"Adani Enterprises Limited Q4 & FY-18 Earnings Conference Call"

May 10, 2018

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Moderator: Ladies and gentlemen, good day and welcome to the Adani Enterprises Limited Q4 & FY18 Earnings Conference Call.

We have with us today from the management Mr. Pranav Adani – Director-Adani Enterprises Limited; Mr. Rajiv Nayar – CFO, Adani Group; Mr. Vinay Prakash – CEO-Mining & Coal Trading; Mr. Ramesh Nair – CEO, Mundra Solar PV Limited; Mr. Rakesh Shah – CFO, Adani Enterprises Limited; Mr. Ashish Garg – CFO, Renewable Generation; Mr. Shrikant Kanhere – CFO, Adani Wilmar Limited; Mr. Rakesh Tiwary – CFO, Mundra Solar PV Limited; Mr. Naresh Poddar – CFO, Adani Gas Limited and Mr. Praveen Khandelwal – CFO, Australia Mining.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone.

Please note that this conference is being recorded. I now hand the conference over to Mr. Rajiv Nayar. Thank you and over to you, sir.

Rajiv Nayar: Thank you very much. Good evening everyone and thank you very much for dialing in to this fourth quarter earnings call for Adani Enterprises Limited. As you would have heard from the introduction we have this evening collected senior management of all the businesses that are part of Adani Enterprises Limited spanning our coal trading and coal mining business including Australia as well as our renewables and gas businesses, solar manufacturing and Adani Wilmar as well. And this is in response to the feedback that we have received from many of you seeking much more detailed information about each of the verticals which we are very pleased to start from today and a format that we are going to adopt going forward as well.

And we look forward in interacting and engaging with you in a much more detailed manner around Adani Enterprises' performance in the quarters ahead. I will start up by just giving a quick overview of our performance for 4th quarter and then I will hand over to Vinay who is the CEO of our coal trading and coal mining business and then we will go around the room to each of our separate businesses.

For the 4th quarter consolidated income from operations for Adani Enterprises was up 5% at Rs. 10,234 crores versus Rs. 9,728 crores in the previous quarter. Up 5% as I said but down 14% on a year-on-year basis. Consolidated EBITDA was up 34% quarter-on-quarter at Rs. 1,089 crores. For the full year consolidated income from operations was up slightly up 2% to Rs. 37,382 crores while consolidated EBITDA increased by satisfactory 13% to Rs. 3,002 crores versus Rs. 2,663 crores last year.

As you will see from these numbers the company demonstrated a resilience performance across its variety of businesses coal trading and renewables gas, solar manufacturing. I will reach out and request Vinay to take you through our coal trading and our coal mining business. Thank you.

Vinay Prakash: Good evening to all of you. I am Vinay Prakash – CEO of Trading and Mining. Just to talk about the coal trading first. In coal trading we give end to end solution to all of our customers and we have been doing this business for last one-and-a-half decades. And we have been maintaining our leadership position in India with being the largest coal importer in India. In the last quarter Quarter4 we have done 16.1 million tons of volume against the 21.4 million metric tons in Q4 financial year 17.

On the yearly basis Volume has been 66 million tons vis-a-vis 81 million tons last year and this has been impacted by lower import by Adani Power Limited. Though we have lost the volumes but our operating profit margin has been remain very healthy and it is shown in a steady financial performance.

In terms of MDO business Mine Developer and Operator business which is the mining business now the company has 7 coal blocks which is Parsa East & Kanta Basan, Parsa, Kente Extension, GP2, GP3, Talabira 2 and 3 and Jitpur.

The peak capacity which we have now is 80 million tons where Parsa East & Kanta Basan was the first MDO which got operational and have done 8 million tons of the volume last year. In fact the last year volume had been at 7 million tons only which was there in last year and last to last year also because of the logistics issue. This mine was getting operated with having the mining capacity of 10 million tons but there was a logistic constraint because of which we were doing the road bridging of 77 kilometers and because of this difficult road bridging we were not in position to increase the volume beyond 7 million tons.

But now this railway line connectivity is there from Surajpur which is the connecting railhead to the mine 77 kilometers of private rail line through Sarguja Rail Quarters. So we are very confident that in the next financial year we are going to have the huge increase in the volume.

We have dispatched 1.9 million tons in the last quarter to Rajasthan Vidyut Nigam Limited which is the Rajasthan State Electricity Board against 2.2 million tons in Quarter 4 Financial Year 17. Our profitability got impacted this time because of a provision of Rs. 186 crores a write off of Rs. 186 crores in the book that was due to a case which we won in arbitration and in Session Court but there has been a loss in High Court against which we have gone into Supreme Court now.

On a consolidated basis the Financial Year 19 EBITDA has increased by 12%. In the new developments we have also entered into coal mines service agreement with Chhattisgarh State Power Generation Company Limited which is CSPGCL on 16th November 2017 for a mine called GP3 of 5 million tons per annum capacity. We have also entered an agreement with NLC India limited on 23rd March 18 for a block called Talabira 2 and 3 which is in Orissa.

And we do expect that in this financial year 18-19 we will be in position to start three new coal blocks that is Parsa which is of Rajasthan, GP3 which is of CSPGCL Chhattisgarh and Talabira 2 and 3 which is of NLC. And on a long-term future we intend to take our MDO order book from currently 80 million tons to 200 million tons in next 3 to 5 years.

Ashish Garg: Good evening everybody. My name is Ashish Garg I am the CFO of Renewable business. I am glad to report that we have doubled our operating capacity this year to 1,958 Megawatts consisting of 1,898 Megawatts of solar and 60 megawatts of wind from last year 808 Megawatts. This includes the world's largest solar power plant of 648 Megawatts that we operate in the state of Tamil Nadu. We have another about 987 Megawatts capacity that is in various stages of construction and development.

This consists of 50 Megawatts of solar and about 937 Megawatts of wind. This will take our portfolio in the next 18 months to almost a capacity of about 3 Gigawatts. As such the renewable power generation volume increased by almost 50% to about 546 million units in Q4 FY18 versus 364 million units in Q3 FY18. For the full year Volumes stood at 1,653 million units versus 787 million units in FY17. Our average power realization for the Q4 of 2018 and financial year 2018 was Rs. 5.5 per unit and Rs. 5.68 respectively.

Our EBITDA has increased by almost 36% to Rs. 252 crores in Q4 2018 versus Rs. 185 crores in Q3 of FY18. Further on the demerger process of AGL from AEL which we announced in October of 2017 the NCLT approval was obtained in Feb 2018. The effective date of demerger is 1st April 2018. We are quite advanced in the process and we are now awaiting the final approval of listing in trading and the stock exchange. We expect that by the end of this month we will receive all the approvals and the stock will begin trading on the Indian stock exchanges. Thank you.

Rakesh Tiwary: Good evening. This is Rakesh Tiwary – CFO of Mundra Solar PV Limited. It is not Private Limited, it is Mundra Solar Photovoltaics Limited. Your company this year has stabilized successfully 1,200 megawatts of Solar cell in Module lines. This is largest in India and perhaps largest in world so far Greenfield operation is concerned. So nowhere in world at one place anybody has put up Solar cell and Module lines both put together in one go. We have already started the production. We have declared the COD on 25th of May 2017 and we have successfully completed first 10 months of the operation. The ramp up has been done.

Now the plant is operating fully at around 90%, 95% and the last year we did a turnover of around Rs. 1,800 crores with the capacity utilization of around 70% and your company earned an EBITDA of around Rs. 330 crores. In the very first year of operations we got the status of Tier 1 manufacturer which is probably the fastest awarded Tier 1 status across the globe. The product produced by Mundra Solar PV Limited is totally competitive and it is on a global scale. Thank you.

Shrikant Kanhere: Good evening everyone. This is Shrikant Kanhere, I am the CFO of Agri business of Adani Group. I will take you through the performance of Adani Wilmar and the logistics business which we have in the group. Before I take you through Adani Wilmar, I would like to clarify that Adani Wilmar being a joint venture of Adani Group and Wilmar the consolidation happens in AES Balance sheet at equity level.

Adani Wilmar Limited maintained its position of Number one edible oil player in the country with a market share close to 21.5%. This we are consistently holding this position since last 15 years. During the year AWL went into an expansion mode with enhancing the capacity of its refineries from 11,000 tons per day to 16,000 tons per day and in this process, we did couple of acquisitions of coal-based refineries which will add capacity to the company.

Year-on-Year we recorded a growth of 14% on top line and our EBITDA and PAT performance were also in line with the topline growth. Agri logistic business which is our niche business in terms of storing grains we are doing good since it is a take or pay model with the FCI we have added 6 new projects in the Punjab. And those 6 projects added another 3 lakhs tons of capacity. These projects are going on well and as we go forward by end of this year or by end of March 19 we should be operating a total storage capacity of in excess of 1.5 million tons. This is it from Agri business.

Naresh Poddar: Hi, good evening everyone. I am Naresh Poddar – CFO, Adani Gas Limited. Adani Gas Limited is a city gas distribution network in 4 cities of Ahmadabad, Vadodara, Faridabad and Khurja. And apart from this we have a joint venture with Indian Oil Corporation where we got authorization for 9 cities. If I name it these are Chandigarh, Allahabad, Panipat, Kochi and Daman. These 7 are operational and we are expecting balance 2 which is Uttamsinghnagar and Dharwad to be operational by June 2018. So between JV and AGL we have a portfolio of 13 cities.

In the AGL standalone number the Q4 volume has increased 18% compared to Q4 17 that is 129 MMSCM compared to 110 MMSCM.

That is a YOY growth of 18%. On a yearly basis the FY18 volume grown by 17% at 479 MMSCM compared to 400 MMSCM. As you may be aware that AEL board has already approved a scheme of demerger of Adani Gas as well, where we expect to list Adani Gas Limited as a separate entity.

The process is already underway where we are expecting the shareholders and creditors approval to be in place by end of July. A few sanction by NCLT by August and we expect to get listed and traded by end of October 2018. Thank you.

Vimal Dhami: That is all from company side. And we can open the floor for Q&A.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session.

The first question is from the line of Nirav Shah from GeeCee Investments. Please go ahead.

Nirav Shah: Sir, I have many questions but to just start with, in the MDO business can you based on your pipeline of commissioning of various mines, can you just give us a broad guidance in terms of how much volumes we will be doing in 19 and 20? You did mention significant jump in volumes but in terms of a number?

Vinay Prakash: So in 18-19 we are likely to do a volume of around 14 million and with our internal estimate all going well we should be doing 28 million to 30 million in 2020.

Nirav Shah: Okay and broadly the profitability should be somewhere around 500 to 600 which we are doing right now EBITDA per ton?

Vimal Dhami: Nirav, we would refrain from giving the financial guidance.

Nirav Shah: No issue, sir. Sir, in terms of coal trading segment for the March quarter we are seeing a very sharp improvement even on a QoQ basis on the EBIT per ton it is around 16 million tons. So what is the sustainable number because we used to do around 100 to 150 earlier Q3 was 223 and now it is closer to 290. So what is the sustainable number and any particular reason why this number is so high for Q4?

Vinay Prakash: When you talk about a sustainable number in trading I do not think there could be any guiding number for a business called trading but considering that we are in the complete chain starting from the mining till the doorstep of customers we are always going to have something which you can call as service charges for doing the complete activity.

What we get as a spur in some quarter is all because of the positioning we might be having at that time. So this Quarter 4 has been you can say a time where we were having the position in which we were in a position to get a better margin than the projected one.

Nirav Shah: So in terms of positioning do we mean we were holding low cost inventory or some of the contracts were open?

Vinay Prakash: We actually work on a portfolio basis. So there is always a portfolio for sourcing, there is always a portfolio for marketing. Considering if you get some more demands on spot basis you can always leverage it with the big position you have and with that position you can always make a higher margin.

Nirav Shah: And if I just look at our numbers share of profit from JV it has declined from Rs. 70 crores for the first three quarters to around Rs. 20 crores. But whereas if I see Adani Wilmar part our EBITDA is more or less steady. So any particular below the EBITDA line item which has impacted this number?

Shrikant Kanhere: For the sake of clarity can you repeat the question?

Nirav Shah: Sure sir. So if I am looking at the share of profit from JV for the first 3 quarters the number is around Rs. 65 crores and this current quarter it is around Rs. 20 crores. And this will be largely Adani Wilmar and the Adani IOC JV. So any particular reason why this number has declined sharply in the 4th quarter?

Shrikant Kanhere: See the 4th quarter this year saw a duty on palm oils coming in suddenly and therefore a lot of margins which were there in the palm business in the earlier quarters were not there and in commodity you tend to see these fluctuations on a quarter-on-quarter basis.

Nirav Shah: Okay. Because Adani Wilmar if I look at the EBITDA it is around Rs. 208 crores which was Rs. 207 crores in Q3 and closer to Rs. 240 crores in Q2. So that number has not changed. So some impact below the EBITDA line or why this number of profit and share from JV number is solo?

Shrikant Kanhere: So below the EBITDA line it also have an impact of FX hedge cost which we do. So in case of any hedge cost which is getting built in below the EBITDA will also impact your PBT lines.

Moderator: Thank you. The next question is from the line of Gautam Bahal from Mauryan Capital. Please go ahead.

Gautam Bahal: Look I am quite new to the business, so I am still getting up to the speed with all the businesses and I have a couple of questions on the gas business first. I am just trying to figure out how you guys think about the business in terms of the economics when you bid for new projects, new circles?

Do you look at purely from a fixed ROC and if you could also give me sort of a near-term outlook or medium-term outlook on the gas business because there is so much in the press these days with the new licenses opening up. So that is my first question.

Naresh Poddar: Yes see City gas distribution is basically the marketing side of the entire gas value chain and the most important driving factor is the potential demand. So on a demand side we segment the market in three segments which is the domestic which is cooking gas and one is commercial and industrial segment and third most important is the transportation segment. For any geography has to create opportunities for either of this segment though at a company level we prefer a kind of balance portfolio at a very lopsided.

So the most important decision making is the demand. Because rest of the things are in place CAPEX etc are mostly standardized across the geography across the cities kind of thing, margin profile everything more or less goes in same direction. So any CAPEX decision is only getting decided by the demand potential.

So that is a very broad answer to your first query. On a near-term outlook as I told you even in geography we are growing by 17%, 18% both at a volume level as well as margins level and as you mentioned there are now 86 geographical areas covering 147 districts are up for bidding and already like our JV has just started operations in 7 areas and 2 more will be started soon.

So you can see there is a long pipeline of adding the new geographies and I am sure like the existing geography new geography will be an additional incremental demand. On a very near-term outlook we see this 17% to 18% growth which we saw in current year. We expect this growth to sustain for quite some time.

Gautam Bahal: Okay and sir when you mentioned the demand and the CAPEX that is driven by the demand does the CAPEX happen on a fixed ROC? Is that how we think about it?

Naresh Poddar: See CAPEX happens upfront, demand comes subsequent. So I would not say that it is basically if you see that there is a corresponding demands coming up then I see all the ratio will fall in place. And here the CAPEX beside the initial core CAPEX the subsequent CAPEX is basically modular in nature that which you keep on adjusting based on your demand realized. So obviously when you start working there is some ROC expectation but as I say everything falls in place if the demand materializes.

Gautam Bahal: Okay, last question on the Gas. In FY18 the topline was on Rs. 1,500 crores with a EBITDA of around Rs. 360 crores. When we sort of look ahead and with the new IOC circles kicking in the new ones, do the economics of the sort of EBITDA margin change at all or do we look at it as a 18%, 20% growth with similar margins?

Naresh Poddar: See EBITDA margin will remain same when I say margin profile across the geography is more or less same because gas pricing is same for every city and more or less sales price moves in tandem. So I do not see that there is any dilution or any incremental gain at a EBITDA margin percentage level obviously EBITDA margin should grow in absolute terms.

Gautam Bahal: Okay and your topline should grow around the same level as the volume, will that be same or bit higher than that?

Naresh Poddar: Yes but that does not matter because what we are mostly interested in the spread only. Because as a marketing company topline will depend on the gas prices which is pretty international market driven or government policy driven but we as a distributor we feel that our spreads would remain constant and growth growing with a healthy rate.

Gautam Bahal: Sir, for a shareholder who owns 1,000 shares of Adani Enterprises how many shares are we getting of the renewable business? Is it Rs. 761 crores or Rs. 761 crores plus some additional shares?

Vimal Dhami: Rs. 761 crores?

Gautam Bahal: Okay the additional shares are going to the promoters because of the separate entity is it?

Vimal Dhami: No, that is a swap ratio of like 76 shares for the 100 shares of the AEL.

Moderator: Thank you. The next question is from the line of Shirish Rane from IDFC. Please go ahead.

Ashish: Hi sir, this is Ashish. Sir, the first question is on the issue of the reversal of the arbitration award. If you can just elaborate what was the reason why the high court reversed the award given to us previously?

Vinay Prakash: So just to give you a background first. This is the case where we have gone into the arbitration on three matters. One was that situation of the price because of the deal commencement of the business the mining. Second was on the basis of fixed charges in which they have not done the off take of coal and third was on the escrow account which was the change in law. On all these three cases we won when it was with the arbitrator. Then when we went to the Session Court we made one there also and then they went to High Court wherein High Court took a view that as far as the situation is concerned since it is not there in the specific in the contract they have not allowed that.

As per their escrow account concerned they took the opinion they took one line from one letter which is actually not having the clear meanings and on the places of this they have said that this escrow account is also not going to be given as change in law. As per the fixed charges were concerned the clause was saying that in the cases of not taking any off take from the mines PKCL, which is AEL subsidiary was free to sell this in the open market with taking the due permission.

So neither ROL has given the permission nor they given any charges for that for which arbitrator and Session Court has allowed us the fixed charges the laws which occurred because of they are not lifting which I took out and said that it is not there in the agreement very clearly they have sighted off that also.

Now the matter here is that all these three issues are there in the agreement with certain meanings on which both Arbitrator Session Court took our view, High Court took a different view and that is why we have gone to Supreme Court. We have already filed this case in Supreme Court day before yesterday.

Ashish: Sir, on the coal trading business I mean obviously because of the Adani Power shutdown at Mundra our volumes have gone down. Now with that in mind still would you give some perspective on how much volume one can expect in FY19 especially because the overall coal imports into the country seemed to have kind of recovered we are seeing that in the port volumes that the thermal coal volume seemed to have an uptake. So what would be your reasonable estimate for 2019 for coal trading?

Vinay Prakash: In fact we do see it going up to 65 million tons of volumes. 60 million tons to 65 million tons is the volumes which we expected to be there.

Ashish: Sir, just one last thing from my side on the Solar PV side. This year we have utilized around 90% as you said of the capacity. Going forward what is the kind of order book which we have which can give us a visibility of a similar utilization over the next few years? If you can just throw some light on that?

Rakesh Tiwary: So far solar manufacturing is concerned we always tend to keep a healthy pipeline so that the manufacturing process is kept sustainable. Currently we have a pipeline to keep the plant running for next four to five months on a continuous operation.

Ashish: So you are saying the current order book or the pipeline that we have can ensure the next six months or so runs at the similar utilization of 90%, 95%?

Rakesh Tiwary: Correct.

Ashish: And then we will hope to keep adding the business. So just a probably very basic question but what is the typical delivery period means from the time that you get the order what is your typical delivery period for the order?

Rakesh Tiwary: So it depends which geography you are catering to whether it is a domestic supply or exports market and even in domestic market it depends upon which customer you are dealing to whether it is an EPC or ESCO or a CAPEX customer. So no particular number can be put into. There are so many different moving parts which will decide on this. If it is a US exports, export times net-to-net basis itself takes to 35 days from shore to shore. Then again it is a movement interior movement and then movement from plant to my port. So there are so many factors we can talk about geography then I can tell you.

Ashish: Sure may be India geography? I mean what percentage of this business is from India essentially the 200 odd megawatts that you are doing quarterly what percentage of this business is actually from India?

Rakesh Tiwary: So last year around 11% of our business was export and 89% of business was in India market.

Ashish: And any timeframe as I was asking on the let us say delivery in to India or you are seeing that is not feasible to give?

Rakesh Tiwary: So end-to-end on an average sit between 3%, 3.5% it depends upon where I actually I am supplying. If it has to go all the way from West to East, then there are a combination of transportation factors just to be taken care of and then the supply has to be done. But if suppose I have to transfer the material from West coast to say somewhere place in West Bengal or Orissa it will take around 7 to 9 days. It is a combination of both key selling and land transport.

Ashish: Sure and this business as a number seemed to suggest it is profitable as we speak at the PAT level is the Solar PV business as a whole profitable?

Rakesh Tiwary: This year we had incurred loss. We have done an EBITDA positive of around 20% but because of a very high number which we have taken on depreciation that we are not been incurred. We have taken a WDV method of depreciation and we have also reduced the life of the asset by taking advantage of the Companies Act.

Ashish: So what is the PAT or at the bottom line loss that we would have done for this year?

Rakesh Tiwary: Minus 128.

Moderator: Thank you. The next question is from the line of Nirav Shah from GeeCee Investments. Please go ahead.

Nirav Shah: Sir, can you just give the key financials of the Adani-IOC JV in terms of the volumes that we have done on MMSCMD, the EBITDA per SCM and the debt that is there in the JV?

Naresh Poddar: See JV five cities had just started operations in this financial year, so their sales number or volume numbers are insignificant I believe they are in for few lakhs only. Because few cities have started just last quarter, so this year volume or sales numbers are insignificant.

Nirav Shah: And in terms of the participation in the current round of bidding sir, can you just share your thoughts on how are we bidding how many circles are we bidding?

Naresh Poddar: Surveys are going on, field surveys are going on, marketing surveys are going on so we have not yet finalized the number but surely we would be participating in a meaningful way.

Nirav Shah: Any vision that we have for this segment say by in the next 5 years we want to operate with so many circles or this much volumes households?

Naresh Poddar: I cannot give you a specific number but you can see that there this whole purpose of demerger and this direct listing of AGL is that we consider it as an important business segment from a group perspective and going forward there would be serious focus on this business. And given the opportunity coming up by way of new segments and the volume growth gas supply chain as a whole is being the kind of momentum we see that this business to grow in a meaningful way forward next four, five kind of a detailed we are looking at this sort of story.

Nirav Shah: And just the last question on the Adani Wilmar. Sir, what is the EBITDA and PAT for FY18?

Shrikant Kanhere: So we close at an EBITDA of around Rs. 900 crores and a PAT of Rs. 380 crores.

Moderator: Thank you. The next question is from the line of Gautam Bahal from Mauryan Capital. Please go ahead.

Gautam Bahal: Just a follow up. Sir, on the gas volume growth that you had just mentioned the 18% number, is that sort of a run rate of your current circles or does that also include the new circles that we hope to win and the IOC ones which will come in the numbers in the……

Naresh Poddar: No, these are purely current circle as IOC JV is again getting consolidated only at an equity level. So their revenue or anything is not coming up in those samples. These are pure standalone ATL for cities.

Gautam Bahal: Okay wonderful so it is 18% plus IOC, correct?

Naresh Poddar: Yes.

Gautam Bahal: And sir, one question on the renewables demerger that is about to be listed. Could someone talk to me about sort of what the outlook on that is in terms of operational megawatts over the next couple of years and just a sort of what topline and EBITDA that could reach once it go to run rate?

Ashish Garg: So as I mentioned earlier at this point in time in March we had the operating capacity of 1,958 megawatts which consists of 60 megawatts of wind and 1,898 megawatts of solar. We have under construction about 985 megawatts further predominantly wind now about 937 megawatts of wind and the balance of solar.

We continue to participate in most of the biddings that is currently happening and as you would now the country has a ambitious target of reaching 175 Gigawatts of renewable capacity and the market is growing at almost 30% CAGR every year. So we do expect that our growth should be in line with the growth available in the country.

Gautam Bahal: And sir, this 985 megawatts wind that will come in one is that meant to be operational in FY19 itself?

Ashish Garg: Yes, so over a period of time next 18 months we expect that the entire capacity would be operational and in the next year I think we are expecting another 600 megawatts to be operational in the financial year that is.

Gautam Bahal: And sir, any thoughts on any PPA tie ups for the megawatts that will become operational?

Ashish Garg: Yes, so whatever capacities we are mentioning here our 100% of the capacity is contracted and at this point in time our entire off takers are all sovereign off takers that is state discoms and central utilities which is NTPC and PPAs with SECI. On the distinguishing feature I would want to highlight is that at this point in time we have close to about 55% of our off take which is with NTPC and SECI and on an overall portfolio of 3 Gigawatts that we would have in next 18 months operational we would have almost 60% of the capacity with off takers being NTPC and SECI.

Gautam Bahal: Sir, if it is contracted then you would have a pretty clear idea of what this 3 Gigawatts will give you in terms of EBITDA, right? Could you give us a sense of that?

Ashish Garg: Well, maybe I cannot give you the EBITDA number but maybe you can do your Maths. The average revenue or the average realization on this 3 Gigawatts capacity would be close to about Rs. 3.75 a unit and our EBITDA margins would be in the region of about 89% to 90%.

Moderator: Thank you. The next question is from the line of Ashish Shah from IDFC. Please go ahead.

Ashish Shah: Just one last thing from my side. Sir, just wanted to check what is the status of the Australian Coal Mine because there is so much of news on it in the press that it is really difficult to make out what really is happening on the ground?

Praveen Khandelwal: This is from Adani Australia. So Ashish, this current status of the mine is that we have now all the approvals in place as far as the development of the mine is concerned. So, we do not have any outstanding approval which is required for us to develop this mine. So at this point of time we are working on the funding of the mine. So that is what the current status is.

Moderator: Thank you. As there are no further questions, I now hand the conference over to Mr. Rajiv Nayar for his closing comments.

Rajiv Nayar: Thank you very much. I want to thank everyone for your presence and participation on this conference and particularly there are Q&A session which I think has been far more productive from both sides versus earlier calls. I would like to also ask Mr. Pranav Adani who is here with us today to add his closing remarks before we close down this conference call.

Pranav Adani: Thank you, Rajeev. I am glad we had good interest and discussions coming in from all the analysts and we plan to have these kinds of discussions and calls every quarter for us to start the discussion around all our businesses. As you understand AEL in incubation business for the group I am sure from very different sectors we have lot of businesses. So it will be very interesting to have this conversation once every quarter. I would like to thank everyone for making this happened today.

Moderator: Thank you. Ladies and gentlemen, on behalf of Adani Enterprises Limited, that concludes today's conference. Thank you for joining us and you may now disconnect your lines.