



# “JSW Energy Conference Call for Acquisition of Renewable Portfolio of Mytrah Energy”

**August 10, 2022**



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**Moderator:** Ladies and gentlemen, good day and welcome to the JSW Energy Conference Call for acquisition of renewable portfolio of Mytrah Energy. As a reminder all participant lines will be in the listen-only mode and anyone who wishes to ask a question may enter “\*” and “1” on their touchtone phone. To remove yourself from the queue please enter “\*” and “2”. 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. Ashwin Bajaj. Thank you and over to you Sir!

**Ashwin Bajaj:** Thank you operator and good evening everyone. Welcome to this call to discuss our acquisition of Mytrah Energy. This marks a significant leap forward in our renewable growth story. We have our CEO Prashant Jain and CFO Pritesh Vinay on the call here with us so we will have a few remarks by Mr. Jain. Over to you!

**Prashant Jain:** Thank you Ashwin. Thank you ladies and gentlemen for joining this call. It is a moment of pride and pleasure for JSW family to welcome Mytrah in our family, which is having a very good portfolio of assets of a large volume. This is being housed in 18 SPVs which will be taken over by us having a portfolio of 1,331 megawatt of wind and 432 megawatt of solar. With this acquisition once we complete which we target to do in the next three months timeframe our operational renewable capacity will be 3,379 megawatt and with our under construction of renewable capacity of 2,523 megawatt which will be completed in the next 18 months timeframe we will be achieving close to 9,100 megawatt of odd capacity by December 2023 or March 2024 of which 65% capacity will be renewable. With this clear visibility of more than 9,100 megawatt of operational capacity in the next 15 to 18 months timeframe we are on track to achieve our plan of 10 gigawatt ahead of schedule and with a lot of other activities going on I am pretty confident that we will be achieving our 10 gigawatt landmark much earlier than what we have envisaged. There are a number of rationales of doing this transaction. One is that this is a large portfolio which is operational which comes with a very good talent pool, having an experience to build large capacities and having experience to operate them. Secondly majority of its assets are adjacent to our assets where we are building so there are various operational synergies, which we will be able to pool in. The third thing is that it offers us couple of very good opportunities which I would like to explain to you.

The transaction we did is at the valuation of 6.4 times normalized EV/EBITDA. The total enterprise value of the transaction is Rs.11,934 Crores of which Rs.9134 Crores is coming from long term debt and Rs.2800 Crores is coming from equity and there are net working capital assets of Rs.1403 Crores which are comprising of Rs.1876 Crores of the receivables and working capital debt of Rs.473 Crores, adjusted for that the enterprise value is Rs.10531 Crores. The normalized EBITDA is Rs.1650 Crores at P90 level. The current

EBITDA is lower because of suboptimal operations because of certain working capital issues, certain technical problems could not be resolved and right now approximately 205 megawatt of the capacity is not operational, which will be made operational. 80% of that 205 megawatt will be operational within six months and current EBITDA is of the last financial year was Rs.1237 Crores, which will be improved by Rs.413 Crores to Rs.1650 Crores to achieve P90 generation level. Of this Rs.413 Crores Rs.353 Crores will be coming purely by generation that means by making this capacity up and running by putting money into the company and doing the maintenance and replacing some of the defective parts whatever they are looking forward and of this Rs.353 Crores 80% will be realized within six months timeframe. Right now the current O&M cost is around Rs.230 Crores which was for the last financial year which translates to Rs.13 lakh per megawatt, which will be optimized to Rs.10 lakh per megawatt so that means another Rs.60 Crores will be coming from O&M cost so out of this Rs.413 Crores close to 70% to 80% will be coming within six months and balance will be coming in the next 12 months time frame and these are very, very basic interventions which we will be doing which we are having a very good longstanding proven track record to achieve that and this normalized EBITDA is at P90 levels which is having a potential upside by having a higher generation. The second upside is also the asset gets approximately 3.5 million voluntary carbon credit units which are also not considered into the valuation what we are talking about so the EBITDA is having a higher potential going forward.

The second thing which I am looking at when we have evaluated the transaction, if we are trying to build a similar kind of asset today the wind assets are build between Rs.7 Crores to Rs.8 Crores per megawatt and solar are being built between Rs.4.8 Crores to Rs.5.2 Crores per megawatt so the replacement cost at this current enterprise value is 5% to 10% higher and on a P90 level this asset will be generating Rs.943 Crores per gigawatt of EBITDA whereas in the current bidding scenario it is very tough to achieve even Rs.800 Crores per gigawatt kind of a number so both on in terms of the EV/EBITDA multiple or replacement cost or EBITDA generation potential on the current assets which you build in today's environment the transaction is value accretive for us and it gives us the access to a large portfolio where we can deploy our synergies. The third element in this particular asset is the transaction we are concluding effective April 1, 2022 with balance sheet belonging to us which means when we are talking about the receivables, which is Rs.1876 Crores of that around 45% to 50% is Andhra Pradesh and around 30% to 35% is from Telangana and the rest all receivables are normal. As you know that Andhra Pradesh issue is also settled and I am happy to inform that Andhra Pradesh DISCOM has already informed Mytrah that they will be clearing all their dues within the next 12 months timeframe and first installment has also been received two days ago and with our deep expertise to manage the receivable I am quite confident that out of this Rs.2800 Crores of the equity check which we need to write majority will be realized by the receivables in the next 12 months timeframe so that gives us

enough opportunities on leveraging up the balance sheet with a minimal equity contribution and further more levers available for positive upside on the EBITDA and incremental large capacity we are very happy that this transaction will be value accretive on day one. Another thing which is very, very important is even after completing this transaction and 2500 megawatt of the under construction capacity which we are targeting to complete between next 15 to 18 months time frame our debt EBITDA will be lower than four times on a completed basis and our EBITDA per gigawatt will be higher than the industry norm and as you know that industry is operating at 6.6 to 7 times of EBITDA because of the very much nature of the business. We are having enough headroom to undertake more transactions as well as to grow the balance sheet organically so that gives us enough room to accelerate our growth plan which we have been talking about. This is all from my side and we are ready to take questions if you are having any. Thank you.

**Moderator:** Thank you very much. We will now begin the question and answer session. Ladies and gentlemen we will wait for a moment while the question queue assembles. We have our first question from the line of Mohit Kumar from DAM Capital. Please go ahead.

**Mohit Kumar:** Congratulations for very good acquisition. My first question is on Andhra Pradesh exposure how much was the revenue from Andhra Pradesh in the last year FY2022 number that is the first question?

**Pritesh Vinay:** We do not have DISCOM wise balance sheet P&L, etc., details but just to help you how to think about it, the total portfolio of AP from a capacity point of view is approximately 365 megawatt, so about 365 megawatt of this 1753 megawatt is what is impacted if you look at slide number 10 of the presentation that we have put out it has that number so you will be able to because different capacities are operating at different CUF for reasons that Prashant mentioned and therefore we would not have that number with us readily but you can make that. The other important thing to understand is this that of Rs.1876 Crores of outstanding receivables at the end of March 2022 about 45% of that was from AP.

**Prashant Jain:** But I want to tell all the participations one part. The first point is this issue is settled but let us imagine this issue is not settled because when we were working on this transaction we were working on hypothesis that issue may not get settled or it may take two years to five years to get settled. In that situation we have already agreed with the lenders for a restructuring of the portfolio of Andhra Pradesh wherein there will be the receivable at Rs.2.43 it will be restructured at 1.2 times DSCR and then there will be a sustainable debt component and nonsustainable debt component so under those circumstances it is a change of management and then the entire restructuring will be undertaken so whether Andhra Pradesh issue is settled or not settled we have planned accordingly.

- Mohit Kumar:** Sir my second question is the revenues have been lower than the desired optimal revenues for the last three years right, consistently the revenue has been below Rs.16 billion what gives you the confidence that this can go up by Rs.4 billion over the next six to eight months that is a herculean task it looks like?
- Prashant Jain:** It may be a herculean task for someone but not for us that is what our bread and butter because if machine is not having a spare and then I need to change a particular bearing then it will be up and running because the raw material is free and that is what I explained that in the last three years because of the financial difficulties enough money was not available and the machines were become idle one-by-one because of capital and in the next six months timeframe 80% of the capacity will be up and running and if am telling during this transaction because the balance sheet belongs balance sheet to us from April 1, already the initiatives have been undertaken and I can say out of the 205 megawatt close to 35 megawatt will be up and running by September so we have already undertaken those kind of initiatives and it will be there.
- Mohit Kumar:** Lastly Sir let us say in the changed scenario what is the normalized working capital you believe this particular portfolio requires?
- Prashant Jain:** Normal cycle is two months and that we will take in the next 12 to 14 months timeframe to achieve it. All our businesses we are operating with all kind of DISCOMs. Right now we are supplying to seven DISCOMs in our existing portfolios. We are operating within 55 to 60 days of the working capital and that is what we believe that going forward we will be operating. There could be certain seasonalities because of which it can sometimes go to 70 to 80 days also but not the kind of a situation what you have seen in this.
- Pritesh Vinay:** Mohit if I may add to that what Prashant has said in our base case as we were going through this particular portfolio the base is that we have built in as Prashant mentioned earlier as well is that for the first 15 to 18 months we have assumed that for the AP and Telangana there will be a six-month receivable cycle and therefore the point Prashant was making that normalization is expected only after 15 to 18 months.
- Mohit Kumar:** Understood Sir. Thank you and best of luck.
- Moderator:** Thank you. We have our next question from the line of Matias Vammalle from Bluebay Asset Management. Please go ahead.
- Matias Vammalle:** Thank you very much for the call. I think it is a great initiative. I am really sorry I just want to double check some figures because I could not hear very well so the current EBITDA for these assets is around Rs.16.5 billion that is the first thing I would like to double check, secondly can you remind me because again I could not hear very well how much debt is

currently on the asset and then lastly with regards to Andhra Pradesh what is the exposure of the assets, what are the accounts receivables on the assets and then you are saying that AP has informed Mytrah that they will be clearing all the past dues within the next 12 months I know obviously there has been a court ruling I wonder if you have had any more color from Mytrah or even Andhra Pradesh itself as to the liquidity to be clearing these past dues are they using some of the liquidity facilities that have become available from the government, from REC, and I am just curious as to where that money is going to come from? Thank you.

**Prashant Jain:** Thank you for your question. Your number is correct. It is Rs.16.5 billion normalized EBITDA. The long term debt which I explained was Rs.9,134 Crores. Number three what you asked about Andhra Pradesh there is a court ruling for that. There was an execution petition in which Andhra Pradesh DISCOM had informed to the court that they will clear all the dues within 12 months. Post that they have given in writing to the Mytrah also that they will be clearing these dues and they have got the funding from REC. The first installment came directly from REC on August 6, 2022 so it is already all set.

**Pritesh Vinay:** Matias before you can ask your follow on question I just want to put two things also into perspective. For the financial year that ended in March 2022 the EBITDA that this particular asset generated was Rs.12.37 billion. The Rs.16.5 billion that Prashant said is the normalized EBITDA after the asset optimization and improvement interventions are done.

**Matias Vammalle:** Correct and that is the delta exactly.

**Pritesh Vinay:** The second point you wanted to understand was on the AP exposure so at the end of March 2022 of the total Rs.18.76 billion of outstanding receivables about 45% of that was pertaining to the AP DISCOM which from a capacity point of view is 365 megawatt out of 1753 megawatt.

**Matias Vammalle:** Fantastic. Thank you very much and so the fiscal 2022 you said is Rs.12.3 billion?

**Pritesh Vinay:** Yes.

**Matias Vammalle:** Yes I understand and then you are going to be optimizing to try to get to the 16 and this also involves the completion part of getting to the 16.5 the completion of the currently nonoperational 205 megawatt is that correct?

**Prashant Jain:** Yes and primarily these are the maintenance issues because there were certain spares which are not available and those needs to be capitalized, those SPVs need to get the requisite money and then they will be up and running immediately and that is going to take only six

months timeframe and that is what we have also explained that of this approximately 15% to 16% capacity will be up and running by next month end only.

**Matias Vammalle:** Understood fantastic. Thank you very much.

**Moderator:** Thank you. We have our next question from the line of Puneet from HSBC. Please go ahead.

**Puneet:** Thanks for the opportunity. It looks like a great acquisition. My first question is for this 200 odd megawatt which you have to make operational what kind of issues are there currently and if they related to wind which is the OEM?

**Prashant Jain:** It is both related with the wind as well as solar and they are related with OEM also and in terms of the machine spares also so they have got a dispute between the OEM as well as the Mytrah those have been settled and are under settlement and then you will need to make certain payments and then those spare parts will be immediately deployed and then machines will be up and running. You know that wind turbine and solar there are no complications it is only certain spares which are the issues, so if there is one or two moving parts and couple of electrical components that is all so there is nothing specific other than all these things can be categorized as financial difficulties which has led to lower generation or machines not operating. Once you provide that capital they are up and running, of course everything cannot happen overnight that is why we are talking about that 15% to 16% will be in the next one-and-a-half month timeframe, more than 80% will be in six months and the balance will be in 12 to 14 months and whatever the EBITDA improvement we are talking about 85% is primarily coming from generation so wind is already blowing so you just make it running or sun is already shining so you need to make all those interventions by providing the capital support.

**Puneet:** Right and how much capital support would you need to get this 200 odd megawatt up and running?

**Prashant Jain:** Close to Rs.400 Crores over a period of time. Of course this over a period of time like 12 months.

**Puneet:** Second is what kind of capabilities do you get with this acquisition, do you get some O&M capabilities or would you still have to largely outsource it to the vendors?

**Prashant Jain:** We are going to get a very good team which has built this kind of a project because we are already building 2.5 gigawatt so we know that this will be a very good addition to our portfolio because we want to grow our portfolio going forward so that is part number one. The existing assets are being operated by third parties. Our philosophies so far for our

construction is to do O&M ourselves; however, there are various levers which we have identified and as I said that there is a potential to reduce the O&M cost from Rs.13 lakh per megawatt to Rs.10 lakh per megawatt which is a reduction of 25% so that is what we are targeting and over a period of time we will be looking at various other synergies that is why whatever we have talked about we are talking about generation at P90, we are talking about O&M cost on a third party outsource basis and there are further upside potential which we will be doing in due course of time which we would not like to talk at this point of time.

**Puneet:** Understood. That is helpful. If you can also give some color on these O&M improvements what are the key drivers there?

**Prashant Jain:** So we will achieve it because it is not important that what are the things which we do I think we are very clear that we will achieve this 25% reduction. It is in our hand what we can do we have talked about that.

**Pritesh Vinay:** Puneet you have to take comfort from the fact that you benchmark by any fuel type of operations our O&M cost whether it is the hydro business, whether it is the CFBC boiler based lignite generation business or whether it is a normal thermal business you look at any of the O&M costs across the businesses and we would invariably be amongst the lowest in O&M cost as a sector so I think the point that Prashant is trying to say is this that the same efficiencies are going to be replicated across these bouquet of assets as well.

**Puneet:** Understood. Sir just two more from my side. If you can share what is the underlying assumption of the EBITDA margin here or is it Rs.1,690 Crores of normalized EBITDA and the PLF also?

**Prashant Jain:** So you need not to look at either PLF or the margins because these are irrelevant numbers. The only important number is that what is my generation at what probability factor because PLF is depending upon the various other things. What is the machine size, what is the machine height, what is the power curve, so those things cannot be benchmarked. For the same machine at a particular location you need to see that what kind of a generation you are getting as per the design so the generation what we have talked about is P90. Industry normally operates anything between P75 to P90. In terms of solar industries operating between P50 to P80 number so we are talking both solar and wind is at P90 number that is number one and EBITDA margins are also irrelevant because here we are not having any kind of a raw material only O&M is the one cost and which we have already talked about that we are talking about current O&M from Rs.13 lakh going to Rs.10 lakh and which is by we feel that there are other levers which we can further optimize it going forward.

**Puneet:** Understood. Great okay that answers my question. Thank you so much.



**Moderator:** Thank you. We have our next question from the line of Apoorva Bahdur from Investec. Please go ahead.

**Apoorva Bahdur:** Thank you for the opportunity and congratulations on a very good acquisition. Sir wanted to know if we are also getting any land sites or wind power generation sites along with?

**Prashant Jain:** You mean the pipeline.

**Apoorva Bahdur:** No Sir not the pipeline so what I am talking about is lot of older wind developers had actually taken the permission and they required approvals and procured land in areas which had pretty high wind?

**Prashant Jain:** There is none but for your information we are having already such kind of site where can build more than 10-20 gigawatt of the capacity.

**Apoorva Bahdur:** Secondly if you can also throw some light on how much of these wind capacities especially are based on feed-in tariff and how much of it is bid based?

**Prashant Jain:** We will have to check that and then give you the color.

**Pritesh Vinay:** If I can do some approximation quick approximation of the 1331 megawatt of the wind approximately 1100 megawatt which would be the legacy assets which are on the feed in basis and about 250 megawatt is what is under the competitive bidding scenario is that what you were looking for?

**Apoorva Bahdur:** Yes Sir that is exactly what I was?

**Pritesh Vinay:** Yes that is how you have to look at it. Out of the 1331 megawatt 250 megawatt is the one that was under competitive bidding and the balance was under feed in.

**Apoorva Bahdur:** The average tariff for the assets fully operational basis will be Rs.4?

**Pritesh Vinay:** The blended tariff will be Rs.4.82 per KWH for the entire 1,753 megawatt.

**Apoorva Bahdur:** Great Sir. Sir I think probably a last question from my side and will there be any debt refinancing we will undertake post the acquisition?

**Pritesh Vinay:** Yes naturally.

**Apoorva Bahdur:** What type of rate are they currently getting from the market?

- Pritesh Vinay:** So if you look at their current debt for reasons that Prashant explained earlier due to the financial and operational challenges the current portfolio that is there on the book I think the weighted average interest rate is in the 10.5% to 11% range so we easily see a room for at least a 200 basis points reduction on that once we come into the picture so that itself will write substantial value but that is all below EBITDA at the PBT level.
- Apoorva Bahdur:** I think this is great very helpful. Thanks a lot and all the very best.
- Moderator:** Thank you. We have our next question from the line of Sumit Kishore from Axis Capital. Please go ahead.
- Sumit Kishore:** Good evening. My complements on announcing this last transaction. My first question is could you speak about the average life of the PPAs remaining the aging of the existing portfolio and whether you have considered cash flows beyond the PPA period arriving at your evaluation?
- Prashant Jain:** It is 18 years for the balance life and we have not considered any such thing.
- Sumit Kishore:** The second one what is the size of the first installments that you received on August 6, 2022 from AP, I missed that number and could you also speak about liquidation of the 30% to 35% dues from Telangana what is the roadmap for that?
- Prashant Jain:** It is approximately 10% of the receivables.
- Sumit Kishore:** So 10% of AP receivables which is 45% of the total receivables?
- Prashant Jain:** Yes you can say that.
- Sumit Kishore:** In case of Telangana?
- Prashant Jain:** Telangana there is no order. There is no dispute.
- Sumit Kishore:** We received this outstanding what is the number of days of sales?
- Prashant Jain:** This is around 35% of the total outstanding is from Telangana. Now we will have to go and work with the Telangana like we worked with any other DISCOM.
- Sumit Kishore:** Like you mentioned AP has a settled megawatt of 1753 megawatt?
- Prashant Jain:** Sumit I want to explain two things. Out of the total receivable around 80% to 85% comes from Telangana and AP, 45% is actually from Andhra Pradesh and between 30% and 35%

is from Telangana. Andhra Pradesh receivables were disputed and which was going into the litigation which has got settled and then payment will be coming. Telangana there is no litigation there is no dispute and the rest of the other DISCOMs it is a normal receivable. In the next 12 months timeframe the way we operate and then we work we will be making sure that whether it is Telangana, whether it is Andhra Pradesh or other DISCOMs we try to bring down the receivable to the normal level and we are more than reasonably confident that we will achieve it in 12 to 14 months timeframe so in case of Andhra Pradesh the issue was litigation which is settled and in case of Telangana we will have to work. To give you a little bit of color, Telangana has also got the funding now from the financial institutions and they will be also meeting and clearing all the payments in the time stipulated what I have explained to you. Now one last question which you are having is about the total capacity from Telangana.

**Pritesh Vinay:** Sumit if I can request you to look at slide number nine of the presentation that has a detail of portfolio overview of Mytrah by offtakers and slide number 10 actually specifically mentions that about 428 megawatt is the exposure to Telangana, 101 megawatt wind and 327 megawatt solar that is all there.

**Sumit Kishore:** Very clear. As per your calculations with the improvements in O&M and incremental capex of Rs.4 billion that you incurred over the next 12 months to basically improve the overall generation in your workings what is the equity IRR or project IRR coming to in your workings if you can share that number?

**Prashant Jain:** So we will be getting mid teen to high teen equity IRR.

**Sumit Kishore:** Excellent. Thank you so much.

**Moderator:** Thank you. The next question is from the line of Parth Jhala from Goldman Sachs. Please go ahead.

**Parth Jhala:** Once again congratulations on the transactions. Just a couple of quick questions from my side. Is Andhra Pradesh now paying this full feed-in tariff because their wind capacity it is on feed-in tariff based, are they now paying the full amount or are they still currently paying at 2.4?

**Prashant Jain:** So as we explained that already the litigation is already settled and they have agreed to make the payment based on the feed-in tariff so it is a settled law and now they are clearing the overdues based on the feed-in tariff.

**Parth Jhala:** Understood so whatever you are billing today is being paid fully and now they are just clearing what has been built up over time?

**Prashant Jain:** Yes everything will be happening accordingly. There are two aspects you need to see, one is that there is a dispute so if there is a dispute until the dispute is settled the parties will not agree to make the payment correct now the dispute is settled they have agreed to make the clear all the dues it is a cash flow issue. Right now they have talked about that they will be making the payment within 12 months they will clear all the dues. Now depending upon various other scenarios and circumstances this could be accelerated also and if I want to give you some color the way the country is going through the power crisis and the power tariffs are going higher now it is a different situation and I am quite confident next three to four years you will be finding it will be a seller's market not buyers market so most of the analyst community will get positively surprised how power sector is going to perform and is performing.

**Parth Jhala:** Understood. Got it. Thank you and second question is on the sort of funding plan so Rs.9000 Crores of long term debt which you will refinance and see some lower cost of debt on that piece and say roughly about Rs.1400 Crores of net equity and call it Rs.400 Crores of say O&M expenses that is small like say \$15 million but say that Rs.1400 Crores of equity component what is the funding plan for that?

**Pritesh Vinay:** The funding plan is that we will be doing a combination of internal accruals and cash that is already sitting on a balance sheet as well as leveraging up the parent balance sheet which is pretty under levered at this point of time so through a combination of both of these things we should pretty comfortably be able to fund both the net equity requirement as well as the incremental spend so for example at the end of June I think we had about Rs.1,825 Crores of cash and liquidity and of course the Q2 is when we will have hydro peak seasonality coming in as well so we are comfortably positioned in terms of the funding ability to take care of whatever needs to be done for consummation of this deal.

**Parth Jhala:** Understood and that leveraging of the parent JSW energy level right not JSW Neo Energy?

**Pritesh Vinay:** JSW Energy. JSW Neo Energy as you can understand is not an operating company with its own cash flows. It is a holdco which is a vehicle which is housing the green and renewable businesses so wherever you need to do lever up you also need to think about where are the cash flows to service that additional leveraging up so Neo how so ever we may wish to do would not be able to do that so therefore when I say the parent company I meant the listed entity JSW Energy.

**Parth Jhala:** Understood got it. Thank you.

**Moderator:** Thank you. The next question is from the line of Dhruv Muchhal from HDFC Mutual Fund. Please go ahead.

- Dhruv Muchhal:** Thank you so much and congrats for the deal. Sir one remaining question is if I remember correctly some of these older assets had this GIB (generation incentive benefit) is that even the case for us and if it is there is it part of the EBITDA that you mentioned normalized EBITDA and is there an expiry to this GIB and if it is by what time is it expiring?
- Pritesh Vinay:** So yes that is the part of the portfolio which has those GIB benefits but they are largely mature if I am not wrong only in the next two years some benefits are left but that is not a very significant amount so this path to Rs.16.5 billion that we are talking about will not have a heavy lifting from the GIB component. The heavy lifting is on the contrary what Prashant had talked about in terms of ensuring that the entire 1753 megawatt is up and running and more importantly not just running but running at P90 levels so the bulk of the delta increase in EBITDA is actually going to come from that so GIB does not have a lot of residual value actually.
- Dhruv Muchhal:** Sure Sir and Sir one last thing is just on the tariff structure is it fair to assume that this is a flat around the 4.8 that you mentioned is flat for the remaining, is it not declining or some adjusting structures?
- Pritesh Vinay:** No it is flat.
- Dhruv Muchhal:** Thank you so much Sir. All the best.
- Moderator:** Thank you. We have our next question from the line of Mohit Kumar from DAM Capital. Please go ahead.
- Mohit Kumar:** Sir two clarifications Sir. What is the debt number on the Rs.91 billion am I right Sir?
- Prashant Jain:** Yes Rs.9134 Crores.
- Mohit Kumar:** How much is the carbon credit units you said?
- Prashant Jain:** 3.5 million per year.
- Mohit Kumar:** Understood. This is per annum generation right, how much on the book accumulative which has not been sold?
- Prashant Jain:** From April 1, everything belongs to us before that nothing belongs to us.
- Mohit Kumar:** Okay understood thank you Sir.

- Moderator:** Thank you. We will have our last question from the line of Murtuza Arshiwala from Kotak Securities. Please go ahead.
- Murtuza Arshiwala:** Sir just a clarification of this 1.7 gigawatt there is just 200 which is not being appropriately utilized and there is no point which is under construction right or if it is per se completed projects?
- Prashant Jain:** This is all everything is not utilized. Some capacities will be like in case of solar there will be certain proper overloading and other things which needs to be done because it gets certain panels which are either defective, which needs to be replaced or some certain overloading is not optimum, you will need to do the optimum overloading those kind of thing needs to be done but there is nothing like a new capacity which needs to be set up.
- Murtuza Arshiwala:** Because I just wanted to point out slide eight it is showing that operational capacity as a percentage of portfolio post acquisition drops to 53 from 65 I think there is some error that you should probably look at.
- Prashant Jain:** We will look into it. Thanks for highlighting.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Ashwin Bajaj for closing comments. Over to you Sir!
- Ashwin Bajaj:** Thanks operator and thanks everyone for joining us. Please feel free to reach out if you have any further questions. Thank you.
- Moderator:** Thank you. Ladies and gentlemen that concludes this conference. Thank you for joining us. You may now disconnect your lines.