



Renewables

Date: May 10, 2024

To

BSE Limited
P J Towers,
Dalal Street,
Mumbai – 400 001

The National Stock Exchange of India Limited
“Exchange Plaza”,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

Scrip Code: 541450

Scrip Code: ADANIGREEN

Dear Sir,

Sub: Transcript of Earnings Call pertaining to the Audited Financial Results for the quarter and year ended March 31, 2024

With reference to above, we hereby inform below link of transcript of the Earnings Call on Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2024 held on May 03, 2024.

Web link to access above transcript is: <https://www.adanigreenenergy.com/-/media/Project/GreenEnergy/Investor-Downloads/Results-Conference-Call-Transcript/Q4-FY24.pdf>

Kindly take the above on your records.

Thanking You

Yours Faithfully,

For, Adani Green Energy Limited

**Pragnesh Darji
Company Secretary**

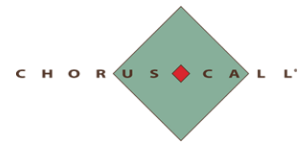
Adani Green Energy Limited
Adani Corporate House, Shantigram,
Nr Vaishno Devi Circle, S G Highway
Khodiyar, Ahmedabad 382 421
Gujarat, India
CIN: L40106GJ2015PLC082007

Tel +91 79 2555 5555
Fax +91 79 2555 5500
investor.agel@adani.com
www.adanigreenenergy.com

Registered Office: Adani Corporate House, Shantigram, Nr. Vaishno Devi Circle,
S G Highway, Khodiyar, Ahmedabad – 382 421, Gujarat, India

“Adani Green Energy Limited
FY24 Earnings Conference Call”

May 03, 2024



MANAGEMENT: **MR. SAGAR ADANI - EXECUTIVE DIRECTOR**
MR. AMIT SINGH – CHIEF EXECUTIVE OFFICER
MR. PHUNTSOK WANGYAL – CHIEF FINANCIAL OFFICER
MR. RAJ KUMAR JAIN – HEAD BUSINESS DEVELOPMENT
MR. VIRAL RAVAL – HEAD, INVESTOR RELATIONS

MODERATOR: **MS. HINAL CHOUDHARY – INVESTEC CAPITAL SERVICES INDIA LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Adani Green Energy Q4 FY24, FY24 Earnings Call. 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 Ms. Hinal Choudhary. Thank you and over to you, ma'am.

Hinal Choudhary: Thank you. Thank you, Sagar. Good Evening. On behalf of Investec, we welcome you all to Q4 FY24 and FY24 earnings call from Adani Green Energy. Today, we have with us from the management, Mr. Sagar Adani, Executive Director, Mr. Amit Singh, CEO, Mr. Phuntsok Wangyal, CFO, Mr. Raj Kumar Jain, Head Business Development and Mr. Viral Raval, Head IR. I now hand over to management for opening remarks followed by Q&A. Thank you.

Sagar Adani: Hi, thank you very much, Hinal, for organizing the call. Good Afternoon, Morning to everyone from all across. It's a pleasure to connect with all of you. We'll just give you a brief update on AGEL results and then open up for Q&A right after.

This is Sagar Adani and I'll just start. So Adani Green Energy is India's first and the fastest renewable player to get to a 10.9 GW of operating capacity. It is a testament to our focus on project execution, operational excellence, building resilient supply chains, innovation and leveraging technology to enable affordable and renewable power.

In FY24, we strengthened our market leadership with 2,848 MW of greenfield capacity addition, which marks a 35% year-on-year increase. The capacity addition by Adani Green alone accounts for over 15% of India's total renewable capacity addition in FY24. We are developing the world's largest single-location renewable energy plant of 30,000 MW in Khavda. This project will set a blueprint for ultra-large scale renewable energy development globally. The project is spread across 538 square kilometers, almost 5 times the city of Paris and will be completed fully by 2029.

In fact, in the same location, we have already operationalized 2 GW of solar capacity in FY24, just within 12 months of breaking ground there.

I'm glad to share that in FY24, we delivered a robust performance across all metrics on a year-on-year basis.

- Our revenue from power supply increased by 33% to INR 7,735 crores.
- Our EBITDA increased by 30% to INR 7,222 crore.
- The run-rate EBITDA stands at a strong INR 10,462 crores.
- The net debt to run-rate EBITDA is at 4x compared to 5.4x just one year ago. Cash profit has increased by 25% to INR 3,986 crore.

- Our consistently high operational performance has enabled us to deliver an industry-leading EBITDA margin of 92%.

Our investors have also reposed tremendous faith in our strategic vision. AGEL has further strengthened ties with strategic partners and investors including Total Energies, GQG Partners, and Qatar Investment Authority. We have also refinanced Restricted Group 1 bond with a fresh 18-year bond issuance of US \$409 million, which was oversubscribed 6.5x.

Our continued focus on improving performance across ESG parameters has significantly advanced our rankings and ratings by globally recognized independent bodies. In its latest assessment, ISS ESG ranked AGEL 1st in Asia and amongst top 5 in the RE sector globally. CDP rated AGEL in the topmost category of 'A' for Supplier Engagement and 'A-' in the Climate Change Assessment.

India's green power revolution is underway at a very accelerated pace. This necessitates developing utility-scale storage projects in a speedy and cost-effective manner to support the base load requirements of the country and to complement the higher capacity of renewables coming into the grid.

Pumped Hydro Storage, a mature and proven technology, emerges as a robust solution. We are targeting at Adani Green an addition of at least 5 GW of pumped hydro storage capacity by 2030 and have already kicked off construction work for the first 500 MW project in Andhra Pradesh. With this, we have revised our renewable energy capacity target for 2030 upwards from 45 GW to now 50 GW. 100% of this capacity is already fully funded from both a debt and equity perspective.

We are on track to achieve the 2030 target with locked-in land parcels and transmission connectivity in Rajasthan and Gujarat. We also have a development pipeline for pumped storage projects across four states in India.

We are committed to lead India's energy transition and we aim to more than double our green field capacity addition to 6,000 MW in the current fiscal year.

Thank you very much and we'll open up for questions.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Yes. Good evening, sir. Congratulations on a very, very good set of numbers. My first question is on how to think about the capacity addition beyond 20 GW. If I understand correctly, you've got 20 GW locked in PPA. But I don't think we are bidding right now and we're not participating in any of the bids.

Sagar Adani: So, Mohit, yes, you're right. We have 20 GW of locked in PPAs. We are also actively pursuing C&I customers, specifically high-rated counterparties for C&I and various other Adani Group companies as well, which would require power for their own decarbonization requirements over the next few months and years. So, in due course, when relevant contracts are signed, we will

update to the market. But at the same time, we will ensure that, in the next two-odd years, we're executing contracts for which have tied-up counterparties.

In the next 2 years, you will see significantly higher locked-in contracts, which will be of a similar nature, of a similar number, that we will execute across various counterparties as well as participate in specific value-added tenders. In the context of the energy demand of the country right now, there are various opportunities that are very attractive. We don't want to participate in simple plain vanilla PPAs, wherein the returns wouldn't be as attractive what we would be able to get otherwise. So we're pursuing a lot of alternate options.

At an appropriate point in time when things are locked in, we'll disclose to the market, but the underlying theme remains that at higher margins and at higher profitabilities, we will look to lock in capacities with various counterparties consistently as we go forward.

Mohit Kumar: Does it mean that you're not participating in the upcoming SECI bids of hybrid or storage, anything? Is that the right understanding?

Sagar Adani: So, from a storage, etc, point of view, we may look at specific bids on an opportunistic basis. It's not that we just absolutely won't participate or that we will participate for every single one of them. We will look at it on a very tactical basis, looking at the capacity that we have available, because we are executing a run rate of about 6,000 MW of greenfield capacity addition every year.

In future years as well, we should look at executing somewhere between 6,000 to 8,000 MW every year of new capacity that we will have available. So, what we want to look at and lock-in is out of the 6 GW that we will physically construct, how much of that do we want to allocate to PPAs, how much of it do we want to allocate to C&I customers, high-paying, high-credit counterparties, how much do we allocate for various other Adani Group companies for the decarbonization requirements. So, we have that thing that we look at on a little bit of a tactical basis, depending on the various factors in a particular year. But from a capacity addition perspective, we would add a capacity of somewhere between 6,000 to 8,000 MW on a run rate basis going forward.

Mohit Kumar: Yes, sir. My last question, how do you bifurcate the land allotted in Khavda between various group companies? Thank you.

Sagar Adani: We don't bifurcate any land to any of the group companies. Adani Green owns the land, and Adani Green executes the project on that land. From a counterparty perspective, that's what I just said. Adani Green prepares the project, sets the project up, and sells electricity to various other companies. So, in that sense, in that particular year, depending on, again, the project mix, it depends on which group company gets how much in terms of power capacity.

Moderator: Our next question is from the line of Nikhil from Bernstein. Please go ahead.

Nikhil: Thank you for taking my question, and congratulations on a good set of numbers. My first question is on the guidance that we can expect for the commissioning of new capacity in the coming fiscal '25 and fiscal '26, if you could please share that.

Sagar Adani: So, as I said, Nikhil, we will be in this coming year, we will plan to add at least about 6,000 MW of greenfield capacity in FY25. In FY26, we should have a similar or a slightly higher number, but it should be in a similar range, as I said earlier as well. We aim to execute a greenfield capacity of somewhere between 6,000 to 8,000 MW in a given year.

So, our land tie-ups, our evacuation tie-ups, our execution capacity, vendor participation, our financial plan are all ramped up to be able to deliver a capacity of somewhere between 6,000 to 8,000 MW in a year. This year, our target is north of 6,000 MW.

Nikhil: Perfect, understood. If I may ask a follow-up to that, do you see any challenges coming in from availability of equipments, whether it be panels due to ALMM or transmission equipments like transformers, which we are hearing a constraint across the board? Do you foresee any of those challenges coming in for you?

Sagar Adani: For us specifically, we will not have any of those challenges.

Nikhil: Understood. And even evacuation from a grid standpoint from Khavda, that's...

Sagar Adani: Would also not be a problem. So when we talk about the target and the plan to add 6,000 MW of capacity, that we do ourselves consider every one of these factors in terms of the supply chain, in terms of the evacuation, in terms of the capital availability, in terms of the organizational capability. We factor in all of those things and then disclose our own internal target to the market.

Nikhil: Great. Makes sense. Then the second question I had was regarding, I think this was alluded to a bit earlier as well. So, we understand you've got a very big pipeline to commission, hence possibly missing from the tenders last year. But there were also some very good complex tenders which happened, FDRE tenders, which seemed at very good prices, giving good returns. Was the reason to not participate in them a strategic one that you expect more such and possibly more attractive opportunities to come? Or was it a factor of the timeline of the pumped storage plan coming in 2027, and that's something that you would want to work, the project commissioning to align with that?

Sagar Adani: So, Nikhil, good question. From our side, basically what we see, we are not very, very hung up by one particular tender of SECI. What we're playing is a much larger strategic renewable energy game in the context of the Indian market. Now, there is one there'll probably be 10 other tenders that will come. When we look at it, you just take a step back and look at it from a thematic perspective. From an India standpoint, India currently is already expecting a huge growth of consumption from an energy perspective. Now, of course, we all want to make sure that a majority of that chunk is serviced by renewable energy capacity. If you just put in that context a number of what the physical commissioning that would require to service that, incremental demand every year, the number is pretty staggering.

So, one bid or a couple of bids here or there is not very important. What is important for us is we build our capacity, we build our portfolio of generation, be that solar capacity, wind capacity, pumped hydro, all of that up in such a way that we have a very unique set of solutions for the end customer. Now, the conduit of reaching the end customer could be via SECI bid, could be

via an NTPC bid, could be via many different ways, could be a bilateral contract, could be some DISCOM bids that may come out, state level DISCOM bids that may come out.

But ultimately, what we want to ensure is we build the AGEL portfolio up in such a way that the expected demand profile of the country over the next five years is able to be met in a very significant way by our product portfolio. So, that's how we're thinking about it. Now, if we're in a position to be able to provide capacity and products and services, which other renewable energy companies cannot, we expect there to be a significant margin and delta that we'd be able to make because of that one particular thing. Does that help you answer your question?

Nikhil: It does. And what I took away is that you have the potential and awaiting patiently, you expect more such opportunities to come given the scale of supply that's needed, as you said, for the transition.

Sagar Adani: Because we're in a very unique position, Nikhil, to have the ability to not, unlike most other companies, right, with balance sheet capacity of AGEL, group strength, to be able to build projects without necessarily need of specific contracts, to have the financial capability to build looking forward to the contracts, not build only after contracts are in place. And then that differentiator gives us the delta of additional profitability significantly. Because we don't have to compete where 20 other people are already.

Nikhil: Makes sense. And if I may ask a related point, similarly on pump storage, then I'm guessing there is no PPA because there hasn't been many tenders. But the plan would be, again, like I said, depending on what opportunities come your way, what could be the best return, that's how you want to look at and capital is not a constraint.

Sagar Adani: Correct. So when we're looking at pumped hydro, Nikhil, in a way that it's a strategic alternative to batteries, there are going to be tenders that are going to come in which will require deployment of batteries for ensuring that there is a much more committed supply profile that can be committed to the counterparties. Now, for most of the other people, if you want to achieve that level of, kind of specificity, you have no choice but to go for batteries, which is how a lot of recent tenders have come up from SECI and other counterparties as well.

Ultimately, what batteries are doing is providing storage. The same thing can be done by pumped hydro storage as well, which is significantly cheaper to build compared to batteries. So what we're doing is we're having a strategic option by creating a pumped hydro storage project where we will be able to, I mean, if it's, let's say, 30% just using a broad number cheaper compared to a lithium ion battery storage plant, then that is immediate delta available for us in terms of how we can price this, because the alternative for that would be a lithium ion battery storage option, which would be significantly more expensive for someone else to make. So this becomes a significant margin as far as that option is concerned. So that's why we want to build and retain this option to ourselves.

Nikhil: It makes sense. If I may ask one more question, there was a point made earlier that the 50 GW aspiration, which I think is great and we obviously clearly need in India, but it's fully funded.

But when we do the math, I see from the equity standpoint, we see a need for equity raise to reach that kind of scale, assuming we're not divesting assets, which I think is not the plan.

So just wanted some clarification on that from the 50 GW, the equity requirement would be quite substantial. So without any additional fundraise, you see the ability to fund it from existing or operating cash flows?

Sagar Adani:

Not so. So to your point, Nikhil, we've done the math and we've done all the considerations, the simulations for everything to get to the number that we publicly declared of 50,000 MW by 2030. From a debt perspective, of course, we have construction facilities tied up, we have very deep access to the Indian markets. And basically with the amount of capacities that we already have tied up today in terms of revolving facilities, we more or less get to that number because it gets churned and recycled every year, so we get to that number broadly. From an equity perspective, the internal accruals that the company makes and the commitment that the promoters have made by way of subscription of warrants into Adani Green. Both of those things put together ensure that 100% of the equity requirements are fully funded to get to 50 GW.

Nikhil:

Understood. Maybe just one last question, if I can squeeze in on the merchant power side. So good to see the increase in merchant exposure in the future portfolio to 10% and the undercut of 11 GW. But also, do you see a risk to that given, globally, solar power prices are becoming negative?

Sagar Adani:

Nikhil, India is a very, very different animal and a very different set of considerations compared to many other places in the world. So it would be very wrong to kind of borrow off from specific commercial experiences in other places in the world versus what the situation in India is. So I say that. So that's number one. Secondly, if you still look at the deficit that India has overall in terms of requirement at the peak. India, from a climate perspective, is a summer country. So the peak demand and the peak requirement comes in many places through the summer and many other months in the afternoon. So solar actually, in that sense, unlike many other Western countries, is perfectly complementary to the demand of the Indian grid. That's number one. Second, if you look at, again, just very, very, very conservative simulations in terms of what will be the requirement of additional capacity of power in the afternoons, in the evenings, which solar and wind very beautifully complement, there is a very, very significant shortage that is expected to come up over the next two, three, four years.

Even if you look at current year numbers in terms of energy growth, what is expected to be even higher next year and the years forward. If you take a 5 year simulation, the numbers are very very staggering in terms of what India would require. So from that perspective, we don't see as many PPAs and tie-ups happening by the DISCOMs, by various other agencies and companies to cater for that increase in demand. So we see a very clear three to four year runway where we'd be able to make substantially better margins, if we have additional capacities that are catered towards the merchant market.

While I say this, at the same time, we also will continue to ensure that we look for very specific, profitable, not plain vanilla opportunities where we are able to make higher deltas in terms of our profitability. And at the right and appropriate point in time, we will be very open and we'll

be very willing to tie up these capacities in long term PPAs as well. So we always keep an eye out and we keep a lookout for that. But at the same time, want to also ensure that we use shorter term opportunities to generate better profitability for the portfolio.

Nikhil: Makes sense. Thank you so much for answering my questions and congrats again for great execution.

Sagar Adani: Thank you.

Moderator: Thank you. The next question is from the line of Ketan Jain from Avendus Spark. Please go ahead.

Ketan Jain: Good evening, sir. I just had a follow up question on a question previously asked on battery storage. With the fall in battery prices are we looking to add any battery storage based hybrid projects?

And also with the fall in prices does the tariff get competitive with pump storage like how does the tariff of both projects compare?

Sagar Adani: The right way to look at it, Ketan, is that there is demand on one end in terms of what is the amount of power required at one point in time. So the tender always asks for demand. The tender never or a consumer never asks for a specific source of power. So on one hand is the demand, which is the bids that are coming from SECI, which is bids coming from all of these different counterparties, C&I opportunities and the likes. On the other hand, we as generators - Adani Green and many of the other companies - we have to decide what are the sources of power through which we want to cater to this demand. Now, in many of the cases people cater to this demand by way of battery storage. That's the majority of what people are doing, and that's the majority of how things have happened all across the world as well.

From an Indian context, we have an additional source of power, a generating source of power that is pumped hydro. Pumped hydro, because of the way the industry works and because of the way concessions work in India, is not easy. Battery storage it's very easy to buy a bunch of batteries, you put them, you link them to a solar plant and you have this capability of providing renewable power with storage capability as well. So there's much, much lesser barriers to entry. On the other hand, pumped hydro is sort of like a full fledged infrastructure project. It's not as easy and simple to execute as a battery storage project. But at the same time pumped hydro is much cheaper. So what we always ensure and what we want to make sure is that we have a bouquet of solutions that are available for consumption of our end customer.

At the same time, from a generating perspective we are able to generate this solution at the cheapest possible rate in the market. That's how we look at it. So there's a role that pumped hydro storage plays as well. There's a role that battery plays. There's a role that solar and wind plays. There's a role that every one of these generating sources plays. But what we want to ensure is we have access to these generating sources in a way that is the cheapest. So that we can generate the highest margin for the same tariff in the market.

- Ketan Jain:** Yes, understood. I just want to understand that. So you're saying India will need a combination of both type of projects like there's not one particular storage to be chosen from and even if you compare on a standalone basis just the battery and this pump, batteries tariff are to be higher, am I right?
- Sagar Adani:** That is correct. Yes.
- Ketan Jain:** And India needs a combination of both. Both are required based on the demand.
- Sagar Adani:** Absolutely. Yes.
- Ketan Jain:** Okay. Yes. Thank you.
- Sagar Adani:** Thank you.
- Moderator:** Thank you. The next question is from the line of Apoorva Bahadur from Goldman Sachs. Please go ahead.
- Apoorva Bahadur:** Hi Sagar. Thanks for the opportunity. Sagar, wanted to check up on this pump storage project that we are building, what could be the timeline for commissioning over there?
- Sagar Adani:** So FY27, Apoorva is the first commissioning for plan of 500 MW that we're executing currently. Of course, as we go along we look at about a 3-3.5 year timeline for commissioning of a standard pumped storage project. So whenever we start additional projects somewhere along the way over the next one or two years, those projects will get ready in about 3 -3.5 years of when construction is started, from a thumb rule perspective.
- Apoorva Bahadur:** Understood. And what would be the tentative capital costs on a per MW basis that we are looking at?
- Sagar Adani:** So we are looking at about INR 4.5 crores to INR 5 crores per MW.
- Apoorva Bahadur:** Understood. So in that case these will be quite competitive on a cost curve.
- Sagar Adani:** Absolutely.
- Apoorva Bahadur:** Fair enough. I think a large part of our sort of strategy of utilizing pump storage also rests on transmission availability and I recollect you said that all this is taken into consideration, but do you think, would we require more transmission purely from a planning perspective?
- Sagar Adani:** So Apoorva so if that's a question, that's an overall India question that does India require more transmission capacity from a planning perspective? Answer is yes. So the government recognizes that very well also. And the government also ensures that there is a very proactive planning of transmission that is happening in advance of the projects getting ready. So you'll see, I think this year we should expect a lot of transmission bids and transmission capacities expected to be bid out by the government to ensure that all the major renewable generating areas are newly well connected in advance of the projects becoming ready so that when the projects are ready they can immediately evacuate into the grid of the country. When we look at the pump

hydro projects they are, of course, in geographies which have a certain type of a topography. So sometimes it becomes slightly more challenging, but whenever we do plan this on our end, we never ever plan a single project without 100% certainty in terms of transmission, because we never want to be in a situation where a project is ready and it becomes a dead asset because it cannot evacuate. So transmission becomes a very core part of our project planning.

It's, in fact, the most important and which is why you would have seen in the last 6-7 year history, never has it once been that a project of ours has been ready and has been stranded because of lack of transmission capacity. That's something we evaluate very carefully and we make sure that is in place significantly in advance of our projects becoming ready. We time it like that.

Apoorva Bahadur: And that's for sure that's what we have been seeing. So I think you're absolutely right. I think the last two questions and I believe like in to one of the questions earlier you had said like the idea is to sort of meet India's energy demand irrespective of the source and the procedure. Continuing on that theme, should we expect any foray on the rooftop side now that the government is pushing for it especially under the RESCO model?

Sagar Adani: So Adani Green, Apoorva, is a platform that is focused on setting up dedicated utility scale, large scale solar and wind projects, of course, with storage solutions as well, pumped hydro, battery storage.

So we will continue to remain in that segment. We don't want to go into a kilowatt level segment that is something that does not make sense for us. It is left much better to other companies who want to execute that. For us, our focus is and will continue to remain large utility scale development of large scale renewable projects.

Apoorva Bahadur: Great. I think last question. If you can share the latest capital cost estimates for solar and wind on a per megawatt basis, what you're seeing now?

Apoorva Bahadur: I just wanted to check on the capital cost for solar and wind, the latest number. And Sagar, one more question, I think. This is regarding your assessment of maybe requirement for wind capacity addition? Now, once the pump storage projects start getting commissioned, because I understand that solar would be the cheapest way to sort of charge them. So do you require – I mean, do you think that surplus wind capacity addition would be required once pump storage solutions start commissioning? And if yes, to what extent?

Sagar Adani: So I think from a charging the pumped storage plant's perspective, again from a thumb rule perspective, if you have wind capacity, it is best used because it generates very well at peak hours, peak consumption hours. So if you have wind capacity, it is best to sell it into the grid at the time of peak consumption hours, because that's where you make, you know, quite significant in terms of delta. What you would typically want to do is utilize the excess solar energy generated during the day to charge your pump storage plant. That's the logical way in which you would typically want to do that from an economics perspective.

Now, will we need to add additional wind, not specifically from a pumped storage perspective, but from an overall country demand perspective and demand profile perspective? Absolutely.

The more that the wind is added in terms of jointly together with solar, the better it is from a grid stability perspective.

Apoorva Bahadur: Okay. Fair enough. Understood. First of all, basically for charging pumped storage, it is not required. So the current, say, sort of trend of overbuilding wind to ensure that a lot of tenders, we are matching the demand curve, right? So that trend should ideally end with maybe pump storage cost acting as a cap over there. Is my understanding correct?

Sagar Adani: No, Apoorva. I wouldn't say that. If you ask me, my personal view would be that we are significantly underbuilding the wind capacity. So, in fact, across the board, all developers from a country perspective as well, we need to ensure a significantly higher development of wind capacity versus solar capacity.

Of course, it's a little more challenging from an execution perspective, from an operations perspective. So people have a little more hesitation compared to this. Of course, from a resource perspective as well, a little less predictable compared to solar.

But the times at which it generates is very complementary to what India's demand needs are. So, again, from a pumped storage perspective, I don't think there is that much – solar will be the source that will charge a pumped hydro plant. So wind is not very relevant from a pumped storage perspective. But, again, from a country perspective, wind becomes absolutely critical and essential.

Apoorva Bahadur: No, I'm just asking from a levelized cost of electricity perspective, right, because solar will obviously be much cheaper than wind. Now, can we overbuild or does it make sense to sort of have so much of pumped storage? And if it sort of – based on your cost estimates, does it make sense to sort of overbuild solar along with pump storage from a levelized cost of energy perspective? Or does it still make sense to sort of go for wind as well?

Sagar Adani: So short answer, Apoorva, to your question is that ultimately there's going to be a mix of solar and wind that is going to support all different sources. So predominantly pumped hydro is going to be charged by solar mainly because from a levelized cost perspective, it's the cheapest. So that's what we will all endeavor to do completely. But, of course, from a timing perspective, sometimes if wind is required, yes, you would want to build that.

Apoorva Bahadur: Absolutely. No, no, I understood that. If you can just help us with the capital cost for solar and wind that you're seeing now.

Sagar Adani: Solar, we look at capital costs somewhere around 5 crores per MW, and wind is approximately 6.5 crore per MW.

Apoorva Bahadur: This 5 crores per MW, is at what DC ratio?

Sagar Adani: That would be at about 1.35-odd AC-DC ratio.

Apoorva Bahadur: Okay. So this is inclusive of all the BCDs and domestic modules, right?

- Sagar Adani:** Yes. I mean, of course, these numbers change significantly because modules are like a commodity. They change every quarter in terms of pricing. So I'm just giving you a rough thumb rule estimate. Of course, the specific numbers can keep changing as per how the global market evolves and the domestic market evolves as well.
- Apoorva Bahadur:** Perfect. Thank you very much. All the best.
- Sagar Adani:** Thank you.
- Moderator:** Thank you. The next question is from the line of Nikhil from Bernstein. Please go ahead.
- Nikhil:** Thanks for taking the question again. I had a couple of more questions. So one is, is there any plan to use the planned renewable capacity to power the green hydrogen projects of group entities?
- Sagar Adani:** Right now, Adani Green's focus is not green hydrogen. Adani Green has its own independent focus of delivering 50 GW by 2030. That will mainly be used in government counterparty projects, SECI, NTPC, state government DISCOMs, some other decarbonization plans of some other group companies, to make sure that there's some for C&I, for third parties, the likes of large IT companies which consume significant amount of power, data center consumption loads.
- So mainly these would be the places where Adani Green would focus on right now. Currently, we don't have a plan to allocate a significant amount of capacity for green hydrogen from Adani Green perspective.
- Nikhil:** And if I may then, this is helpful. Just the other question which came earlier on the solar project cost being 5 crores per MW. Just wanted to understand what are the module prices you are seeing post ALMM in the domestic market? Because I'm expecting it to be a lower number given globally prices are \$0.11.
- Sagar Adani:** So there's a lot of \$0.11, but there's a BCD, right? There's about a 40% BCD on importing modules into India. So the actual fair prices from an India standpoint is something around the range of \$0.17 to \$0.175. So that's more of what the cost of importing modules in India would be today even if you consider \$0.11. But independently, from a domestic market perspective, see again, prices vary significantly because it depends from what tenders define. The latest tenders that have been opened by SECI and NTPC have had a price of somewhere around \$0.24, I think, for domestic modules. So that's around the price range in which domestic modules are available. Because there's a shortage. There's a demand supply mismatch. We do, of course, expect a significant amount of capacity addition happening in the module and cell market for domestic manufacturing capacity to increase significantly over the next year, year and a half to almost 2 years. So that number should inch towards a downward trajectory. So it should compress. But I think it's more of a temporary issue.
- Nikhil:** Got it. Understood. But you won't be able to import the modules right now, post 1st April. You would have to rely on domestic or am I wrong to understand?

- Sagar Adani:** So there's a lot of contractual and regulatory nuances to this answer. There are certain tenders and projects which are exempt from this condition because they were bid out before the ALMM condition came in force. So those projects under those tenders are exempt from ALMM requirements so you can import.
- There are certain projects where you can buy ALMM mandatory. So for those projects, you have to use ALMM compliant modules. They are not necessarily domestic. ALMM can also be granted to a foreign exporter. Some factories, for example, exporting from Singapore, Malaysia, who, as we understand, have actively applied for ALMM approvals from the government.
- It's yet to be seen if they're able to achieve it or if the government grants them the approval, doesn't grant them the approval. So there's a lot of moving parts to this. But I'll try to answer this from an Adani Green perspective. From an Adani Green perspective, everything we're executing this year is fully locked-in and de-risked from an ALMM perspective, so everything, all the modules that we need for our projects.
- Sagar Adani:** Sorry, I don't know what you heard me last, but I think basically from an Adani Green perspective, we are fully locked-in for whatever we require for the upcoming year.
- Nikhil:** Makes sense. The 8 GW project on solar side, that I'm guessing doesn't fall under ALMM.
- Sagar Adani:** It does not.
- Nikhil:** Perfect. Understood. And then maybe one last question. From a bookkeeping standpoint, if you could give me a sense of last quarter Q4, how much was the merchant power sale revenue for Adani Green?
- Phuntsok Wangyal:** I think on a portfolio level, that mix will broadly remain the same, actually. As you know, right now, out of my 10,934 MW, effective merchant capacity, that is going to where PPA is going to not yet signed, is nearly 550 MW.
- Sagar Adani:** You would assume about a 6.5% to 7% in terms of thumb rule number basis again. But we can get back to you with the exact numbers.
- Nikhil:** Understood. Thank you so much for answering my questions.
- Sagar Adani:** Thank you.
- Moderator:** Thank you. We have the next question from the line of Hinal from Investec. Please go ahead, ma'am.
- Hinal:** Thank you. Sir, can you just quantify how much CTU connectivity, like, do we have enough CTU connectivity and sufficient land for the set pipeline?
- Sagar Adani:** Short answer is yes.
- Hinal:** For like, for the 100% pipeline?

- Sagar Adani:** 100% of the pipeline, yes.
- Hinal:** Okay. Also, what is the merchant portfolio contribution right now?
- Sagar Adani:** It's about 5% of the portfolio in terms of capacity right now.
- Hinal:** And going forward, we are likely to maintain the contribution?
- Sagar Adani:** Again, when we say merchant, because, it's merchant capacity for some time, but then it's locked into a C&I customer. So then you do have a PPA and a counterparty after some time. So it sometimes becomes a little fungible. But from a simplicity perspective, you can consider a guidance of about 10% in terms of the mix that we would have that is open, where we would sell to merchant and C&I put together.
- Hinal:** Okay, got it. Thank you.
- Sagar Adani:** Thank you.
- Moderator:** Thank you. The next question is from the line of Uma Menon from Bernstein. Please go ahead.
- Uma Menon:** Hi. Yes, I just wanted to ask if there was any infirm power sale that happened last quarter?
- Phuntsok Wangyal:** No, Uma, I think there is no infirm power sale. If you may recollect, in the past, we have guided, actually, just to be in line with global best practices. Now, what effectively we are doing is as and when plant is charged, actually, that will get reflected in our P&L. So there is no infirm power per se.
- Uma Menon:** Got it. Thank you.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to the management for closing comments.
- Sagar Adani:** Thank you, everyone, for taking the time out. We are very excited about the journey that AGEL has ahead in front of ourselves. And we hope and we look forward to all of your participation and we look forward to engaging very closely. Thank you so much.
- Moderator:** Thank you. On behalf of Investec, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

Disclaimer: This transcript is provided without express or implied warranties of any kind and should be read in conjunction with the accompanying materials published by the company. The information contained in the transcript is a textual representation of the company's event and while efforts are made to provide an accurate transcription, there may be material errors, omissions, or inaccuracies in the reporting of the substance of the event. The transcript has been edited wherever required for clarity, correctness of data or transcription error.

This document may contain "forward-looking statements" - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements by their nature address matters that are, to different degrees, uncertain. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.