



**“Adani Transmission Limited Q4 FY21 & FY21
Earnings Conference Call”**

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**MANAGEMENT: MR. ANIL SARDANA – MD AND CEO, ADANI
TRANSMISSION LIMITED
MR. KANDARP PATEL – MD AND CEO, AEML
MR. RAKESH TIWARY – CFO, AEML
MR. VIJIL JAIN – IR, ATL**

**MODERATOR: MR. SWARNIM MAHESHWARI – EDELWEISS
SECURITIES LIMITED**

Swarnim Maheshwari: Good evening everyone and a warm welcome to all of you. Hope you and your family members are keeping safe. From the Adani Transmission management today we have with us Mr. Anil Sardana who is the MD & CEO of Adani Transmission Limited; Mr. Kandarp Patel – CEO of AEML; and Mr. Rakesh Tiwary – CFO of AEML.

Without further adieu, I will hand over the call to Mr. Sardana. Over to you, sir.

Anil Sardana: Thank you. And I join those words of greetings and I hope that everyone of you is keeping healthy and staying safe. I can summarize based on the experience that we have had in the recent times that our front line warriors have been facing tremendous challenges with this Covid wave and they have been braving it well because of the vaccination. So I hope that the country focuses on vaccination and deals with the issue with lesser harm being caused by the infection.

Having stated that let me straight away jump to the Q4 FY21 results. Those results are with you, you would have received the press release and also the investor's deck. Let me summarize some of the headlines and basis which then we can have the questions. There are three facets to our approach to business which we have always talked about which is related to growth excellence, operations excellence and execution excellence.

In this aspect we in terms of growth we are very clearly have been growing at a very steady CAGR growth of close to about 15%. We have continued our growth and during the year we acquired two of the assets inorganically which was one in the eastern region called Alipurduar line which is a good asset and the second one which we just clinched towards the fag end of the year in March is from the stable of Essel Infra which is called Warora-Kurnool Transmission System and this takes us from western region to the Southern region also.

So, therefore now we covered the map of India and we are also inched very closely towards 17,500 circuit kilometers of the lines. Having stated the growth part, the organic part continues to be the focus. We recently stood lowest in two of the bids which will be close to about Rs. 2,500 crores of CAPEX. These are the state bids floated by Madhya Pradesh and the tender of course was conducted by REC.

So the growth excellence continues. We will now move to the aspects related to execution excellence. We continue to achieve CAPEX. I think we had shared with all of you the fact that we will target a CAPEX of about Rs. 3,000 crores plus Rs. 1,500 crores; Rs. 4,500 crores of number. We have finished I guess Rs. 1,000 crores more than that because of the acquisition and therefore it has been a good going despite all the challenges that one saw during the year.

And this CAPEX of Rs. 3,000 crores plus Rs. 1,500 crores for AEML will be what we will target even for the coming years that is on a steady basis and hope to better that as we close the year. The good part is that the company was rewarded the license for high voltage DC assignment in Mumbai through a subsidiary company that has to be connected between outskirts of Mumbai about 80 kilometers away all the way to the mid Mumbai at Aarey.

The company has to complete the assignment as per the regulatory norms within 48 months and we hope to better that as we have already kick-started works. The management team in Mumbai has done an amazing job in terms of acquiring the land on the two sides and trying to look at finalizing the right of way for the route. The route has been surveyed. International consultants a Canadian company has been appointed. The work has been taken up by them for finalizing the entire technical aspects. So all in all very quick response to the clearance that we got from the regulatory commission.

So I have covered the growth part, I have covered the execution excellence. Moving very quickly to the operations excellence which is two parts. One is to get the best out of the existing assets. The second is to make sure that the capital management program continues to get the best in terms of lowest cost to carry and see that the system is efficient enough. So to that extent I must start by complementing again the Mumbai team. All of us talked about the payment issues and challenges of collections.

They did a superb job by ending the year with 100% plus collection and therefore they made up for all the challenges that we had during the initial lockdown. We have not got any impact as of now because of that either in April or part of the May that we have seen as of today. More so because the other amazing job that happened was that most of the customers opted for digital avenues which moved from less than 50% to more than 67%, very close to 70% in terms of how the payments were being made.

So we hope to carry forward this further. We have kept internal targets to make sure that the digital avenues inch further and we will do everything to improve those. Coming to the results. Though they are with you but I would want to just simply talk about two aspects. One is how did we do in the last quarter. We had PAT which is Rs. 256 crores for the Q4 up almost 333% times compared to what we had in FY20 and the cash profit for the quarter was Rs. 639 crores compared to Rs. 422 crores of the last year quarter.

Now that is for the quarter and for those who are keen as to how did the whole year go. On the consolidated basis the year registered first time crossing Rs. 1,000 crores profitability. It is Rs. 1,289 crores, up 82% compared to Rs. 707 crores of the previous year. So again a very good performance in terms of the excellence and the cash profit for the year Rs. 2,929 crores compared to Rs. 2,015 crores of previous up 45%.

So friends, those were some of the details. Both ATL as well as our distribution business did remarkably well so I am not rolling out splits unless someone needs to know those details but yes, they too contributed to all these consolidated advantage. Last but not the least, our most fascinating and passionate subject which is ESG and all aspects related to the ESG the company continued its quest to become benchmark aspects related to being a single use plastic proof. We have got certification; we have started to roll out that across the company. That is unique.

The second part is in terms of water the company is now pumping more water into mother earth compared to the water it consumes so it is doing that contributions in terms of conservation and

in auxiliary power we wanting to achieve similar quest and of course our Mumbai team is wanting to inch closely to 30% by next calendar year in terms of renewable electrons being given to customers and to that extent they have offered customers to even make a choice.

So that has been an interesting way that commitment exists. Similarly on the Covid times, the growth as well as the company is doing its utmost best to arrange a lot of oxygen containers and cylinders and I think we are one of the large ones in terms of having source it from all neighboring countries through cryogenic tankers, etc., and we are solving the logistics issues which is the biggest challenge at hand today.

Similarly a large number of our facilities have been converted to like schools or small dispensing units have all been converted to Covid hospitals all across and with complete fitment for oxygen so that those will be the advantage and those are all up and about in the fastest possible time. So continuing to the maintaining safety standards as well as the customer interface standards of benchmark levels the company will continue to emphasize on the ESC aspects.

So friends, we hope that while the situation continues to be as good as it can be. We will hope that you will contribute to that by being safe and healthy. So I am going to stop here and we look forward to your questions and use those to respond further on any aspect that I might have missed out. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Mohit Kumar from DAM Capital. Please go ahead.

Mohit Kumar: Sir, first question is what was the capital cost of the two intrastate project, which you won in the fag end of the year and related question is that can you lay out the opportunity available in transmission tariff based comparative big project for FY22?

Anil Sardana: So Mohit, on our first question the Alipurduar project which we acquired has an annuity of there is no point giving CAPEX because it is an operating project.

Mohit Kumar: No sir, my question was on the intrastate project which you have won last two projects?

Anil Sardana: Rs. 2,500 crores.

Mohit Kumar: And the basket for the FY22 and FY23 if you can?

Anil Sardana: So that as of now the numbers are very large but I think because of delays in the renewable projects that number will get tampered down. Right now talked about something like Rs. 60,000 crores but I do not think it will eventually be Rs. 60,000 crores that will get floated. My sense is and seeing the current situation I think it will be good to discount that and assume something like Rs. 35,000 crores to Rs. 40,000 crores.

Mohit Kumar: For the two years?

- Anil Sardana:** No, I am talking about current year, tendering for the current year.
- Mohit Kumar:** Secondly on the HVDC project when do you expect to award the project and construction to commence and any commissioning timeline?
- Anil Sardana:** So as I told you that the schedule that has been provided by the regulator is 48 months from you can say virtually from the turn of this year. So it is four years. As far as we are concerned we will target to advance it hopefully by close to about 10 months or so. That is what will be our endeavor and as far as award is concerned we are scheduling to award it I would say the earliest but if you want to know certainly before the end of this calendar year.
- Moderator:** Thank you. The next question is from the line of Tarun Bhatnagar from Bank of Baroda Capital. Please go ahead.
- Tarun Bhatnagar:** A very quick question. Just wanted to understand in terms of opportunities in the distribution sector how do you see do you expect like things to this sector to open up significantly once the Electricity Amendment Act is passed? And do you see de-licensing or sub-licensing what is your view on how we should take the reforms in the sector forward?
- Anil Sardana:** So Tarun, the question is very pertinent for the current times. Yes, this is an area where we all recognize clearly has to go through change because of the current situation the entire value chain will be at risk because it is very clear that the current methodology of managing the distribution business is not yielding the results. Therefore if the act was to become a reality then as you said nomenclature aside then as you said there will be multiple players that can actually do distribution in a revised definition of a district rather than a Discom circle and that would mean that there will be lots of opportunities.
- And in any case if the act does not happen today's current act permits you to in any case have parallel license. To me the operative part of that parallel license can easily be made through different rules and different methodology that are rested in the hands of the government. So even if you assume for a minute that the passing of the amendment gets delayed if the government has the desire to extenuate reforms it can do so and according to me time has come when it has no choice but we will have to do that.
- Now coming to the opportunity for us, I think it is going to be just simply fantastic in terms of the way we will be able to look at those opportunities and spread ourselves to areas for the benefit of the sector as well as the customers and would be able to work through to ensure that while the network remains like a middleware that we create a clear management between customers and the generations.
- And which is where our forte lies. So I think that is the way that we are looking at this whole business.

- Tarun Bhatnagar:** Just one follow up on that. Are there any specific opportunities or specific states or areas which you think are like sort of closer than others in terms of getting through the privatization or franchisee or whatever?
- Anil Sardana:** So one is on their own the Discoms or their current promoters this is government locally is moving ahead to put them to privatization or reforms or the change as you said. The other is by virtue of the act. So for the first part which you asked in the follow up question, yes, some states are moving to do so. But of course the state missionary as you know is overwhelmed with the current challenges and therefore they hardly have any focus related to this subject right now.
- But yes, some states had moved and these include State of Rajasthan, State of Madhya Pradesh, State of Karnataka some of them have moved. Right now when will they be out of this issue and when will they be able to focus on that, I cannot say but I am sure Central Government's interventions will be far more palpable than anything else.
- Moderator:** Thank you. The next question is from the line of Mohit Kumar from DAM Capital. Please go ahead.
- Mohit Kumar:** Sir, I wanted to understand the worth of transmission project which got commissioned in FY21 and how much you expect in FY22? Of course I understand there are 12 projects which were under construction at the beginning of FY21.
- Anil Sardana:** So there we commissioned several elements. You see each project has elements which are elements are by definition those which can earn revenues. So we commissioned several elements from the three projects that were in advance stages. We hope to similarly cover several elements in quarter 1 out of those projects itself and during the year we will certainly close at least 6 out of those 12 projects.
- Mohit Kumar:** Secondly on the Essel Infra acquisition so what is the tariff what is the CAPEX which have been incurred and what is the CAPEX likely to be incurred to complete the project and when are you targeting the completion?
- Anil Sardana:** So the tariff for the project as bid and won by them is Rs. 384 crores per annum and the CAPEX that is estimated by them is about Rs. 4,000 crores.
- Mohit Kumar:** And how much it has incurred and how much is still to be incurred?
- Anil Sardana:** As per their statements submitted before CRC they have incurred Rs. 1,100 crores of debt and about Rs. 500 crores of equity.
- Mohit Kumar:** And are the details can you share at what price you are acquiring the asset is it the information which you can share with us?
- Anil Sardana:** So we have everything else remaining similar we have acquired at Rs. 1 equity.

Moderator: Thank you. The next question is from the line of Subhadip Mitra from JM Financial. Please go ahead.

Subhadip Mitra: My question is with regard to how do you see the basket of CAPEX coming up whether it is on the central side or if you are seeing any more opportunities coming on the state TBCB side if you could throw some light on that? I am sorry I joined the call a little later, I do not know this question was probably answered.

Anil Sardana: It does not matter, it is okay if it benefits everyone else also. So today the pipeline for central projects as we all know is related to RE projects and few of them related to interstate or inter region strengthening. Inter region strengthening and interstate strengthening will continue at the same pace as they were conceptualized.

The RE projects my personal view is will get delayed because of the previous Covid issues and the current Covid issues. Number one. Number two, the states certainly seem to have become active. There are tenders that have been floated by Madhya Pradesh which we won two of them. There are more coming. There are states like Rajasthan which has just floated a tender.

The last month Haryana Regulatory Commission said that any transmission line above Rs. 100 crores will now be only through TBCB and in the month of March a communication were issues by Secretary, Power to all state chief secretaries that herein after please do all transmission projects only through tariff based competitive bidding.

So to me the states will now aggregate to far bigger numbers than the central number because they have for many, many years ignored this sector and they had kept it completely inclusive. And now with RE coming in they will have to strengthen their transmission systems because these are going to come through different directions plus they come in bulk in shorter time intervals. So therefore there is a need for them to enhance the capacities.

Subhadip Mitra: Just wanted to understand would it be possible to may be post a number to what you are anticipating in terms of the interstate or the inter regional strengthening related projects and what would be your best guess as to how large could be the interstate related CAPEX amount to?

Anil Sardana: The total estimated amount as per the NEP documentation, etc., is about Rs. 60,000 crores. I said few minutes before that I am expecting that it will be anywhere between Rs. 35,000 crores to Rs. 40,000 crores.

Subhadip Mitra: And this will be spread over two to three years?

Anil Sardana: I am talking about current year bidding.

Subhadip Mitra: Okay, current year itself.

Moderator: Thank you. The next question is from the line of Girish Achhipalia from MS Company. Please go ahead.

Girish Achhipalia: I just had a couple of question on AEML part of the business. So basically first thing was this I am sorry I joined the call a little late. The green power tariff I mean how will those structure works out for the consumer and how will the whole process work a basically understanding on that?

And secondly if you could throw some light on EV charging? Have we made some business plan already here are we in talks with some auto OEMs, etc., to map out the city of Mumbai to begin with I mean any color on that aspect would be very helpful?

Anil Sardana: Thank you for those two questions. On your first question related to how does the tariff works, for the consumers in Maharashtra not just Mumbai, Maharashtra the regulator has said those who wish to opt to get entire green electrons for their own commitment can do so and the Discoms are obligated to give it to them at a tariff which is I think 66% or 60% higher than the normal tariff applicable to them. So this is what is the pronouncement by the regulator.

Now as far as Mumbai distribution business is concerned they have gone a step higher. They have stated that besides the choice that customers have to exercise they will encourage customers to know that they would be willing to provide and meet other kind of needs.

For example somebody may want 50%, somebody may want there can be discrete choices. We have said that we will be willing to facilitate that. Number two, for industries which are not able to get RPO obligation met they have stated including customers of some other Discoms they have said they will be willing to even facilitate that because they are sourcing far more renewable compared to the renewable that they are obligated as a Discom.

So therefore they will have the facility of extra renewable certificates and they have therefore given that an open offer to customer. So that is the fantastic initiative. There their commitment is that they want to reach 30% by 2022 and by 2025 they are taking a very stretched target of 50%. So I think hats off to the team they are really spurting with what they believe is the way to go.

So that was your first question. Your second question if you can just repeat?

Girish Achhipalia: It was on EV charging?

Anil Sardana: Yes, I remember now. So you said on the EV charging what is our business plan and the second part you said is are we talking to any. So you know the answer to your second part of this question is obviously in affirmative that the teams are always talking and in touch with those who are providing electric vehicle including two-wheelers, three-wheelers and four-wheelers and feet as well as buses. But coming to your first point as of now I think it is important because Mumbai already has charging stations at strategic locations.

Those are hardly being used today. Therefore the company is completely geared to spurt up its action on ground to provide EV stations. The important part is that the ecosystem, the electric vehicle ecosystem has to move and so that is what one is clearly eyeing for and waiting for and

once that happens then the business plan automatically unfolds and you will see tremendous spurred execution on ground.

Girish Achhipalia: And sir, if I just ask a follow up because some of your peers are talking about developing an App around EV charging and they would use probably help of their sister or group companies. Is that the business thing in EV charging when you are now developing an app which is probably going to tell you where exactly EV charging slots are available at any point of time or what do you think is going to be the bigger determinant of IRRs here I mean if you can throw any light?

Anil Sardana: So that is the least of the issue in terms of having app, in terms of having to provide customer the feedback in terms of automatic prepaid charging, in terms of having a battery management system where you will get to know how many batteries are right now drained to what level and they need charging or not to inform the customer that you need to charge in next so many minutes or whatever. All of that is a backend job.

All of that is not waiting to happen because EV system has not proliferated. The point that I am trying to say all of that comes into play once the electric vehicle ecosystem gets extenuated. So everything else will follow and we are all set with all of that stuff.

Girish Achhipalia: Sir, there was just news article in ET which was on 29th of March which talks about Torrent and yourself submitting EOY for Southeast UP transmission company. Can you share any light around what is the progress here and what is the likely outcome how soon can we hear on the finality of this? So any update on this?

Anil Sardana: So this is very simple. This is an asset which was built or awarded to a particular company from Spain. That particular assignment has gone into the IBC process and it has been dealt by the bench in Allahabad and they have appointed a RP, a resolution professional asked for offers and they have submitted our consent that we are keen and we will be willing to look at that asset. So this is where it is and after that we have not heard much about that.

Moderator: Thank you. The next question is from the line of Abhinav Bhandari from Nippon India Mutual Fund. Please go ahead.

Abhinav Bhandari: Sir, I had four specific questions. Should I go one-by-one or at one go?

Anil Sardana: It will be good if you can do one and I respond so that I do not forget the other questions.

Abhinav Bhandari: Sure. So first one was on the CAPEX in both the transmission and the distribution business for this year what is the proposed outlay for this?

Anil Sardana: I have maintained that we will continue to remain consistent with Rs. 4,500 crores. Rs. 3,000 crores in transmission and Rs. 1,500 crores in distribution.

Abhinav Bhandari: Sir, on the HVDC line if you could help me with what is going to be the total project cost and what kind of return on capital employed or EBITDA one should expect on that?

- Anil Sardana:** I will ask my colleagues to tell you the CAPEX number as approved by the regulator but this is early days and this is going to be on Section 62 basis so it is going to fetch the regulatory returns and that is how things will move. Rakesh or Kandarp, you want to make mention if the regulatory latest order has some estimates?
- Management:** Yes, so the DPR which has been submitted basis some budgetary offers from a supplier is having estimated CAPEX of Rs. 6,700 crores. The DPR is under approval of MERC and that will be again an indicative number. The final number will be determined through competitive bidding process under which we will be making procurement for the project.
- Abhinav Bhandari:** The third question was sir, while you mentioned that the opportunity is about Rs. 35,000 crores to Rs. 40,000 crores. Just backward calculating in terms of the cash flow availability with us and the cash position today, what could be our intake capacity for this year as far as those broader numbers are concerned?
- Anil Sardana:** So we normally keep a pipeline for two plus years with us. All these years in fact we have kept more than that. So we will certainly want to at least try and attempt to win about close to about Rs. 4,000 crores, Rs. 5,000 crores worth of projects.
- Abhinav Bhandari:** And the last one is on the repayment schedule for FY22 and FY23 for the borrowings?
- Anil Sardana:** Can we separately send that across those numbers?
- Abhinav Bhandari:** Sure.
- Anil Sardana:** If you can just mail it to our Vijil or Jay we will be able to respond to you because those numbers are available but at this time I am not carrying them?
- Abhinav Bhandari:** I will do that, sir.
- Moderator:** Thank you. The next question is from the line of Bharat Parekh from CLSA. Please go ahead.
- Bharat Parekh:** I just wanted some insights from the Mumbai team because congratulations to them in terms of the approval of the CAPEX and the HVDC line which will do lot of good to the growth of that entity but just wanted to understand that on an asset base of like around Rs. 6,900 crores I now have a visibility of Rs. 1,500 crores per year of CAPEX for the next three years, that per annum and then we have HVDC another Rs. 7,000 crores.
- So very clearly I see regulated asset base sort of almost more than doubling in the next three years and while all of us know that customer base or the power demand does not increase that much. So what would be a sort of tariff increase which will be required in the year FY25, FY26 when all of the CAPEX will commission? That will be really nice to know. That is one.

And secondly, any reason for this big increase in the Distribution losses in the 4Q particularly while the full year is still okay but 4Q there is a big jump. Is it some sort of write off we have done or something like that? It will be really helpful.

Anil Sardana: So let me respond to your first question. I think one is of course the numbers right now it is Rs. 6,700 crores eventually what will be the number will depend on what comes through the competitive bidding but you should understand Bharat, that this number is going to be spread not across Mumbai but across the entire Maharashtra million units.

So the HVDC project is a part of the transmission system of Maharashtra and that is why there is a distinct license to their subsidiaries and the impact that comes eventually is just about 5.5% of the total AEML customers, so our Mumbai customers is only 5.5% of the total annuity. So I think that is the first part which should dispel all your worrying.

The second part that you talked about is in terms of the fact that so that I will put it to Rakesh to respond.

Rakesh Tiwary: In terms of distribution loss, sir?

Anil Sardana: Yes.

Bharat Parekh: Sorry actually my question is still remains in the sense we still have Rs. 1,500 crores of distribution CAPEX in Mumbai and even if we take like 5% or some percentage of this Rs. 7,000 crores it should be whatever tariff so we still have like close to Rs. 5,000 crores of CAPEX commercialization in the next three years. And on a base of Rs. 7,000 crores it would be bigger?

Rakesh Tiwary: Bharat, we should separately discuss this because out of first whatever the number that you talked about that also has transmission CAPEX in it. So you have to first appreciate that out of Rs. 1,500 crores there could be half that could be distribution and half that could be transmission and half will therefore get capitalized and get spread over million units for Maharashtra.

Anil Sardana: So Bharat, we can discuss this separately but just to tell you the broad number with all these CAPEX my tariff does not go up. It remains at the same level more or less in terms of absolute value. So in real terms it will reduce at the rate of depreciation or inflation.

Bharat Parekh: And if I could have a regulated equity for FY21 for Mumbai?

Anil Sardana: Yes. Rakesh, what is the regulated equity for FY21?

Rakesh Tiwary: Rs. 2,500 crores.

Bharat Parekh: Can we have the break up and also the reason for the increase in the Distribution loss in the 4Q?

Rakesh Tiwary: Yes, so a break up between various components of retail via distribution and transmission we will mail it to you. In terms of distribution loss, if you see we have ended up the year with a

distribution loss of close to 7.8% as compared to 7.3% last year. It is slightly above. Considering the Covid situation in the first six months there was no reading of the meter which has happened and that is why there was huge accumulation distribution loss and more so there was no vigilance activity also happened in the first six months.

Similarly, in the last 15 days like in the first 15 days of the April again the lockdown was announced by Government of Maharashtra and hence mostly the commercial sales and industrial sales got impacted and that is why the total sales which could have been more for the month of the March got reduced. That is another reason which impacted the total distribution loss.

The third important reason is the ratio of the sales between HT and LT. What has happened over a period of time in the last 12 months the sales to residential consumers were more compared to industrial and commercial consumer. We have ended up the year with a reduction in sales compared to last year close to 15% in terms of million units and that 15% is primarily because of the commercial consumers who are basically HT and LT consumer.

Now if the ratio of the sales of HT-LT consumers I mean if it is less compared to residential consumer then the loss automatically gets increased. If the proportionate of sales of residential consumer increases then there is a high chance that the loss gets increased. So because of these three reasons which are uncontrollable there is a slight increase of 50 basis points of loss compared to last year. But then now once the lockdown gets opened up in phases, which will allow the other normal business operations, once it will start these things will again fall down to the normal levels.

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

Mohit Kumar: One clarification, sir. While we are talking about electric vehicle charging right now are the business models allow us to earn more return compared to base ROE? In the sense I am trying to figure out the business model which revolve over time, can you throw some light? And what is the current regulation allows you to monetize this opportunity?

Anil Sardana: So Mohit, I think it will suffice to say that as far as the regulatory interface is concerned it is more from the electricity tariff point of view. So many states have decided the electricity tariff for electric vehicle charging point, many states have not. So for example if tomorrow you buy an electric car and you charge it from your normal socket, then naturally you are using your charging point which is part of it as eventual tariff. So there is no distinct tariff for you and nor a distinct socket for you, nor a distinct meter for you and therefore it will be residential tariff. Not depending on the situation ones it pans out. There will be a distinct and a clear arrangement that will come through.

Today if I have a station let us say at a mall then it is naturally a commercial tariff. Tomorrow if I have a charging station at a particular industry let us say in their parking lot, it will be industrial tariff for them. So each person depending on today's use will have to pay the tariff

category that exists but eventually when this becomes mass scale there will be a separate distinct metering concept which will evolve which will clearly give benefit to the fact that if a customer is doing electric vehicle charging from any point he will be charged a standard tariff because the regulator will ask us to charge a standard tariff and the fact that we will be able to aggregate those million units as we charge perhaps into a distinct category.

Now Mohit, there is no such possibility in site right now because whole of Mumbai does not have electric vehicles which consume anything significant or which has any significant requirement of electric vehicle charging. So let us hold our horses till such time the business truly starts to show up. It is not even a blip today.

Mohit Kumar: Again one clarification. In case you start a charging station can you charge extra additional money for as a service charge over and above the tariff?

Anil Sardana: Again very hypothetical question. If for example, let us say you Mohit put a charging station somewhere, today there is no regulation that you cannot. You can put a charging station. You have applied to Adani Electricity and say give me a connection, Adani Electricity will give you a connection like they give to any other customer and he will charge you the tariff category depending on the interpretation that you are using for commercial use or what use.

Tomorrow if I have a separate category for electric vehicle we will charge you electric vehicle basis but you can always put the station. Now when a customer comes if the customer tariff has been announced then you cannot charge anything more. If a customer tariff has not announced then you can take the connection and add your service charge and charge the customer. So it all depends on how things pan out when the mass scale starts.

Moderator: Thank you. The next question is from the line of Swarnim Maheshwari from Edelweiss Securities. Please go ahead.

Swarnim Maheshwari: Sir, couple of questions. First one on the ESG side. Now you did mentioned in your opening remarks that there is going to be a water positivity at AEML's operation and also you mentioned about the renewable mix from the power procurement side touching about 30%. So just two things. First, what is the current renewable mix over there? And second, for you to reach that 30% power mix so have we basically started initiating the PPA that the new PPA for the renewable side?

Anil Sardana: So I think you missed two things. First let me clarify on a smaller issue. The water part was with regard to ATL, not Mumbai Power. So that is one. That is more academic. Now coming to the second point. Right now the current share of green electrons is about 3% and they want to take it to 30% as I said by end of 2022 and you asked the question whether they have taken any initiative. They have already awarded contracts after going through the process of taking regulatory approvals, floating tenders, evaluating that, taking regulatory approval and awarding so all of that process is done. That is why they are confident that they will be able to achieve that milestone.

- Swarnim Maheshwari:** Sorry sir, to ask this but are those contracts awarded to our group companies or they were bids called out?
- Anil Sardana:** They were bids called out and there were several people who participated but eventually the award went to Adani.
- Swarnim Maheshwari:** Sir, the second question is on the distribution side. Now you guys I believe you were L2 in the Dadra and Nagar Haveli distribution bidding. So first of all your thought process on about whether the L1 is that extremely competitive bid so what is your sense on that? And the second one is there is some delay in the Chandigarh bidding so any reason for that? Is it just to do with Covid or there is some other reason also?
- Anil Sardana:** On the first part I do not want to comment on competitor's bid. They bid better than us and they won. So I think we have to complement them for putting a better bid. So that is regarding Dadra and Nagar Haveli. As far as Chandigarh is concerned, yes, we are awaiting. I am not sure. First I think the High Court of Punjab, Haryana gave them a stay order that since it is a not a loss making distribution company why do they need to be privatized.
- I do not know whether legally that was sustainable but it so happened there. And then subsequently I think Government of India went to Supreme Court got the stay vacated. So to me I am not very sure whether there is keenness to go ahead with the exercise.
- Swarnim Maheshwari:** So you mean to say that there are likely delays or the bids will be called off?
- Anil Sardana:** I do not know. I am nobody to sort of conjecture any guess. I am only going with the past developments and I saw the development which I enumerated to you but I have no idea at all what is stopping it now.
- Swarnim Maheshwari:** So sir, one related question was that this was expected that the privatization of various state level Discoms at least on the circle wise that will actually start to pick up but we have not seen any bidding on that side so any take on that?
- Anil Sardana:** Well, I do not think in the last one year any state government was in a position to really focus on any other issue other than the health and related aspects.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for today. I would now like to hand the conference back to Mr. Swarnim Maheshwari for closing comments. Over to you, sir.
- Swarnim Maheshwari:** Thanks to the Adani Transmission Company for allowing us to host the call. Sir, would you have any closing comments over here?
- Anil Sardana:** I just want to wish everyone safe times, healthy times ahead and I can clearly recognize the fact that if there are any other questions, I would urge them to approach any of my colleagues and especially the investor relations team and we will be very happy to respond to them very quickly.

Moderator: Thank you. On behalf of Edelweiss Securities Limited, we conclude today's conference. Thank you all for joining. You may now disconnect your lines.