"Adani Enterprises Limited Q2 FY22 Earnings Conference Call hosted by DAM Capital Advisors Limited"

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Moderator: Good morning, Ladies and Gentlemen. Welcome to the Adani Enterprises Limited Q2 FY22 Earnings Conference Call hosted by DAM Capital Advisors Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Mohit Kumar from DAM Capital Advisors Limited. Thank you and over to you, sir.

Mohit Kumar: Thank you Lizann. On behalf of DAM Capital, we welcome you all to the Q2 FY22 Earnings Conference Call of Adani Enterprises. From management team we have with us Mr. Vinay Prakash – Director, Adani Enterprises and CEO Natural Resources, Mr. Ramesh Nair – CEO Mundra Solar PV Ltd, Mr. Robbie Singh – CFO – Adani Enterprises, Mr. Saurabh Shah – Finance Controller and Mr. Akshay Ramani – Investor Relations. We will start with opening remarks followed by Q&A. Over to you, Sir.

Robbie Singh: Good Morning all. This is Robbie here the CFO for Adani Enterprises. I welcome you all to the analyst call and hope you had sufficient time to go through our earnings presentation which has been shared and is uploaded to the website. AEL was setup as an incubator since inception in 1994 in the infra and utility space. Over this period AEL created five infrastructure unicorns which are now independent listed entities namely Adani Ports, Adani Green Energy, Adani Transmission, Adani Total Gas and Adani Power. Our constant endeavor is to invest into strategic new businesses that could translate into profitable returns for our shareholders. The model of building new business and creating value has delivered returns at a compounded annual growth rate of 36% to shareholders since inception.

In the last four years the demerger of Adani Green Energy Limited and Adani Total Gas has boosted a shareholder returns at a CAGR of over 100% since the demerger announcement. As our established businesses continue to sustain long term growth, we are making significant progress in our new businesses that are being incubated comprising airports, roads, water, data center and FMCG which will further accelerate the value creation. Just a quick update on a new businesses –

In the airport segment held under Adani Airport Holding a subsidiary of Adani Enterprise we took over Jaipur, Guwahati and Thiruvananthapuram airport in October 21.

We completed the acquisition of Mumbai International Airport. Along with it we got the development right to Navi Mumbai airport as well. The business in the airport segment is now recovering rapidly post the COVID lockdowns and we have reached 40% of the pre COVID levels in the passenger movement and we expect that this will balance out over the next 12 months period. The domestic passenger movement is already close to 90% of the pre COVID levels. As enumerated during my earlier interactions we are also happy to announce that as a part of our governance review our Board of Directors have approved formation of corporate responsibility committee with 100% independent directors and this committee's primary objective is to provide assurance towards our ESG commitments.

Further, we have changed the composition of existing committees to increase the proportion of independent directors and form new committees to further enhance governance mechanism. The main change in one of committee is that across any of our listed portfolio including AEL the audit committees from here on will be 100% independent and be chaired by independent although the listing requirements are at 75%.

Coming to AEL's financial performance the consolidated total income for the H1 FY22 increased by 78% and is at 26,328 crore and EBITDA increased in line and is up by 77% to Rs. 2,210 crore. The profit after tax attributable to shareholders increased by 23% to 484 crores. I will now take the opportunity to hand over to the each of the business segments CEO for the business highlights. First mining services business Mr. Vinay Prakash.

Vinay Prakash: Good morning to all. This is Vinay Prakash. Adani Enterprise Limited is a pioneer of MDO concept in India with an integrated business model that spans across developing mines as well as the entire upstream and downstream activities. It provides a full service range right from seeking various approvals, land acquisition, R&R, developing a required infrastructure, mining, beneficiation i.e. washery business and transportation to designated consumption points for the TPS. The Company is MDO for 9 coal blocks and 2 iron ore blocks with the peak capacity of 100 + million metric ton per annum. These 11 projects are located in State of Chhattisgarh, Madhya Pradesh and Orissa. Currently of the 11 blocks AEL has three operational coal mines which are PEKB, GP3, Talabira II and III and one iron ore mine Kurmitar iron ore.

In H1 FY22 the mining production volume increased by 91% at 10.9 million metric ton on year-on-year basis and the further dispatch increased by 77% at 9.9 million metric ton on year-on-year basis. On H1 FY22 EBITDA increased by 3% at Rs. 557 crores as compared to 542 crores in H1 FY21. Company has also signed coal block development and production agreement for two mines in the state of MP and Jharkhand with peak capacity of 9 million metric ton in Quarter 4 in FY21. In current quarter the Company has signed coal block development and production agreement for two commercial mines which are Jhigador and Khargaon in the state of Chhattisgarh taking the total portfolio of commercial mines to 4.

As far as the IRM business is concerned Company provides end-to-end procurement and logistics services to its customers. We have developed business relationship with diversified customer across various end users industries. Our IRM business continues to maintain leadership position as a number one player in India. The volume in H1 FY22 increased by 41% to 32.8 million metric ton and in H1 FY22 EBITDA increased by more than 4 times to Rs. 1,045 crores. Now with this I give it to Ramesh for solar manufacturing.

Ramesh Nair: Good morning. Thank you Vinay. Mundra Solar PV Limited was established as the India's largest vertically integrated solar manufacturing facility way back in 2017 and now we are having1.5 GW capacity with state of the art plant with R&D facilities and this is situated and located at the electronic manufacturing cluster that we have in Mundra SEZ. As regards the performance of the business the sale for Q2 FY22 was about 267 megawatt as against 418 megawatt in Q2 FY21. This is lower by around 151 megawatt basically because last year we had a spillover of sales from Q1 to Q2 on account of COVID though we did produced in Q1, but the same was sold in Q2 mainly to NTPC. EBITDA was quite lower in Q2 FY22 87 crores versus 350 crore in Q2 FY21. This is partially because of the excess volume that was sold in Q2 in the previous quarter that was the corresponding quarter 127 crores is the impact of that, and there has been an increase in raw material and commodity prices in the current quarter that has impacted about 132 crores.

The cost of module did increase by around 35% due to rise in prices of wafer and other raw materials. However, if you see H1 volume we are at 538 megawatt which was about 8% higher than last year H1 which is about 497. However EBITDA is about 213 crores for H1 against 361 crores of H1 FY21 primarily because of impact of raw material and commodity prices. As regard the demand for module under DCR category was deferred in H1 FY22 due to MNRE extension to Renewable Projects developers for the completion of EPC projects on account of COVID. We expect the resumption in module offtake in the coming quarter. GOI has also announced imposition of BCD with effective from 1st April 22. This is very positive for the industry and this should give a boost to domestic manufacturing.

Moderator: Thank you. Ladies and gentlemen we will now begin with the question-and-answer session. The first question is from the line of Nirav Shah from GeeCee Holdings. Please go ahead.

Nirav Shah: First question is on the mining front .Firstly sir how do you see ourselves benefiting from the new rule that mines are allowed to sell 25% output in the open market. does that lead to a faster ramp up for us against previous expectation and how do you see our mining ramp up because our target is around 32 million ton plus for this year, so how do you see the mining ramp up in the second half and even if you can share some numbers for FY 23 basis?

Vinay Prakash: In fact, this rule of allowing all the captive owner to sell up to 25% if supported by market will definitely help us to ramp up for the production and because of this coal pricing which happened recently all the block owners are now trying to see if they can not only ramp up the capacity, but also see if they can increase the capacity going forward which is going to definitely benefit the Company. As far as AEL is concerned PEKB will do 15 million ton and there is a possibility that it can cross 15 if we get permissions to increase from 15 to 21 and in terms of Parsa which got delayed because of certain approvals we will see one and half million ton volume and Talabira is 10 plus GP3 is 5. I think we will be very close to 36 MMT target for this year. Next year is looking good considering the requirement coming up from all the owners and we do see the volumes touching 50 - 55 million ton for sure.

Nirav Shah: Sorry so this year is 33-million-ton FY22?

Vinay Prakash: It is Rs. 36 million ton and next year it should cross 50 if not touching 55.

Nirav Shah: Sir earlier guidance last quarter you guided for 40 so we are now seeing 50 to 55 million ton is a likelihood for FY23?

Vinay Prakash: This is likely increase a block called Talabira where the government had allowed them to sell 50% of the coal it in the market and they have agreed to increase the capacity and we are ready to give them that much of coal.

Nirav Shah: So, the current coal situation is also helping us in the faster approvals for expansion?

Vinay Prakash: Not only the expansion, ramp up also. So, what you were planning earlier for three to four years is now getting reduced to two years and people are now exercising their right to increase the capacity without getting into the approvals and all. Whatever the available capacity is there with them and expansion is not possible, they are exercising that now.

Nirav Shah: And the margins here are slightly volatile I know each mine has a different cost and a revenue component, but on a blended basis where do we see that settling with the kind of mix that you are expecting?

Vinay Prakash: So as you rightly said that we have a mix of mines where the margins varies on the basis of scope of work which we have. We are getting affected by this diesel price increase and that is how now we are working to see as how we can get into more electric equipment see how we can optimize the cost further and reduce the impact of the diesel on the mining cost.

Nirav Shah: So, diesel was not a pass through for us?

Vinay Prakash: No diesel is pass through only in one mine and for other mines it is in our cost.

Nirav Shah: Secondly on our coal trading business front, are we seeing any increase in volumes for the current month onwards and while we would have definitely benefitted from inventory gains, but any guidance for the second half number you can give to us and the sustainable margin I mean the last two quarter the first half is extremely high because of the inventory gains I believe, but any thoughts you can share over here?

Vinay Prakash: As we have been telling to you that as far as the IRM business is concerned we are more of a service model. We gain because we are holding some inventories in hand. Going forward we do see the market getting corrected from the level which it achieved in Quarter 2 and because of which we will see the demand coming up. As far as the volume is concerned I do see volume to remain at a similar level and do not see going it beyond this. As far as the margins are concerned it depends upon, honestly the market and the way customer imports.

Nirav Shah: Sir the last question on the Australian mining front if you can just share some guidance in terms of how is a mining happening there, when will the dispatches start, some color on the costing over there and what can be our FOB realization? when we link to New Castle, at what discount our grade of coal trade at and if you can just share something that will be great.

Vinay Prakash: As we talk about the start of the mine, the mine is likely to start in November and we are really hopeful that we will ship our first cargo in the November itself and we are definitely in a better position in terms of FOB and this market is going to help us to realize a better value in Carmichael.

Nirav Shah: So, volume this quarter or this year can be how much and when can we reach the full capacity?

Vinay Prakash: So, next year for sure we will reach to the full capacity which we have targeted as of now. This year let us start November and we will see what best we can do in this financial year.

Nirav Shah: Capacity is 11 million ton?

Vinay Prakash: As of now it is 11 million ton.

Nirav Shah: And any color on the costing front or the discount to the benchmark if you can share something?

Vinay Prakash: The market depends on demand and supply so the discount also varies. As the prices are very volatile, discounts are also volatile. Currently because of the poor supplies, you can even expect very low discounts. Also I think it will be difficult for us have to give any indication, but we can tell you this is the good time for Carmichael to come in.

Nirav Shah: But any color on the costing front sir?

Vinay Prakash: We are definitely far better than many of our competitors. Let us not discuss on numbers we are far better than any of the competitor.

Nirav Shah: Second question is on the airport front FY20 passenger handling we did around 80 of which 60 million passengers was domestic. Right now we are somewhere around 6.5 and this will be the first quarter where all our airports will be operational. So when do we see our domestic passenger count hitting a 15 million a quarter run rate because you mentioned in the opening remarks that domestic has at least at 90%, so what is the view on that? some guidance over there that when can we reach a 15 million passenger quarter run rate and how does our P&L looks like at those numbers?

Robbie Singh: Just to give you a broad picture in terms of the starting with base 0, the 3 core domestic airport which is Jaipur, Lucknow and Guwahati which are approximately 5 million passenger each pre COVID levels plus Trivandrum airport which is about 4 million passengers per annum. So, we do expect that these airports will hit their domestic targets over the coming 12 months to 18 months provided there is no other COVID related issues. Ahmedabad airport, where majority are domestic passengers, is also expected to recover to pre COVID passenger number of 11.4 million. So, the domestic pool we expect to fully recover to earlier levels over the next 12 months period - a maximum of next 18 months. So, we planned the COVID recovery in our investment case that it will take up to 2023 to recover. So, we think actually recovery will be faster than that, but anyhow our investment case is planned on the basis that it will actually be till 2023 we start seeing the run rate numbers which you are referring to. So, that would be the first year where we will have the run rate number and then by 2024 we expect the Navi Mumbai Airport to be operating as well and further ramp up in about 18 months post that. So, in short the recovery is expected to happen earlier than our investment case plan which was 2023. It is likely to be in 2022 and we will be able to bring Navi Mumbai on line as per schedule. So, expectation this time around next year we will be pretty much close to the pre COVID numbers in the domestic passengers.

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

Mohit Kumar: Three questions on the mining side - first sir what are the approval required pending for increasing our capacity from Parsa Kante from 15 to 21 million ton and given the fact that we are already in the middle of the fiscal year, is it possible to ramp up the capacity in the next 6 months and who with the customer will the RRUVNL offtake the entire amount?

Vinay Prakash: It is a request from RRUVNL to increase it from 15 to 21 so they have confirmed the offtake. They will take this cargo. As far as the permissions are concerned, it will take some time to get this permission. We reckon a month or so, but to ramp up to 21 million ton, it will take minimum one year because we have to add some capacity on beneficiation.

Mohit Kumar: So, is there any plan to ramp up the Australian coal capacity Given the high coal prices ? Do you expect to do more CAPEX in the next couple of years to put the capacity faster?

Vinay Prakash: We definitely need to plan, but as of now we are focusing first to start the mine and ship the first cargo.

Mohit Kumar: Lastly sir how is CERC index linked for our trading profit for coal trading profit side?

Vinay Prakash: We have been always seen this IRM business as a service provider and what happens when you are present in the complete supply chain you get the maximum benefit related to the market. So, since the CERC which is nothing but the average of New Castle and RB Index. With South Africa index has moved up drastically and it was highly volatile we got the maximum advantage of this and that is why you are seeing such a good number in H1.

Mohit Kumar: There is no direct linkage in our contract agreement which says that the pricing will happen on CERC index?

Vinay Prakash: Since you work on the basis of a portfolio business and giving services to many customers if you really ask me we have more than 2,000 customers in India and when you are in a position to supply to this and having inventory to serve them you will always get benefitted if you are getting the vertical market and as the market went up, came down again went up we took the maximum advantage.

Mohit Kumar: Lastly sir on the entire portfolio of coal mining is there any agreement which is still pending and this has not been closed?

Vinay Prakash: As of now GP1 agreement is still pending all other agreements are closed and signed off.

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

Nirav Shah: On our solar module manufacturing business firstly so we are almost at a full order book so on a run rate basis, can we expect now the execution or the delivery to be in the range of 350 megawatt to 400 megawatt on a quarterly basis and in terms of margins while the extremely volatile raw material environment has impacted our margins, but on a sustainable basis can we make at least something around 18% to 20% margins over here? and the second question related to the segment is on the CAPEX front. what are our plans in terms of capacity addition because we won 2 gigawatt capacity in the recent PLI scheme, so if you can just share some thoughts over here that would be great?

Ramesh Nair: Yes in the current particular environment the capacity that we have we are looking at in excess of something like about 330 megawatt per quarter in terms of volumes and we will definitely try to do that volume and we have done also in couple of quarters before and yes what you said is right; it is highly volatile environment that we have in terms of raw material and everything is on fire including the asset prices, China clamping down on the polysilicon capacity, power shutdown, energy shortage, freight - it is like a multitude of issue that has hit us from all around in this quarter. So, in spite of that we have held on to our volumes and also held on to our margins to a very large extent, but yes, there has been a decrease. What you rightly said 20% EBIDTA is definitely **possible** because we have BCD of 40% coming on and on the cell side we have a BCD of 25% is coming in, so on import parity basis, the margins of 18% to 20% definitely possible As you go forward. Because obviously even if I do not realize the full effective BCD I will have some benefit apart from the volume which will be flowing through the BCD and the ALMM route. So, on expansion front yes the 2 GW was not won through PLI, it was won through the manufacturing and tender route and that is under implementation as you speak and the 2 GW of cell line would come on line from end of December this year and the 2-gigawatt module line will come on line from June next year. So, this is how the expansion plan starts so by end of in fact from Jan 2022 we will be having a module capacity of 3.5 gigawatt and the cell capacity will reach same level by June next year.

Nirav Shah: Just to repeat you mentioned how much capacity we are commissioning in this December and June?

Ramesh Nair: 2-gigawatt. capacity of very modern, high volt peak cell line would be commission by end of December, i.e the module line the cell line will take another 6 months by June 2022.

Nirav Shah: And this was relating to the manufacturing linked tender, but anything related to the PLI?

Ramesh Nair: The PLI still LOAs have been issue so that is pending so once that is done then we will be venturing into that.

Nirav Shah: So, what can be the likely CAPEX because that is end-to-end capacity over there. How much is the CAPEX and what is the CAPEX that we are doing for this 2 gigawatt of module and cell line.

Ramesh Nair: I wouldnt like to speak numbers now, but the current module and cell line is about 1,700-megawatt; 2 gigawatt we are doing it in a very highly efficient manner in terms of using lot of existing space and some land is also getting used but then civil part is also minimized to a large extent. So, we are doing it in a very economical way. So, this is about 1,780 crore is what we have incurred in this particular project including the staff cost and we knew project would be somewhere very close to say 9000 crores to 10000 crores for 4 gigawatt and once LOA issued then we can look at a number very close to that.

Nirav Shah: So, right now indication is 9,000 to 10,000 crores?

Ramesh Nair: Yes that is the fair indication.

Moderator: Thank you. We will move on to the next question that is from the line of Punit from HSBC. Please go ahead.

Punit: On this module manufacturing did I hear you right that you said for 2-gigawatt cell plus 2 gigawatt module the total CAPEX is likely to be 1,780 crores?

Ramesh Nair: Correct.

Punit: And the 4 gigawatt will cost 10,000 crores?

Ramesh Nair: Because we are getting into wafer and polysilicon the whole thing that we did is from all the way from polysilicon to module. Industrial supply chain would come in including the ancillaries and utilities and lot of other things. So, today it is a budgetary quote obviously we will work on that, but yes that is what it looks like.

Punit: So, first on this 2-gigawatt cell plus module what kind of technology are you going for?

Ramesh Nair: We are going for the **Mono Perc technology – Multi busbar half cut** so whatever is there in China at this point of time as a technology, we are incorporating in our system. So, we will be capable of doing 540-watt peak panels to start with and is scalable to something about 780-to-800-watt peak panel in future.

Punit: So, for the same capacity can do 700 watt peak as well?

Ramesh Nair: Yes.

Punit: So, on the cell side are you going for P type or N type cell?

Ramesh Nair: It is a P type cell and that can be converted to N type. The lines that we are selecting can be upgraded to top-con technology that is there for higher efficiency. They are capable of getting upgraded and then will be switch to N type so the lines are agonistic to P and it can be used for both.

Punit: And how much CAPEX does it typically cost to convert from P type to N type?

Ramesh Nair: There is nothing much. It is only the top-con equipment are there; I do not have the exact number with me, but then it is more like a debottlenecking. There are no additional huge CAPEX that will be involved. The same line you put one more machine along which is called top-con then there is a line should enter with the top-con facility wherein you can have cell efficiencies of something like 24.5% or even 25% in future. So, today the cell efficiency that we are talking about in the current line that we are commissioning with it 23%.

Punit: And you do not have any major cell capacity right now so your total cell capacity after commissioning will be 2 gigawatt only or is there something already?

Ramesh Nair: Today what we are running it itself is completely integrated one. We are 1.5 gigawatt cell and 1.5 gigawatt module both.

Punit: So, that is the entire integrated gets expanded to 3.5 times.

Ramesh Nair: Yes 3.5 times.

Punit: And on the fully integrated 4 gigawatt what technology are you likely to go for on the polysilicon in the wafer side?

Ramesh Nair: We have not decided there are couple of options only; not many options in the world. There is an SBR Technology and a modified siemens technology, we may most probably go for the modified siemens technology but have not decided at this point of time. What is the next part of your question?

Punit: Just on the technology side for both polysilicon and the wafer what technology are you going for?

Ramesh Nair: Wafer is a very standard available technology called czochralski method that is what we will be going for.

Punit: And then how long will that take from the time you start? Is that a long period of commissioning or can you do it as fast as you are doing cells and module?

Ramesh Nair: Polysilicon would take about three years and wafer may take 6 months lesser.

Punit: So wafer also you are trying to do in 6 months?

Ramesh Nair: No wafer would take about 24 months; Polysilicon plant would take something like about 36 months or about three years and the cell line would take about 12 months to 15 months with the module line of about 8 to 9 months. So, each one of them will take different time period of commissioning.

Punit: So, you are yet to do the final investment decision I would assume from this?

Ramesh Nair: Yes.

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

Mohit Kumar: Sir, first of all how do you see the profitability going forward there has been pressure on the prices from polysilicon and wafer and how do you see the pricing getting stabilized over next few months? And related question is that the entire order book which you have right now is it tied up under the DCR requirement and how much is the solar pump order out of this?

Ramesh Nair: Today, the current environment is little flux so it is very difficult to say anything with respect to current environment which is exceptional. Wafer prices are actually more than double in the last year about 6 months to 8 months and so also has the aluminum prices. Substantial increase in aluminum prices are hitting the frames along with substantial increase in the glass prices, so we see all these things probably cooling down along with the new capacity of polysilicon gets added from March 2022 and also when the energy crisis that is currently prevailing also cools down. So, generally the environment has cool down at this point of time to sort of stabilize with some sort of sanity. The prices are soring across, the Chinese suppliers are all declaring force majeure across lot of companies in India and lot of developers so there is a huge pressure on cost across the solar industry on all manufacturers. So, we are not away from that and the reason that MNRE has given some extension to developer, there is a general lull in the offtake of material as you speak. So, developer will not sign the current cost structure as it is not viable for them.

While we do on the pump segment we do about 20 megawatt. We have strategic tie up with certain vendors in India. So, we do about 20-25 megawatt on the pump side and about 20-25 megawatt in the roof top on the monthly basis the remaining has to come from DCR or further developers and in both these things there is a little bit of slackness. While we are closely watching it but there is a general slackness in the market and this I think would remain for the next three, four months till the commodity prices cool down, the overall freight situation start cooling down and as we speak the freight situation actually cooling down a little bit the forward freight booking are showing some sort of cooling there is a reduction in the containers, rates and other thing. So, let us hope this exceptional situation actually comes down because it is in nobody benefit today this kind of prices that we see in the market.

Mohit Kumar: Specifically on the entire solar value chain are we looking to produce silica manufacturing solar related silica, is it possible to manufacture this is a country with a given scale and a related question is that are we looking to also expand into the solar glass or EVA or any other ancillary businesses which we may require for putting this entire solar manufacturing capacity?

Ramesh Nair: We already have EVA and backsheet manufacturing through our ancillary partners in our EMC. So, we are practically vertically integrated into EVA and backsheet to about 2.5 gigawatt each and we also have through our ancillary partner the same manufacturing to the tune of about 1 gigawatt. So, we have certain amount of integration which give benefit to us in the costing and the glass plant also through our ancillary partners as we speak. The work is going on and 3 gigawatt solar glass plant should come into operation by end of next year broadly, but these are through ancillary partners not directly from us and it is the part of the EMC and we encourage people to come and setup the industries in our EMC which basically helps all the solar and electronic manufacturing.

On polysilicon definitely it is also possible in India the only big issue is that about 50% cost polysilicon manufacturing is power and the power cost in India definitely is higher. So, that is the only one area where there is a disadvantage in India in terms of polysilicon manufacturing, but then with a various subsidies and the various discussion that we have with the government we expect certain amount of help coming on that front in terms of state government subsidies and PLI scheme. I think with the PLI scheme and the kind of bidding that we have seen, the polysilicon manufacturing will grow in the country. You will see cyclical capacity coming up in India and obviously government also would be giving production to the industry so that should not be a problem to discourage any form of dumping or unfair trade practices from China.

Mohit Kumar: Sir, one question on the road side and the copper side, are we interested in developing EPC capability? are we open to acquire the EPC road companies? and the secondly are we looking to start anything on the copper smelter activities? Do we intend to copper smelting activity in the next 12 months?

Robbie Singh: On the road side the answer is that not specifically EPC, we might have strategic tie ups on EPC and we look to do that, but we ourselves will not become an EPC developer and we will continue to develop the road business in a more holistic manner from a transport and logistic point of view. Second question copper; we are evaluating the project and although we expect the basic design engineering and the related project pre development work to commence over the next 12 months, but project will take some time.

Mohit Kumar: Last question Mumbai airport how much is the land available for commercial development as you speak now and secondly on the Navi Mumbai CAPEX when do you think the accelerated construction will start and have we reached the financial closure complete now or if not when do you expect to have it?

Robbie Singh: The first part regarding the Navi Mumbai financial closure from a pre development kind of work from an equity point of view that is already done. On the debt tie up should be completed over the next 6 to 8 weeks. In relation to the land capacity available, total site capacity that would be approximately 188 acres of land and based on final planning of economics as to how much of that becomes leasable for which segment of the market be it commercial, entertainment, dual use or multi use area that we are just working through at the moment we are passing next quarter on January we will have a much clear update on that.

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

Nirav Shah: Just one clarification the new solar module and cell expansion that is happening is happening in the current Mundra solar PV limited or it is happening under 100%, so will Adani be holding 51% effectively in those capacities or it will hold 100%?

Ramesh Nair: I did not get your question what is the last point you said?

Nirav Shah: The new expansion is happening under the current entity itself where AEL owns 51%?

Ramesh Nair: It is a different entity Mundra Solar Energy Limited under the overall brand of Adani Solar.

Nirav Shah: So, the holding will be 100% in this capacity 2 gigawatt?

Saurabh Shah: Just a minor clarification the holding will be 74%.

Saurabh Shah: Thank you Mohit for the great session on the Q&A for Adani Enterprises we look forward to your association in future.

Moderator: Thank you. Ladies and gentlemen that was the last question for the day. On behalf of DAM Capital Advisors, we conclude this conference. Thank you for joining us and you may now disconnect your lines. Thank you.