

February 4, 2026

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

National Stock Exchange of India Limited
Exchange Plaza,
Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 051.

Scrip Code: 533096

Scrip Code: ADANIPOWER

Dear Sir(s),

Sub.: Transcript of Investors / Analysts Conference Call on Q3 FY26 Financial Results of Adani Power Limited held on January 29, 2026

Ref.: Our intimation dt. January 23, 2026 w.r.t. interaction with Investors / Analysts pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In furtherance to our above-referred intimation, please find enclosed the transcript of the Investors / Analysts Conference Call held on January 29, 2026.

The said transcript is also available under the Investors Section of the website of the Company i.e. www.adanipower.com.

This is for your kind information and records.

Thanking You.

**Yours faithfully,
For Adani Power Limited**

**Deepak S Pandya
Company Secretary**

Encl.: as above.

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“Adani Power Limited
Q3 FY '26 Earnings Conference Call”
January 29, 2026



MANAGEMENT: **MR. DILIP JHA – CHIEF FINANCIAL OFFICER – ADANI POWER LIMITED**
MR. NISHIT DAVE – HEAD, INVESTOR RELATIONS -- ADANI POWER LIMITED

MODERATOR: **MR. MOHIT KUMAR – ICICI SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to Adani Power Limited Q3 FY26 Earnings Conference Call hosted by ICICI Securities 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 star then zero on your touchtone phone.

I now hand the conference over to Mr. Mohit Kumar from ICICI Securities Limited. Thank you, and over to you, sir.

Mohit Kumar: Yes. Thank you, Rutuja. Good evening. On behalf of ICICI Securities, I would like to welcome you all to Q3 FY26 Earnings Call of Adani Power Limited. Today, we have with us from the management, Mr. Dilip Jha, CFO; Mr. Nishit Dave, Head, Investor Relations.

We will start with brief opening remarks, which will be followed by Q&A. Over to you, sir.

Dilip Jha: Thank you, Mohit. Good afternoon, everyone, and thank you for joining the call. Our CEO, Mr. S.B. Khyalia, could not join us today due to some business exigency, and we apologize for this. Now let me take you through our performance for the third quarter of FY26 and 9M FY26.

Let me start with the Operating Environment,

Power demand in quarter 3 FY26 was weaker than last year. As you know, this year monsoons started early in May and extended into October. Temperatures were also cooler compared to last year. As a result, all India power demand was marginally lower at about 392 billion units. This was broadly flat versus the same period last year.

Higher renewable generation also impacted thermal demand. Together, these factors led to lower merchant market price. The average market clearing price in the day ahead market declined sharply year-on-year.

Now on our Operational Performance, despite this environment, our operations remain resilient due to our fuel logistics cost advantages, long-term tie-ups and competitive merit order position in most PPAs. Our installed capacity stands at 18.15 gigawatt as of 31st December '25. This was higher than last year due to acquisition of the Vidarbha plant.

Power sales in Q3 FY26 were 23.6 billion units. This was slightly higher than 23.3 billion units same period last year. This increase came despite a lower plant load factor of 62.6%. PLF declined from 63.9% last year due to weaker demand. Higher operating capacity helped offset lower utilization.

For the 9-month period, power sales increased to 71.8 billion units. This was up from 69.5 billion units in 9 months last year. The increase was driven by our capacity additions. One important development is that we have made the 600-megawatt Butibori power plant fully operational now.

When we acquired it in July 2025, it had been in a shutdown state for several years. We have tied up its capacity in a 5-year PPA with Maharashtra DISCOM, which is being supplied at full capacity now.

On Revenue Performance, continuing total revenue for quarter 3 FY26 was INR 12,717 crores. This was slightly lower than INR 13,434 crores in the same period last year. The decline was mainly due to lower power selling rates, merchant prices were significantly lower year-on-year, import coal prices were also lower because of which energy charges lowered in some import coal-linked PPAs.

However, we have been able to get higher realization due to short-term bilateral tie-ups. Other income for quarter 3 of last year was higher mainly due to higher late payment surcharge income as compared to quarter 3 of this year.

For the 9-month period, continuing revenue was INR 40,524 crores. This compares with INR 41,951 crores in 9 months '25. Higher volumes have largely offset the impact of lower rates for the 9-month period. Fuel cost for quarter 3 FY26 was 9.7% lower in quarter 3 FY26 at INR 6,800 crores as compared to INR 7,533 crores for quarter 3 of the same period last year. This reflects the reduction in import coal prices.

Fuel cost was similarly lower by 5.4% between the 2 corresponding 9-month period ended 31st December. Continuing operating expenses were higher by 14.8% at INR 1,280 crores in quarter 3 FY '26 as compared to INR 1,115 crores in quarter 3 FY '25 largely due to the recently acquired assets being operational for the full period under consideration, overhauling expenses at various plants and higher outlay for CSR expenses.

On EBITDA performance. Despite lower revenue, profitability remained strong. Continuing EBITDA for quarter 3 FY '26 was INR 4,636 crores, which was slightly lower than INR 4,786 crores in quarter 3 FY '25. This decline reflects lower realization. However, cost control and operating efficiency helped protect margin.

Contribution from newly acquired assets also supported EBITDA. For the 9-month period, continuing EBITDA was INR 15,713 crores. This compares with INR 16,478 crores last year. Lower power selling rates and higher CSR spend were partly offset by scale benefit.

On profit before tax and PAT front. Continuing profit before tax for quarter 3 FY '26 was INR 2,800 crores. This was higher than INR 2,659 crores in quarter 3 FY '25. The improvement was driven by lower finance costs, which offset the decline in EBITDA.

Profit after tax for quarter 3 FY26 was INR 2,488 crores. This compares with INR 2,940 crores last year. Last year's PAT in quarter 3 was higher due to higher one-time prior period income recognized in quarter 3 FY25 as compared to quarter 3 FY26. In quarter 3 FY25, prior period income was slightly higher at INR 1,400 crores as compared to INR 278 crores for quarter 3 this year.

Similarly, total prior period income for 9 months ended December '25 was INR 1,353 crores as compared to INR 2,420 crores for the corresponding period of FY '25. For the 9-month period, PAT was INR 8,700 crores. This compares with INR 10,150 crores in 9 months FY '25.

Now turning to the Balance Sheet. We continue to maintain strong liquidity with timely payments being received from all customers, including Bangladesh. Total debt as of December 31, 2025, was INR 45,331 crores. Net debt stood at INR 38,679 crores. Debt increased from March 2025 level. This was mainly due to bridge financing for capital expenditure. Importantly, leverage remains comfortable. Strong cash generation supports ongoing expansion.

Now let me brief you on PPA portfolio and visibility. Its key strength for us remains our contracted revenue profile. During the quarter, we received a Letter of Award for a 3,200-megawatt project in Assam. This project will be developed on a greenfield basis under the DBFOO model, on land to be provided by the state. Fuel linkage will be arranged under SHAKTI Policy.

With this, half of our upcoming capacity is already tied up under long-term PPAs. We have now tied up existing operating capacities under long-term and medium-term PPAs with various state DISCOMs. Out of our present operating fleet of 18.15 gigawatts, we have tied up more than 90% of the capacities under PPAs. This provides strong revenue visibility. It also reduces exposure to short-term market volatility.

On capital raising and credit profile. Recently, we further strengthened our funding profile. We raised INR 7,500 crores through AA-rated non-convertible debentures. The issuance was done in 4 tranches. Tenures range from 2 to 5 years, and coupon rates range from 8% to 8.4%.

We have been able to get investments from some of the largest mutual funds and commercial banks among others. The fund will support capacity expansion and working capital. Our credit rating continues to be AA stable even with the new additions of debt. This reflects our strong business and financial position.

Now on project execution front, let me now update some of our project executions. We're progressing well on the 23.7 gigawatt thermal expansion program. Mahan Phase-II is about 80% complete. Raipur Phase-II is around 44% complete. Raigarh Phase-II is close to 38% complete.

Construction at Korba Phase 2 project has also resumed. These projects are scheduled to be commissioned in phases from FY '27 onwards. Advanced equipment ordering and in-house execution provide us strong competitive advantages. We are looking at ongoing bids of 15 gigawatts to fill up the balance 12 gigawatt capacity. We also expect the other states to come up with their long-term PPA bids for thermal power soon.

Now let me conclude with our business outlook. We expect to return the strong power demand in the ensuing year as the base effect wears out. We are already witnessing good bilateral PPA demand with high tariff being tied up.

However, we are focusing on capacity tie-ups under long-term and medium-term contracts to moderate exposure to rate volatility. Our increasing share of contracted capacity provides stability to earnings as well as visibility to revenue and liquidity.

Our upcoming capacity additions will drive earnings growth. It is worth repeating here that the new PPAs generate EBITDA from plant availability while fuel charges are a pass-through. These new PPAs have much better, higher capacity charges than our legacy PPAs. This will lead to much better per megawatt EBITDA in the coming years.

In conclusion, our balance sheet is strong, liquidity is excellent, and we are well positioned to fund growth. We remain confident in the long-term power demand outlook for India.

Thank you for your time. We will now be happy to take your questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. The first question is from the line of Abhinav Nalawade from ICICI Securities.

Abhinav Nalawade: My first question is for the Assam and Karnataka PPA. What is the tariff, fixed and variable charge? Also, have we signed any extra 200-megawatt PPA with Assam?

Dilip Jha: So, Assam PPA for 3,200 megawatts. The Total charge is INR 6.30/ kWh. Out of that, capacity charge is INR 4.16/ kWh.

Abhinav Nalawade: And for Karnataka PPA of 570.5 MW with APL Raigarh?

Dilip Jha: Yes. This is INR 5.78 per unit for Karnataka.

Abhinav Nalawade: And the fixed component will be?

Dilip Jha: INR4.5.

Abhinav Nalawade: Understood. My second question is on capex. What is the capex incurred in 9 months FY '26? We had estimated about INR 130 billion for the whole year. So where are we now? And also, can you give the exact timelines in terms of which quarter we can expect the upcoming 3 facilities, Mahan, Raipur and Raigarh to get commissioned?

Dilip Jha: On expansion side, this year, we have incurred capex of near about, , the INR 15,000 crores, including advance payments we have given to our BTG suppliers.

Abhinav Nalawade: Okay. And in terms of timelines, when can we expect the upcoming -- I mean, if you can get specific in terms of quarter, in which quarter we can expect?

Dilip Jha: This is as per the scheduled target. Next year, we are going to add Korba Phase-II, 2 x 660 MW, this year. Next year, we are also putting all the best possible efforts also to complete Mahan Phase 2 as well.

Abhinav Nalawade: Mahan Phase 2 is in next year?

Nishit Dave: Yes. And for the other plants, you can expect commissioning 6 months after Mahan, one unit after the other. So, by the middle of FY '29, all these 3 projects would be completed.

Dilip Jha: So, all projects are going on as per the scheduled plan. And next year, we will be adding the Korba, and we are putting efforts for Mahan and then every single project. So, these are as per the scheduled timelines. We are confident that we will be able to complete all the projects as per pre-scheduled targeted timelines.

Abhinav Nalawade: Understood. My next question is on -- if you can give PLF revenue and EBITDA for Godda power plant?

Dilip Jha: Godda Quarter 3 continuing revenue is INR 2,210 crores. Continuing EBITDA, INR 1,092 crores. And for 9 months, the continuing revenue is INR 6,787 crores, and continuing EBITDA is INR 3,247 crores.

Abhinav Nalawade: Okay. Sir, my last question is, given the Vidarbha and Karnataka get operational, would the dependence on merchant reduce in coming quarters?

Dilip Jha: You might be witnessing our strategy. So, if you see that 2 years ago, our open capacity and the PPA was 80-20, which got reduced to 84-16. Now this is 90 and 10. So we are very much mindful about the merchant tariffs and rate.

And what we have strategized that we are minimizing our portfolio open capacity, resulting into ensuring the assured Revenue and EBITDA irrespective of market volatility. So, the open capacity is already at 10%.

Moderator: The next question is from the line of Dhruv Muchhal from HDFC Asset Management.

Dhruv Muchhal: Just one question is if you can give the volume, long term, and merchant volumes for the quarter?

Dilip Jha: Merchant volume for the quarter was 4.3 billion unit. And for 9 months, this is 15.65 billion units.

Moderator: The next question is from the line of Aniket Mittal from SBI Mutual Fund.

Aniket Mittal: So, in your opening remarks, sir, you mentioned about the impact of merchant prices being significantly lower as well as imported coal price impacting the energy charges. Just to understand, could you quantify both of these on a Y-o-Y basis?

Dilip Jha: Merchant realization in terms of tariff for this quarter, is INR 4.37/ kWh, as against that, of same period last year, it was INR 4.56/ kWh. And for this year 9 months, INR 5.44/ kWh, and it was INR 6.16/ kWh in the same period last year.

I'm repeating it again. For quarter-on-quarter basis, per unit realization this year for quarter 3, INR 4.37. Same period, same quarter last year, it was INR 4.56. For 9 months, it is INR 5.44. Last year, for 9 months, it was INR 6.16.

But as I explained to you that we are mindful about this market volatility and we have now around more than 90% capacity under PPA and only we have 10% in open capacity. It is our strategy also, we are also trying to reduce this capacity, so maybe by 3% to 4% over the period of time. So, over the period of 6, 7 years, it will further reduce from 10% to 3% to 4%.

Aniket Mittal: Understood. And on the imported coal price, what's the cost at which you have bought or incurred at a landed basis this quarter versus the same quarter last year?

Dilip Jha: So, let me brief you about the indices. This time, quarter 3, the HBA Index on average is \$ 104/tonne, as against the same quarter last year, it was \$ 123/ tonne. So, \$123 versus \$104, and on a year-and-year basis, this is against \$ 138/ tonne on average to \$ 108/ tonne.

So, there is a reduction of near about the \$ 15, \$ 16 on per metric tonne basis. This resulted into a lower revenue in some of the plants based on the imported coal. So, for imported coal, indices will reduce, our revenue will also reduce.

Aniket Mittal: Yes, I understand that. Just on the earlier question, I missed the PLF number for Godda, if you could let me know for this quarter versus last year? As well as you mentioned this year's revenue EBITDA. Could you also let me know the same for the same quarter last year for Godda?

Dilip Jha: The PLF for Godda Jharkhand this year on quarter basis, is 68%, and same period last quarter, it was 50%.. So, there is an increase in PLF of Godda by 18%, so supply of units has also proportionately increased in comparison to last year.

Aniket Mittal: Right. And the revenue EBITDA number for last year, same quarter for Godda?

Dilip Jha: So, quarter 3 FY '25, the revenue was INR 2,132 crores, and EBITDA was INR 1,222 crores, for 9 months same period, it was INR 6,604 crores, and EBITDA was INR 3,989 crores.

Now it is on the comparative basis, for 9 months, this EBITDA for this year INR 3,247 crores as against INR3,989 crores for the 9 months last year,. So, there is a reduction of INR 700 crores. This is due to the reduction in the indices.

Aniket Mittal: And of that, almost -- this quarter, the reduction is close to INR120 crores on a Y-o-Y basis -- and EBITDA level?

Dilip Jha: Yes.

Aniket Mittal: Okay, And the other part to understand was there are 2 essentially large PPAs that were in the works for Rajasthan and Uttarakhand, which you were expecting to come. I think there's been some sort of news with respect to the regulator not approving the Rajasthan tender. Just your thoughts on that. And going forward, when can we expect these tenders?

Nishit Dave: So just to clarify about the regulator's view, the regulator felt based on the submissions given that the full 3,200 megawatt PPA may not be required together, based on the resource adequacy plans that the regulator had seen, which were submitted by the DISCOM. This is based on the proceedings in the regulatory hearings.

So, the DISCOM has represented that they would like to revisit the assumptions and prove their accuracy, sort of support their case, emphasize their case that they require this sort of power, 3,200 megawatts of PPAs. And the regulator has given them that permission to present their case again.

So, I think that should take place in some time, and we should see the PPA moving ahead after that. So that was the case of Rajasthan. And because the state DISCOM actually felt that the numbers considered by the CEA were a bit more conservative as compared to what the DISCOM itself saw in terms of the demand for power.

In case of Uttarakhand, again, the bid documents have been released. I think that it's going to take a little bit longer in case of Uttarakhand, but we should see the PPA bids being submitted over the course of the next few months.

Aniket Mittal: Okay. Just 2 more questions. One is, I can see that the interest cost has been declining fairly well. How is the average cost of borrowing now looking for us compared to, let's say, 1 year back?

Dilip Jha: If you see on the long-term rate, this is near about 8.5%, The PFC-REC funding for Jharkhand, which is already merged with Adani Power and part of Adani standalone entity, now this asset is also rated AA and its interest cost has also got reduced significantly.

Apart from that, our working capital rate is also near about 6.5% to 6.8%, and the non-fund based, the rates are also very competitive. So, if you see on an overall basis, there is significant reduction in interest cost in comparison to the last year.

Aniket Mittal: Okay. What would be the weighted average, sir, right now?

Dilip Jha: Weighted average cost will be less than 9% this year.

Aniket Mittal: And just on the merchant portfolio that's remaining, the remaining 10% of, let's say, 18.15, which is about 1.8 gigawatt. Could you quantify that across plants, like the merchant 1.8 gigawatt?

Dilip Jha: If you want to quantify it, for Kawai, we have 50 MW. For our Udupi plant, we have near about 109 MW, not very significantIn Mundra, we have 226 MW. Raigarh, we have near about 67 megawatts.

In Raipur operating plant, it is very insignificant. In Mahan operating plant, we have near about 284 megawatts. And some small parts in some of the other plants. So, making it total 10% of overall fleet.

Moderator: The next question is from the line of Manish Somaiya from Cantor.

Manish Somaiya: Just a couple of questions. I guess I'll limit it to 2. First is, you talked about renewable capacity scaling, which impacted merchant pricing. So how should we think about that as renewable capacity increases over the next few years, how should we think about the structural impact on thermal dispatch and merchant pricing?

Dilip Jha:

Okay. So let me brief you. We have 18.15 gigawatt of operating capacity. And we have the plan for capacity expansion of another 23.8, so near about 24 gigawatts, making it total 42 gigawatts over the period of next 6, 7 years, or in financial year '31-'32. Being the baseload power, this is 2-part tariff.

One, fixed capacity charges on the basis of availability of the plant and then energy charges. So this is, again, fixed capacity charges and energy charges.

Fixed capacity charges, where we are ensuring that our plant is available 90% plus. In terms of PLF, it is driven by the market, where this depends upon on the demand and supply. If demand is high, then the PLF will be high subject to the merit order dispatch. So, our EBITDA mainly comes from the capacity charges basis available of the plant.

Now coming to the addition of the plant, 24 gigawatts, our 100% EBITDA is driven by capacity charges only because fuel charges are 100% pass-through. There will be no impact in terms of whether there is demand or not. If plant is available, we will raise our bill, and our EBITDA will be ensured.

So, to sum it up to answer to your question, for our operating assets of 18.15 GW, majority of the EBITDA is driven by capacity charge. There is also some energy efficiency contributing to the energy charges, but for 24 gigawatt, 100% EBITDA is driven by the capacity charges. That is why from our operating assets, we have 90% in the PPA and 10% open. We have mitigated the market volatility in this way.

Manish Somaiya:

I think in the past, you have said that the goal is to get the PPAs even higher, right? So maybe closer to 100%. Obviously, it may not be possible to get to exactly 100%, but close to it. Is that still the plan?

Dilip Jha:

Yes. So you have to see the baseload and thermal capacity differently because this is part of resource adequacy, irrespective of sources of the power. So, every state has to demonstrate that they have proper resource and after this, they are tying up all these PPAs.

Now the baseload, which is mainly from thermal, , this resource availability is to be ensured, every single state and DISCOMs, they are paying the capacity charges.

Now over and above this resource adequacy capacity charges, if any DISCOM will source from thermal, then the energy charges will be added, the fuel charges. If it is from green, then green charges will be added.

So, the resource adequacy part for baseload capacity is constant irrespective of sourcing of power. And that is where the baseload is ensuring that our EBITDA is driven by availability of the plant, not on the basis of demand.

Nishit Dave:

Yes. Manish, just to sort of go back to that original question that you had related to the increasing penetration of renewables. So, in the last quarter and also the year till date till December, what has actually happened is that because of the extended monsoons, we have seen a good amount

of increasing hydropower generation and the cooler temperatures, etc., have also taken the peak off a little bit.

So, this is generally the time when thermal power comes in to supply more power, but this is where hydropower and to some extent, the other sources of renewable power have also been able to meet the demand. So, if you look at the mix overall, the contribution of thermal energy in Q3 FY '26 fell to 73% from 76% earlier.

And for the total renewable energy contribution, which was around 20% earlier, that is both normal renewables plus large hydro. It has actually increased to around 24%. But that is actually a transient sort of a phenomenon. Of course, as renewable energy capacity increases, we'll start to see more and more power being supplied into the grid.

But when it comes to merchant power, it would still have to contend with the inability to generate power on demand. Again, for hydropower, etc., as the hydropower resources get used up on a seasonal basis, the contribution comes down.

And we are starting to see that also in terms of the daily merchant price movements on a 15-minute to 15-minute basis, hour-to-hour basis. So, over a longer period of time, of course, the edge will come off a little bit, but at the same time, we also believe that peak demand will start to increase as more of household consumption of power increases and as also the industrialization related drivers come into place.

So, we expect to see that sort of 380 to 400 gigawatt peak capacity requirement by fiscal '32, which would mean that there will still be good demand in the merchant market. And for the coming year, at least, we are hoping to see better merchant prices as compared to the last year -- the current year.

Manish Somaiya: That's helpful. And then just to -- for my second question, as obviously, we're sort of towards the end of January, maybe if you can just give us a sense for how some of the operating metrics might be looking like on O&M availability, PLF and should we be aware of any exceptional items in this March quarter?

Dilip Jha: If we see the demand for December and January. This is already increased on year-on-year basis. It will and also the demand is higher by 10%, 12% on a month-to-month basis. What we are expecting that in quarter 4, the demand will definitely be higher than the current quarter. And so, O&M availability, 90% anyway is there. And we think that PLF will also be better than quarter 3.

Nishit Dave: So, as we approach the hotter months, typically, we see the PLF going up. In the current year, when it comes to availability, we have carried out regular scheduled maintenance, both annual overhauls and capital overhauls in large number of units. And we expect to catch up with overall targets. We are actually very much compliant with the normative capacity that you provide under PPA.

But for the full year, we should be ending with more than 90% overall plant availability anyway, Now that the overhauls have been completed, you also have to consider that we actually have

acquired some of these plants that have not been operated very well, not been maintained very well in the past.

So, we have undertaken lots of activities to improve their efficiency and uptime. It should start to show fruits going forward.

Moderator:

The next question is from the line of Nikhil Abhyankar from UTI Asset Management.

Nikhil Abhyankar:

I got a couple of questions. Can you just repeat again the physical progress plant wise you had mentioned in the opening remarks. And also, I think you mentioned that Korba is likely to get commissioned next year. I mean, I believe that there is no PPA for Korba as of now. So, what are the plans over there?

Nishit Dave:

Yes, yes, yes, sure. So Mahan, we have actually progressed nearly 80%, Mahan Phase 2. Raipur Phase 2, we are at around 44% and Raigarh Phase 2 around 38%. So, these 2 projects actually we started just around 1, 1.5 years ago. And Mahan, we have started a little bit more than 2 years ago.

We have actually achieved excellent progress when it comes to execution of these power plants. Korba Phase II, as you would know, we actually acquired this Phase II project in a defunct state, and we have now revived the project. We have received the clearances, etc., also necessary for carrying out the activities and now we have started the work on this.

So, this first unit of the project should get commissioned somewhere around the middle of next year and the second unit by the end of next year. And we are looking at various opportunities in the market for bidding for PPAs. This would be a plant capacity that would be ready immediately while states might require power in the, let's say, a 5-year time horizon.

So, depending on the opportunity, we can sell power in the medium-term market. We can also look at supplying power in the merchant market because actually this plant is located right in the middle of some very large mines. So, it's got an excellent fuel cost advantage over there.

Nikhil Abhyankar:

Understood. And sir, broadly, I mean, in terms of the 24 gigawatts of under-construction capacity, can you just break it down as to how much is likely to get commissioned, say by FY '28, FY '30 and beyond?

Nishit Dave:

Broadly speaking, next year, around 2.9 gigawatts will get commissioned; in fiscal '28, another 2.4 gigawatts; in fiscal '29, 2.4 gigawatts; in fiscal '30, we have 8 gigawatts being commissioned altogether. In fiscal '31, we will have 5.6 gigawatts and then 2.4 gigawatts. So, the entire capacity, this is how it is actually expected to shape up and the plants that we expect to get commissioned in fiscal '30, we have started work on some of these plants.

So, we'll progress ahead as and when we get the environmental clearances for the rest of the power plants. Everything else that is required for setting up these power plants is already with us.

Nikhil Abhyankar: And just a final one, short question. The Uttarakhand PPA that we have signed for 400-odd megawatt, I guess. So what is the tariff for that?

Dilip Jha: Uttarakhand medium-term PPA tariff is INR 5.85/ kWh.

Nikhil Abhyankar: Capacity charges would be around?

Dilip Jha: Yes. This is 50%-50%.

Nikhil Abhyankar: 50%-50%, fixed cost for 2.9.

Dilip Jha: Yes, exactly.

Moderator: The next question is from the line of Nikhil Nigania from Bernstein.

Nikhil Nigania: My first question is on the Bangladesh Power Plant, the Godda power plant. I wanted to clarify now that coal exports are allowed from India, are we allowed to use domestic coal for this plant, a and b, there was some recent press article around the plant. So just wanted to make sure, contractually, there are no termination clauses that are there in the contract and that we are well protected?

Dilip Jha: Let me, apprise you about this plant, which is situated in Godda district of Jharkhand, northern Jharkhand, you can say, and dedicatedly supplying power to Bangladesh. You will appreciate that this plant we completed in record time, in a scheduled time and that to under COVID by connecting 3 countries: China, Bangladesh and India.

We are supplying around 10% of Bangladesh total effective capacity. The zone where we are supplying this power, this is around 20%. Also, you will appreciate that we continued our supply when there was a huge turmoil. There was a lot of hardship over there, but we never ever stopped. We continued our supplies. The receivables were all-time high, but we continued our supply.

Now this is the plant, the dedicated supplying and earning around \$1 billion for the country. Now the supply is regular, the payment collection is regular. The relationship is very much intact, even in the difficult time in August last year also, their controllers were engaged with us, our operational team and then the power supplies got continued.

In the extreme difficult time also, we supported, we supplied on an as-usual basis. So, the relationship in terms of the supply, payment, everything is continued as normal, but we are mindful. We are very much mindful about the circumstances and environment over there.

And you also must be knowing there may be some sort of issues in that country, but we are mindful of the circumstances and environment, and we are keeping watch on it. But the operation, supply everything is going to continue. And we think that these are very temporary period and then these big things will be over soon.

Nishit Dave: Nikhil, yes. And related to this coal use, , in August '24, the government of India modified its guidelines related to the export of power from India on a cross-border basis. So that is to nearby countries, right?

So, what the amended policy says is actually that –export of electricity that is generated from coal-based power plants will be permitted only if this electricity generated utilizing either imported coal or spot e-auction coal or coal that is obtained from commercial miners or if the government allows any specific other use.

So, this was not permitted earlier. Later on, they have eased this policy now that there is commercially mined coal available in India. And now the mining act actually allows bidders to bid for coal mines without specifying any end use, which means that they can sell coal also in the open market.

Previously, it was only imported coal, but now domestically sourced coal as long as not government-controlled priced coal as you could call it, that is not used, you can actually use domestic fuel.

Nikhil Nigania: I appreciate the detailed answer very helpful and very clear. Second question I had was on this pipeline of 15 gigawatt of ongoing thermal tenders. Could you give some more colour on that? I think the colour on Rajasthan helped. Out of the 15, have any of them progress to financial bid submission? Or are they still in the bid invitation stage only?

Nishit Dave: Yes. As we understand, Maharashtra financial bidding has been done, but the bidding process, we think it is still to be closed. In other cases, I think we are at the prequalification bids or, you can say, discussion on the bidding document stage.

Nikhil Nigania: And no other state reconsidering like Rajasthan at least, that's come to your notice?

Nishit Dave: No, none all. In case of Rajasthan, it is primarily sort of, as I said, this is more about how the regulator sees what the CEA has worked out as part of the resource adequacy plan and what DISCOM itself says about their future requirements. So, it is actually only about, a small difference between the two and the DISCOM has been permitted by the regulator to come and present its case again with all the supporting information.

Moderator: The next question is from the line of Ishan Verma from Antique Stock Broking.

Ishan Verma: Sir, most of my questions have been answered.

Moderator: The next question is from the line of Shirom Kapur from Jefferies.

Shirom Kapur: I just had a bookkeeping question on your open versus PPA tied-up capacity. So obviously, your presentation mentioned and you mentioned on the call, it's 90%. So, in your presentation, we see that 5.5% is yet to be operationalized. Is that 5.5% part of that 90%, which means currently 84.5% of the operational capacity has operational PPAs? Is that understanding, correct?

Nishit Dave: So altogether, out of the total 100% capacity that we have, some of these PPAs are being operationalized as we go along. But on an average basis, you can consider that 90% of the capacity is tied up and ready to supply power under the long-term PPAs. Some of the additional capacity will start over the next few months and then this would increase to around 93%.

Shirom Kapur: Understood. So, this 5.5% is not -- is part of that maybe -- some of this part 10%, which is not tied up yet and eventually will get operationalized. Just double checking?

Nishit Dave: Correct. Correct.

Shirom Kapur: Got it. So similarly on the 370-megawatt PPA that's been tied up with Uttarakhand that happen at the beginning of the quarter? Did you get the full impact of that during this quarter? Or is this going to be operationalized after the quarter 3? Could you give some timeline on that?

Nishit Dave: These PPAs that we are talking about primarily that are not yet operationalized. These PPAs that are with our group companies, where we will actually start to see them getting operationalized. The Uttarakhand PPA will start supplying it from next month onwards.

Shirom Kapur: Got it. From next month. Okay. And just lastly, on the employee cost this quarter. So, it was about INR 216 crores, but in your note, you mentioned that INR 56 crores are from increase in provisions regarding New Labour Codes. I just want to understand whether that is a part of this INR 216 crores. And how much of that is one-time increase? And how much is it going to be recurring from that?

Nishit Dave: Yes. It's part of the P&L. It's actually charged to the P&L and it's actually part of the regular number. So, we have not set it out as a one-time prior period item. The amount is around INR 56 crores.

Shirom Kapur: Got it. So, this INR 216 crores, which includes INR 56 crores and it's a recurring item. This is not a one-off expense that we should...

Nishit Dave: No, we have not categorized it as a one-time expense when we are talking about continuing revenues and expenses. But otherwise, that INR 56 crores charge is a one-time charge.

Shirom Kapur: Okay. So, excluding that, your staff cost would be about INR 159 crores, INR 160 crores, which shows a 25% decline year-on-year. So, what would -- excluding that amount, what has driven this decline in employee costs year-on-year? Because Q3 FY '25, I see is about INR 211 crores. Was there any one-off in that as well?

Nishit Dave: No, no, there is no one-off over there, but some of the employees have shifted to other parts of the organization. So, that actually accounts for this reduction.

Shirom Kapur: Okay. So, this INR 150 crores, INR 160 crores is what we should take as the base going forward for subsequent quarters as well?

Nishit Dave: See, as the organization is also growing, so I can't actually put a number to this aspect. But generally, it would be in that ballpark, you can say.

Moderator: The next question is from the line of Kalpit Sabhaya from GYR Capital Advisors.

Kalpit Sabhaya: My question is like for 3,200-megawatt Assam greenfield project, what is the estimated capex per megawatt? And what will be the equity and debt mix for your plan -- for the expansion you are planning?

Dilip Jha: We are not going for any project-wise financial closure in Adani Power. So, if you see our performance from operating assets, the continuing EBITDA is very good and if so FFO on a yearly basis from our operating assets is also very good.

So near about INR 20,000 crores of FFO. And majority of our capex, we are funding from our internal accrual, so there is no project specific funding we are doing. Now in terms of the capex cost is concerned, for Assam, it will be near about the INR 10 crores per megawatt basis.

Kalpit Sabhaya: Okay. Understood. And sir, regarding– the note it is presented in the results that Godda power plants, it is mentioned that a significant amount from the Bangladesh board in the 9 months that we have recovered significant amount. So, could you please quantify the current outstanding receivable from Bangladesh board as on 31st December?

Dilip Jha: Yes. So, what I explained to you is that the outstanding from Bangladesh is regular. So let me explain the Bangladesh matter, supply is regular, billing is regular, payment we are getting on a regular basis. So, if you see the dues are near about equal to -- 1 month is not due. There are about 2 months due is there so far Bangladesh is concerned. So, we're getting payment regularly from Bangladesh. So, it's a regular due.

Kalpit Sabhaya: Understood. And sir, another question is like regarding the unsecured perpetual securities, company has paid around INR 3,000 crores in the first 9 months and what is the outstanding balance of the securities and how are we planning to fully extinguish this? Are we planning to extinguish this by the end of this financial year?

Dilip Jha: Yes. So, we have paid the entire amount. if you ask what is the outstanding, as of now, there is no outstanding at all. So, you can say it is nil. No outstanding.

Moderator: The next question is from the line of Sucrit Patil from Eyesight Fintrade Private Limited.

Sucrit Patil: I have a forward-looking question. With power demand remaining strong and thermal generation continuing to play a critical role in grid stability. How is Adani Power thinking of optimizing its operating portfolio between contracted and merchant exposure? In this context, how do you prioritize sourcing tactics, plant efficiency improvements and long-term capacity utilization to ensure sustainable returns across different demand and pricing scale?

Nishit Dave: Thanks Sucrit, actually, if you followed the discussion, see, we have 18 gigawatts capacity now. We are adding another 24 gigawatts. Now for the new capacities that we are setting up, actually, we intend to tie up the entire capacity in long-term PPAs and the existing capacity also has 90% tie-up in long-term PPA.

So, we actually are reducing our merchant exposure going forward. Now if you look at the overall structure of the new PPAs in this case, now the entire game has become keeping generation capacity available to help integrate more renewable power into the grid and to continue to supply base load power.

So, the PPAs or you can say the power plants will now act more as increasingly as we go along, they will start to act more as balancing power plants. And therefore, the focus would be on

keeping the plant uptime as high as possible rather than actually trying to maximize the PLF out of them.

But that said, actually, these power plants that we are setting up are the state-of-art in technology with very good levels of thermal efficiency, which means that they utilize lesser amount of coal to generate a unit of power up to around 5% to 10% advantage over the older technology power plants.

And they would be able to do it at a lower cost as well because most of these power plants are located very close to the coal sources. So, the loading of logistics cost on the coal price would also be lesser. So, to the extent that the cost economics allow in terms of how the overall energy mix works out, actually, they will continue to see a high level of utilization.

And as we are using the latest technology, which is also technologically more advanced we actually also have the ability to control finer aspects of the power plant operations more granularly.

We are employing technology to improve the predictability of plant operations and to carry out preventive maintenance, etc. So as an organization, we are very much involved and invested in utilizing the latest available technologies to improve our plant efficiency.

Sucrit Patil:

Given constant volatility in the fuel cost and the constant regulatory compliances, which is also keep on changing from time-to-time, just want to understand what is your vision on approaching margin visibility and cash flow across the board? Additionally, can you just shed some light on the capital allocation and balance sheet priority as the company balances debt, maintaining capex and potential growth, just want to understand your view on this?

Dilip Jha:

Yes. So, as we are briefing our overall capex plan over the period of 6, 7 years to add 24 gigawatt is near about 2 trillion. So, in dollar terms, we can say that USD 22 billion. So, INR 2 lakh crores capex program we have in Adani Power that we are going to incur over the period of 5, 6 years.

Now the funding arrangement, majority of the funding arrangement we will do from our internal accruals. So, we have operating assets of 18.15 gigawatts. From that, on a yearly basis, we are generating an EBITDA of about INR 22,000 crores and FFO INR 20,000 crores.

So, in the same period of time, so over the period of 5, 6 years, we are generating from our operating assets only INR 1.4 trillion -- so INR 1.4 lakh crores. So, there is a gap of INR 60,000 crores. And this interim gap is -- so we are -- funding from a mix from the domestic capital market as well as from a domestic bank.

And this recent NCD issue of INR 7,500 crores, maybe one of the examples the industrial confidence and part of our -- the planned program to mitigate this interim gap. Now if you see this time, presently, our operating capacity 18.15, we are adding 24 gigawatt. Our capacity will be 42 gigawatt on an average basis, our EBITDA is INR 22,000 crores. Our FFO is INR 20,000 crore. If you see by the '31, '32, where we will add our entire capacity.

By that point of time, our EBITDA and cash flow, we will have sufficient cash flow. We can pay our entire debt. And even after paying entire debt, we will have significant amount of cash flow in hand. So, we are not going for any project-wise funding. We are funding our entire capex majority from our internal accruals and the interim gap, we will be funding from domestic capital market as well as domestic banks.

Nishit Dave: So Sucrit, thank you. I hope that answer explained these matters to you well, and we would now like to close the call.

Moderator: Sure, sir. In regards, if you have any closing remarks, please go ahead.

Dilip Jha: Yes. Thank you very much for your kind time and attention. And Adani Power is from operating assets, revenue is visible. Liquidity is very clear. And then the growth plan is sufficiently funded by ensured liquidity from our operating assets.

And we are very much confident that in the planned way, we will add our capacity and also, we will move from 18.15 gigawatt capacity to 42 gigawatt capacity by '31 and '32. And so, our return on assets, it will be one of the best in the industry. Thank you very much.

Moderator: Thank you. Ladies and gentlemen, on behalf of ICICI Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.