: Thank you for your participation. This concludes the conference. Goodbye.

(Recording ends here)