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28th January, 2026
SEC / JSWEL

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001	**National Stock Exchange of India Limited** Exchange Plaza Bandra - Kurla Complex, Bandra (East) Mumbai - 400 051
Scrip Code: 533148	Scrip Code: JSWENERGY- EQ

Sub: Transcript of the Results Conference Call held on Friday, 23rd January, 2026

Ref: Regulations 30 and 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations)

Dear Madam / Sir,

Further to our letters dated 19th January, 2026 and 20th January, 2026 informing about the Results Conference Call scheduled on Friday, 23rd January, 2026, at 7.00 p.m. (IST), to discuss the Company's unaudited Standalone and Consolidated Financial Results for the quarter and nine months ended 31st December, 2025, we wish to inform that pursuant to Regulation 30(6) read with Part A of Schedule III of the Listing Regulations, the transcript of the said Results Conference Call is enclosed.

Further, pursuant to Regulation 46 of the Listing Regulations, the transcript is available on the website of the Company at https://www.jswenergy.in/investors/energy/jsw-energy-fy-2025-26-corporate-governance-stock-exchange-releases

The audio recording is also available on the website of the Company at https://www.jswenergy.in/investors/energy/jsw-energy-fy-2025-26-financials-results

Yours faithfully,

For **JSW Energy Limited**

MONICA CHOPRA
Digitally signed by MONICA CHOPRA
Date: 2026.01.28 19:07:24 +05'30'

Monica Chopra
Company Secretary

“JSW Energy Limited

Q3 FY '26 Earnings Conference Call”

January 23, 2026

MANAGEMENT: **MR. SHARAD MAHENDRA – JOINT MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER**
MR. CHANDRASEKARAN PRABHAKARAN – CHIEF FINANCIAL OFFICER
MR. BIKASH CHOWDHURY – HEAD INVESTOR RELATIONS AND ERM

MODERATOR: **MR. ANUJ UPADHYAY – INVESTEC CAPITAL SERVICES**

Moderator: Ladies and gentlemen, good day, and welcome to the JSW Energy Q3 FY '26 Earnings Conference Call hosted by Investec Capital Services. 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 this conference, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anuj Upadhyay from Investec Capital Services. Thank you, and over to you, sir.

Anuj Upadhyay: Yes. Good evening, everybody. On behalf of Investec Capital, I welcome you all to the conference call of JSW Energy to discuss the Q3 FY '26 Results. We have with us the leadership team of the company, led by Mr. Sharad Mahendra, the Joint MD and CEO; Mr. Chandrasekaran Prabhakaran, CFO; Mr. Bikash Chowdhury, Head IR and ERM.

And with this, I would now like to hand over the call to Mr. Sharad, sir, for his opening remarks and taking the call forward. Over to you, sir.

Sharad Mahendra: Thank you, Anuj. Good evening, everyone, and thank you for joining us today for JSW Energy's Quarter 3 FY '26 Earnings Call. Before we begin our discussion on the results, I would like to wish each of you and your families a very happy new year.

I'm also delighted to warmly welcome our CFO, Chandrasekaran Prabhakaran, who joined us at the beginning of January from JSW Steel. Prabhakaran brings with him over 25 years of rich and diverse experience across corporate finance, accounting and governance gained through senior leadership roles in large listed conglomerates.

He has been associated with the JSW Group since November 2014 and was most recently serving as the Deputy Chief Financial Officer at JSW Steel Limited. His appointment also reflects the Group's strong emphasis on leadership development and internal succession planning.

Prabhakaran will be working closely with me as we continue our journey of strengthening the Company and taking it to new heights together. The third quarter of this fiscal year has witnessed a flattish power demand growth, primarily driven by an unusually long and intense monsoon season and cooler temperature, which reduced the need for cooling and irrigation pump power demand, leading to a muted overall growth.

That said, we firmly believe the long-term demand growth story remains intact, and the current softness is largely a weather-led phenomenon. Encouragingly, power demand growth in December 2025 was robust at 6.5% year on year, driven primarily by strong industrial activity.

Even for the first 20 days of January 2026, power demand growth is robust at 6%. For the year-to-date period until December 2025, overall power demand growth stood at a modest 0.5% year on year.

Another notable trend in last quarter was the all-time high December peak power demand of 241 GW, which also represented the peak power demand for the quarter. To compare, the peak power demand in the corresponding quarter of the previous fiscal stood at a much lower 224 GW.

This underscores the underlying strength of power demand when weather conditions normalize, highlighting the continued structural growth despite near-term volatility. From power sector perspective, bidding momentum during the year has been mixed, reflecting a clear evolution in sector priorities.

There is a growing recognition of the need for reliable and firm power, with thermal capacity increasingly gaining prominence. On the thermal front, bids from various states aggregated 12.8 GW during the first nine months of the current fiscal year, underscoring renewed demand for dependable baseload capacity.

In contrast, renewable energy bidding activity has moderated with only 10.4 GW for the first nine months of this fiscal. Further, 7.6 GW of storage bids were observed in the first nine months compared to 1.6 GW of storage bidding in FY25. Additionally, for the first 9 months of the fiscal, about 10-12 GW of Renewable Generation PPA is estimated to have signed.

Overall, the bidding landscape points to a clear transition - from plain-vanilla renewable energy towards a more balanced mix of thermal, storage, and firm power solutions, aligned with the future needs of grid stability and energy security.

Despite this broader moderation in bidding activity, our growth pipeline remains firmly intact. We have already locked in about 18.7 GW of incremental capacity in generation and 29.6 GW hour in storage, which will take our installed capacity beyond our stated target of 30 GW in generation while we are confident of achieving our 40 GW hour in storage by 2030.

During the quarter, the merchant power market remained soft, with day-ahead prices on exchanges declining both sequentially and year-on-year basis. Despite this, our merchant realizations were at 20% premium to the average exchange prices. This was possible due to strategic tying up of various back-to-back short term contracts opportunistically. Further, it is encouraging to note the improvement in the merchant tariffs by about 30% in the first 21 days of January compared to the average tariffs in the previous quarter.

Despite the last quarter's subdued merchant market environment, the impact on our business has remained limited. This resilience reflects the proactive de-risking measures we have implemented over time, including prudent portfolio diversification and disciplined contracting strategies.

Currently, our open capacity stands at approximately 8%, which will further reduce to around 5% from April 1, 2026, following the securing of a 400 MW 25-year PPA for our Utkal plant with Karnataka discoms. Additionally, we have also signed a 115 MW Short term PPA at Utkal with Assam discom which further reduces our exposure towards merchant markets.

As a result, our portfolio continues to deliver stable and healthy returns, underscoring the strength, resilience, and flexibility of our business model, even in a challenging market environment. Now, I would like to share the key highlights of our performance this quarter, during which we have made meaningful progress across several fronts.

Our power sales recorded a strong 65% year-on-year growth in Q3 FY26, increasing from 6.8 billion units to 11.1 billion units. For the nine-month period ended FY26, net generation grew 62% year on year, rising from 24.4 billion units to 39.6 billion units. Notably, long-term PPAs accounted for 82% of total power sales and registered a 63% year-on-year increase in Q3, supported by our disciplined and robust portfolio de-risking strategy.

From a mode-wise perspective, we witnessed improvement across all segments. Our solar and wind portfolio net generation rose by 149% year on year, led by organic capacity additions and contributions from O2 Power. Thermal generation increased by 55% year on year, primarily driven by contributions from KSK and capacity additions at our Utkal plant. Further, Hydro generation grew by 27% year on year versus the national average increase of 13 per cent during the quarter, benefiting from improved hydrology and the contribution from Kutehr.

I would like to reiterate that our quarterly power sales growth of 65% year on year stands out against the broader industry backdrop, which recorded a demand de-growth of 0.1% year on year in Q3 FY26.

Over the past twelve months, we have added 5.2 GW of capacity, comprising 3.1 GW of renewables and 2.1 GW of thermal, which has been a key driver of our year-on-year EBITDA growth. This expansion includes inorganic capacity additions of 1.5 GW in renewables and 1.8 GW in thermal, further strengthening the scale and resilience of our portfolio.

During the quarter, we added 125 MW of new capacity, in renewables, including hybrid projects, taking our total installed capacity to 13.3 GW. Our capacity additions represents a significant year-on-year growth of approximately 64%, up from 8.1 GW in the same period last year. Building on this robustness, we have been equally deliberate in shaping the quality of our capacity mix. On the capacity front, approximately 3.3 GW which forms around 25% of our current installed capacity is secured with high-quality Group Captive and C&I customers. As we scale beyond 30 GW, this is expected to further increase to approximately 5.7 GW. Importantly, these capacities are contracted at highly remunerative tariffs - with renewables tied up at a high blended average tariff of over ₹3.65 per unit.

Turning to our recent capacity additions, I am pleased to share that the Kutehr plant has now fully stabilised and generated about 130 million units during the quarter.

We have also continued to remain at the forefront of innovation. During the quarter, we successfully commissioned India’s largest green hydrogen plant at our Vijayanagar location, with a capacity of 3,800 tonnes of Green Hydrogen per annum, marking a significant milestone in the Group’s decarbonisation journey. Many of you may have had the opportunity to visit this facility during the Green Hydrogen plant visit conducted earlier this month, and see firsthand the progress we are making in this emerging area.

I am pleased to share that, as a reflection of our strong green focus and long-term commitment to carbon neutrality, our expanding renewable portfolio enabled us to avoid approximately 14-15 million tonnes of CO_2 emissions in the first nine months of this fiscal alone, based on the prevailing Indian grid emission factor.

Another important milestone during the quarter was the preferential allotment of equity shares to the promoter group, involving a capital infusion of ₹3,000 crore, comprising ₹500 crore through equity and ₹2,500 crore through warrants, which will convert into equity over the next 18 months or earlier. In addition, consistent with last year, we have also received Shareholder's approval for a potential issuance of up to ₹10,000 crore through a Qualified Institutional Placement.

On the inorganic growth front, the acquisitions announced in the previous quarter -Tidong Hydro Power and GE Power India's Boiler Manufacturing division are progressing well. We expect to complete these transactions at the earliest, subject to the completion of customary processes and approvals. Further, we have also received the NCLT approval in relation to the Resolution Plan submitted by the Company for Raigarh Champa Rail Infrastructure Private Limited, which provides rail infrastructure to our KSK plant.

Further, I am also happy share couple of important strategic development post the quarter, on the thermal front.

We have placed an order for two ultra super critical steam turbine generators of 800 MW each for our Salboni Thermal Project in West Bengal, with Toshiba JSW. The turbine-generator package will be manufactured and delivered in line with the project's construction schedule, enabling timely completion and commissioning of the plant.

By sourcing critical equipment through our associate company, we are strengthening supply-chain certainty, improving coordination during execution, and mitigating risks arising from industry-wide equipment constraints. This contract represents a strategic step in enhancing supply-chain control and ensuring execution certainty for the Salboni project.

Further, at Salboni location, I am pleased to announce the signing of our second 1,600 MW PPA with West Bengal Discom for a second thermal power project at Salboni, increasing our total capacity at the site to 3,200 MW. This makes Salboni our largest single-location asset. The project benefits from its strategic proximity to coal blocks, as well as synergies with the existing 1,600 MW unit under construction, driving significant operational efficiencies. With this, our secured thermal capacity stands at 10.7 GW and locked-in capacity at 32.1 GW, providing ample visibility to our ambitious 2030 target.

Moving on to the financial performance, which I'm sure most of you have had an opportunity to look at already.

Revenue for third quarter increased by 61% year on year to about ₹4,255 crores, in line with the robust growth in capacity and generation. Correspondingly, EBITDA increased by 98% year on year to ₹2,202 crores for the quarter.

With the continued capitalization of newer assets on the balance sheet, interest and depreciation were higher on a commensurate basis. Depreciation more than doubled and Interest cost jumped by almost 2.6 times on a year on year basis in Q3FY26.

The Company has recognized a Deferred Tax Asset and thereafter Profit after tax is up 150% to ₹420 Crores in the quarter. More importantly, our cash profits increased by 12% year on year to about ₹570 crores.

On the deferred taxes - JSW Energy (Utkal) has entered into a 25-year Power Purchase Agreement with Karnataka DISCOMs for the supply of 400 MW of power commencing April 1, 2026. In view of the reasonable certainty of sufficient future taxable profits from this PPA, the Company has recognized a Deferred Tax Asset of ₹557 crore on carried forward business losses and un-absorbed depreciation. Further, on our KSK asset as well, there was a deferred tax recognition of ₹189 crore this quarter, related to carried forward business losses and unabsorbed depreciation.

Further to the above, in alignment with the changes in the labour codes recently, we have also provided for ₹65 Crores in relation to this, which is one-off provision in nature.

Turning to leverage, net debt at the end of the quarter stood at ₹63,771 crores, up from ₹61,960 crores as on September 30, 2025. Excluding Capital Work in progress debt, the pro forma leverage ratio stands at approximately 4.9x. The net leverage is expected to come down upon full receipt of the recently completed preferential allotment proceeds. Further, our Liquidity remains strong, supported by cash and cash equivalents of over ₹7,100 crores.

On the cost of debt, as guided earlier and in line with the recent rate cuts, we continue to see a sustained reduction in the weighted average interest rate. During the quarter, our cost of debt declined by about 11 basis points quarter on quarter from 8.79% to 8.68%. We expect this declining Interest cost trend to continue as and when our bank loans undergo their interest resets.

Cash returns on net worth, after adjusting for our investment in JSW Steel shares, remain robust at approximately 19–20% - you may kindly refer to the slide number 14.

Finally, on receivables, total receivables at the end of December stood at approximately ₹3,000 crores, translating to debtor days of 73 days, which is a sharp reduction versus the 96 days which we witnessed in the corresponding quarter of the last fiscal.

The key takeaway is that the robust capacity additions undertaken so far have now begun translating into higher energy generation as well as cash flows, and we expect this momentum to improve, going forward.

With this, I conclude my opening remarks, and we can now open the floor for Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. Our first question comes from the line of Sumit Kishore from Axis Capital.

Sumit Kishore: My first question is in relation to the Salboni project. Could you outline the PPA details for the first 1,600 MW as well as the subsequent 1,600 MW PPA that you have entered with West

Bengal? What is the likely capex phaseout for this mega project? And how do you -- how are you looking to phase out commissioning of these units?

Sharad Mahendra: Sumit, thank you very much. The PPA timelines, which are there is from the date of notice to proceed. It's 48 months for the first unit of first phase and second unit after another 6 months, that is 54 months. So all the planning is within the same timelines. We will definitely be completing the Phase 1 within the PPA timelines, which are there.

So that we are sure because we have -- our supply chain in terms of boiler, turbine and generator, which is a challenge which country is seeing, as I said in my remarks also, that is all under control. So this is what we wanted to show.

And also in terms of the capex - we will be announcing, but yes, you can benchmark - whatever we have said in the domain is that the Phase 1 about ₹16,000 crores of investment for 2 *800 MW which we have announced earlier, so we'll be around that number only.

Sumit Kishore: Okay. And what would be the tariff arrangement here, what fixed, variable, and what are the details?

Sharad Mahendra: See, there are two bids. For the first bid the tariff is in the range of ₹3.65, which we have already announced. And the second ₹4.06. This is a fixed charge only. ₹3.6 for Phase 1 and ₹4.06 for Phase 2. Fuel is pass-through.

Sumit Kishore: Fuel is pass-through at what heat rate?

Sharad Mahendra: Those things -- those details, we will provide you, but that is as per the guideline, which is there, which is 2350 heat rate.

Bikash Chowdhury: Sumit, this is Bikash here. We will be happy to connect with you on this, if you want a detailed discussion, we can give a detailed presentation and connect with you.

Sumit Kishore: Okay, Bikash. My second question is on -- you had targeted in the second half of the year to commission about 1.5 GW, if I recollect. And broader question is that given the grid constraints for this financial year now on an organic basis, how much RE capacity, would you be able to close the year by?

And for the next financial year, you have a sizable under construction portfolio. So given grid constraints and other challenges, what is doable in FY '27 on an organic basis?

And just to close this question, if you could also there's a big ramp-up in capex that we are expecting to see in the coming financial year. So broadly, on an organic basis, your capex this year and the next financial year, how are you thinking about it?

Sharad Mahendra: Yes. See, Sumit, one is that, as we have said earlier, you rightly said that 1.5 GW of fresh capacity addition during H2 of current fiscal, out of which 125 MW we have commissioned during quarter 3. So we are well on track. And in the current quarter, the capacity additions, which are going to take place, we will be meeting the guidance what we have given for 1.5 GW in second half of current fiscal.

And for which grid connectivity and land, everything, these projects are at advanced stage. Second, for next year, whatever plans we are having, we'll be definitely giving the numbers later. We are in the process of finalizing our next year plans, but of course, keeping in mind the connectivity availability and land, as I've been saying, for quite some time, we are absolutely insulated for next 1 year to 2 years from connectivity challenge.

Reason is two steps what we took has secured us from this uncertainty which the country is facing is one is that we have majority of our projects coming next 2 years are STU instead of ISTS. These are intrastate and STU connectivity is available. And second is the O2 acquisition, all capacities which are going to come under that, 100% of the connectivity is available with us to reach the capacity of 4.7 GW.

And beyond that, we have to do, there is additional capacity connectivity is available beyond 4.7 GW in O2 also. So these are the factors, which gives us almost certainty that we will not be facing any challenge on these factors. Regarding the capex numbers, as and when we finalize our plan for next year—which we will be doing shortly—we will definitely make the announcement at the right time.

Sumit Kishore: Given connectivity challenges can get commissioned by, say, FY '28 end or so?

Sharad Mahendra: See, yes, FY '27 and FY '28, more or less whatever plans we have to reach our 30 GW by 2030, we are on track. And till FY '28, we have absolute clarity of the connectivity also and we will be commissioning as per the PPA because majority of our capacity, the PPAs have been signed, so we are on track to complete everything within the PPA time lines.

Sumit Kishore: Excellent. I'll get back in the queue, thank you and wish you all the best.

Moderator: Our next question is from the line of Mohit Kumar from ICICI Securities.

Mohit Kumar: Sir, first question related to the PPA, which you tied for in Utkal with Karnataka. I think it's 400 MW -- is 400-MW net capacity, the first subsidiary question. And second is, is it possible to help with the fixed tariff of this particular PPA?

Sharad Mahendra: Okay. See, this 400 MW is the net capacity, one. And this is a tariff at ₹5.8 at my plant bus.

Mohit Kumar: And the fixed tariff, sir, of this?

Sharad Mahendra: No, no, this is a fixed tariff of ₹5.8. Of course, scalable, but this ₹5.8 tariff is the year 1 tariff, which we are going to get from Karnataka. It is a single tariff. It is fixed plus variable, single tariff bidding, which is there.

Mohit Kumar: For 25 years, is that correct?

Sharad Mahendra: Yes.

Mohit Kumar: Understood, sir. My second question is on the Salboni. Of course, you've already given the order for the turbine generator. But for the boiler for 3.2 GW, what is the plan? Are we giving it to the GE facility which you acquired or it only source the source fuel component?

Sharad Mahendra: See, yes, as we have announced earlier, the GE boiler manufacturing plant in Durgapur which we are in the process of acquiring, and we expect the process to be completed and the plant to be fully with us by June or July of '26.

So we will be making these boilers for our captive requirement in Durgapur only, which has a capacity of almost about 1.5 boilers of 800-MW -- 1.5 boiler equivalent material to manufacture. And as and when required, we will increase the capacity also there. So we will be manufacturing our own requirement from Durgapur boiler unit only.

Mohit Kumar: Understood. My last question is, sir, what is the progress on conversion of our LOA into PPA? Of course, we have a good pipeline of PPA, but still some of the LOAs on the RE side have been there for quite some time. So what is the kind of conversation happening with the counterparties?

Sharad Mahendra: Yes. See, if you see that our total capacity, which is there logged in, it's 12.6 GW of capacity, which is already contracted, already PPA signed, in the RE front, I'm talking.

Mohit Kumar: Yes, sir. My question was more about the pipeline of LOA, which is lying with us for quite some time?

Sharad Mahendra: Yes, that is about -- see, there is a total capacity, which is there is about 4.5 GW for which there is pendencies. And some we are expecting shortly to get signed and others, we are waiting, but keeping in mind that our contracted capacity and the PPA signed capacity, the gap is such that we are absolutely certain, the 30 GW number what we are telling by 2030, that is on track.

Bikash Chowdhury: So Mohit, just to add on what sir mentioned - with our current operational capacity and the projects under construction, we are already at 27.5 GW. In addition, we have a pipeline of 4.5 GW, and the details of that pipeline are already available. There are lots of capacity like this, which is pending closure. So as and when they close out, we will let you know. And we are more than certain that we'll reach 30 GW by 2030.

Moderator: Our next question is from the line of Rajesh Majumdar from 360 ONE Capital.

Rajesh Majumdar: Yes. So in line with the questioning earlier, I had a question on the overall quantum of bidding, while you're saying locked-in contracts is fine. But do you foresee a reduction in the total bidding space, particularly in the renewable space next year in terms of the overall market size, in which case, keeping our market share around the same, the level of additions will be limited to about 2.5 to 3 GWs per annum barring the locked in capacity. Is that a fair assumption?

Sharad Mahendra: I think, yes, see, there are -- we have to understand that there are 2, 3 challenges, which are being faced. If you see, current year, the capacity with greenfield, as I announced, is extremely low in terms of the bidding which has taken place in the first 9 months. The unsigned PPAs, which are there close to 40 GWs of bids where in the PPA signing is pending, so that is also slowing down the fresh bidding.

Second, the uncertainty is in terms of the connectivities, like we are seeing a very good greenfield capacity addition in the current year in the RE space. But will the same numbers continue for next 2, 3 years is a challenge because now from FY '27, we are seeing that the challenge of getting the fresh connectivities will be one of the major bottleneck which is going to be there. So all these factors put together, we definitely see that there will be a moderation in the bidding which we have been seeing till last fiscal, and this is likely to continue.

Rajesh Majumdar: But even with that, you are saying you will be -- your assumptions assume around 4 GW additions per annum. So that is you still think?

Sharad Mahendra: As I told you, you see our present operating capacity, we are ending the year maybe in the range of whatever I say, 14.5, 15 GW and then another about 12 to 13 GW capacity already tied up.

Bikash Chowdhury: And just to add - the Salboni project of 3,200 MW will come up in 2030 and '31. So it will materialize more towards the end, So it's not the capacity divided by a number of years is what we are trying to say.

Rajesh Majumdar: Yes. I understand that. My second question is, sir, on the KSK Mahanadi, what is the impact of the tariff reduction on the overall EBITDA per annum? And related question is – in 3Q we are seeing a 30% drop in the stand-alone revenues, is that a reflection of that or is something else?

Sharad Mahendra: No. See, the reduction in revenue needs to be understood in the context of extreme weather conditions. There have been reserve shutdowns and backdowns from the states—particularly from Uttar Pradesh—which have led to lower revenue and generation. However, it is important to note that this is a fully tied-up capacity.

My plant availability is there, so this is not going to have any significant impact for us. Based on plant availability, we will continue to receive our fixed charges, and we are absolutely certain that this will not be a challenge. You asked one more question?

Rajesh Majumdar: KSK, tariff reduction. The tariff reduction.

Sharad Mahendra: Tariff reduction. Okay. There will be, of course, going forward in FY '27 as per the PPA terms, there will be a tariff reduction of close to about ₹1.25 from one of the DISCOMs, so that will definitely have some impact, but operational efficiencies, as I've said earlier, during the year, we have been building up a lot of operational efficiencies and which have come during the year and kept on coming, so that will give us annualized benefit next year.

To some extent, we will be definitely reducing the impact of this tariff reduction from that side. And also the sale of the reserve shutdowns and backdowns from the plants which we have started. So that we are expecting that the impact on the overall EBITDA will be there, but it will be minimal.

Rajesh Majumdar: What portion of total capacity is impacted by the tariff reduction out of 1,800 MW?

Sharad Mahendra: What capacity? 1,000 MWs, which is tied up with UP.

Rajesh Majumdar: Right, sir. And my last question is when do we see the first tranche of capital coming into the company and kind of -- and also, do you think that with the promoter stake coming in, there is a chance of credit rating improvement in our debt? Yes. That's the last question.

Sharad Mahendra: See, the thing is, as I have said, maybe you will see the numbers in December closing, we have sufficient cash flow, free cash with us to take care of our going forward capex which is required in the funds which are required. But as I told you that the capacity whatever capacity addition plans once we finalize for next year, capital requirement, we have the enabling approval to go for the fundraise.

As and when during the year, if we feel, definitely, we will be going. But right now, we are comfortable. And because we have got the promoter equity infusion part of that already, which will take us there.

And definitely, we expect—just as the market does—that the Promoter increasing their stake at current levels is a positive signal. This is being viewed favourably both by the market and by the rating agencies

Bikash Chowdhury: And to add on to the rating part, our rating of AA in among the best in the sector. But I really appreciate your point that we will also take it to the rating agencies and upgrade it for our benefit. Thank you very much for this idea.

Moderator: Our next question is from the line of Apoorva Bahadur from IIFL Capital.

Apoorva Bahadur: Sir, I was just curious about the Utkal PPA. You said that it was a single part -- single tariff bid. Just wanted to know in case there is a back down for the plant, how do we get paid? As in, will the state pay the entire ₹5.8 tariff or?

Sharad Mahendra: Yes. So as I told you, this is the exact tariff is ₹5.78, out of which, the fixed part is ₹4.04 and ₹1.74 variable cost. And if the plant availability is there as per the PPA, my fixed cost is assured.

Apoorva Bahadur: Okay. Understood, sir. Sure. The other thing, sir, on Salboni, the tariff for Phase 2 is -- the fixed tariff is around, what, ₹0.40 higher than Phase 1.

Sharad Mahendra: Yes, yes.

Apoorva Bahadur: In my understanding, typically, if the plant is larger, there could be utilities, which are -- which is the commonality of utilities and typically, the capex per unit or per MW goes down. So what precipitated this rise in tariffs and was the state okay with it?

Sharad Mahendra: Yes, we have to realize –that the first phase of my Salboni project was a year back when the tariff was discovered, the fixed cost. After that, if you see all the bids which have happened have happened even at a higher price.

The state is seeing that what is the total cost, and this is still one of the lowest tariffs state is seeing this as 4 into 800. Blended, if you see, it becomes a significantly attractive tariff as compared to the almost 12 GW of bidding which has happened during last 1 year.

In thermal space, this is one of the most attractive tariffs. So state is absolutely comfortable and regulatory approval also is in place keeping in mind what has prevailed. We need to know what has happened in other bids in Assam, whether it is Bihar or whether it is MP, you see the states. So this is a very good tariff which has been discovered.

Apoorva Bahadur: Understood. Sir, I see your presentation, I believe the BESS containerization and cell assembly plant is about to get commissioned. We have certain BESS PPAs as well, which we need to execute. So will we be importing the cells and converting it and containerizing it at our facility for these PPAs?

Sharad Mahendra: Yes, exactly. Yes, we are doing that only.

Apoorva Bahadur: Okay. And have we placed the orders for the cells yet?

Sharad Mahendra: Yes, we have placed for some and the materials will start coming because the trial production plant is stabilized. We have submitted our product for necessary approvals, which we expect by March end or early April the approvals to be in place. But by the time, we will start the production sometime in February -- between February-March.

Apoorva Bahadur: Sir, can you share how much of cell capacity or cell import orders that you placed?

Sharad Mahendra: Exact number, I will get back to you, I'll let you know. But yes, we understand this, and we have already done the necessary sensitivity analysis. I understand where this concern is coming from, given the northward movement in prices. We have been fully aware of this trend, and accordingly, we have taken the necessary steps at the right time.

Moderator: Our next question is from the line of Satyadeep Jain from Ambit Capital.

Satyadeep Jain: Just wanted to check on RE contracted capacity in the PPA. In the PPA just specifically, can you give an update on FDRE IV, what is happening there?

Sharad Mahendra: That battery thing. See, we are waiting for the regulatory approval for the FDRE. We have received the letter. We're waiting for regulatory approval. That is the state. There is no further communication to us from Rajasthan on this.

Satyadeep Jain: There is no communication on cancellation or anything as of...

Sharad Mahendra: PPA has been signed. We are waiting for the regulatory approval. That's all. Nothing else.

Satyadeep Jain: That I know. But the FERC approval is still pending, right?

Sharad Mahendra: Yes.

Satyadeep Jain: And I just want to understand on the NEP also. The government has been focusing a lot on distribution side. I know historically, that is one area that you're not focused on. Is there -- anything -- are you incrementally looking at that at all or is that a no-go zone for you?

Sharad Mahendra: Nothing is no-go for us. We continue to evaluate opportunities as the sector evolves. Now we see a lot of tailwinds in this area also. We are actively assessing various options and closely tracking developments—for example, the privatization process underway in Uttar Pradesh. We are monitoring all such opportunities, and while we will come forward with a concrete plan at the appropriate time.

Satyadeep Jain: Just confirming, you have evaluated -- you'll take a decision later on, but you have evaluated all the privatization opportunities?

Sharad Mahendra: Yes, we are in the process because efficient capital allocation is also important consideration – That influences how we prioritize opportunities and decide when to move forward or when to step back.

Satyadeep Jain: Okay. And on the DSM, just wanted to -- given you also have a very wind-heavy portfolio, have you -- you also obviously commented on that proposal for DSM. I just wanted to understand the government is also talking about DSM being at par with thermal by 2030. What is the implication basis the historical schedule generation you've analysed on your portfolio from DSM tightening?

Sharad Mahendra: See, this is an industry-wide issue we have to understand. So as an industry, we are -- definitely, we have taken up and the losses which are there at the industry level because of this is something the pooling and other various other options, which are -- as an industry, we have taken up and wind association is also actively working on these DSM settlement mechanism.

It would be relaxed is what we feel, let us wait for some more time on this. But yes, industry has taken this up with the Ministry.

Moderator: Our next question is from the line of Nikhil from UTI Mutual Fund.

Nikhil: Yes. Just I have a couple of questions. So we have seen a lot of renewable generation getting curtailed in the quarter wanted to understand how much was the impact of it on our financials?

Sharad Mahendra: See, the curtailment, which is there, we have to understand that, again, because of the evacuation constraints and especially being witnessed majorly in the state of Rajasthan. So what is happening, there are 2 types of curtailments. One is against the G&A, which is there, that I have the grid connectivity and still the curtailment is there for the grid stability point.

And financially, I'm protected because I'm getting the full cost full -- as per the tariff, I'm getting that. A part of our -- a small part of the capacity, which came up early and the connectivity is maybe a few months ahead, we have got the TG&A, which is a temporary connectivity.

As and when there is a pressure on the grid, this temporary grid connected -- connectivity gets curtailed wherein there is a financial impact. So our portion is significantly small as compared to the large capacity which we operate.

So -- the impact on us is negligible right now. And the positive which has happened, just maybe a week or 10 days back, the new evacuation this connectivity has got started. With this, - the curtailment has significantly reduced, which has benefited us also from the temporary grid-connected portfolio.

Nikhil: Understood. And sir, any understanding also why the wind PLF have been lower because industry-wide, they are a bit better than what we have reported at 16%.

Sharad Mahendra: See, the thing is we have to understand the wind portfolio if we see asset to asset. Our wind PLF in fact, has been one of the best and significantly higher than what it was last year. we have to remember that a large portion of my acquired capacity of Mytrah, which is from 850-kilowatt machine to maybe 2, 2.3 MW of machines. So there, the PLFs are low.

Those are low PLFs by design, which all was considered at the time of acquisition, the valuation was done accordingly. So when on a blended basis you see, our PLF on a blended basis may look lower, but on all the fresh capacities which we are commissioning, there the PLF are in line or slightly better than what is there in the country. And going forward, as and when the new capacity is get added, with the newer portfolio percentage of wind increasing in the overall, our overall PLF will also improve.

Nikhil: Understood. Sir, final question on the thermal bid. I mean at ₹4, I mean, the returns that you'll make are very good. So any understanding as to how big can we look at our thermal portfolio, say, 5, 6 years down the line?

Sharad Mahendra: See, right now, if you see that the thermal portfolio has a time period of maybe 48 to 54, 60 months to complete the project, the greenfield project. So right now, what we are seeing is that 4 * 800 MWwe have in Salboni, which we are absolutely working on. In addition to that, at KSK when we acquired, another 3 * 600 work, which is already on, is one capex because -- balance of plant was fully ready, parts work of other 3 units were done.

So this will be completing additional capacity of 1.8 GW at KSK will be coming at a much lower specific cost, capex as compared to a greenfield and tariffs, as you rightly said, what are prevailing in the market. So we are, right now, next 5 to 6 years, seeing Salboni coming in, KSK addition and maybe if any other good opportunity is there, we'll be open.

Nikhil: Okay. We have started capex on the additional 1.8 GW at KSK?

Sharad Mahendra: Yes, we have started for the fourth unit, which was already 30% to 40% complete when we acquired. And also -- some of the material, which was lying in the port, which we have been able to get after the NCLT order, we have placed the orders and enabling work has started. And now very soon, the entire work will start. And we expect in about 3 years' time, we should be in a position to commission this.

Nikhil: Commission 1 unit or the 3 units?

Sharad Mahendra: 4th unit and then subsequently every 3 to 6 months the balance 2 units also.

Moderator: Our next question comes from the line of Atul Tiwari from JPMorgan.

Atul Tiwari: Sir, my question is on industry. So you mentioned that in the first 9 months, we have seen about 12 GWs of thermal bids from states. So to your mind how much more can happen over the next 1 or 2 years from the state? Are we looking at a similar number, higher numbers? And what can be your share potentially for the new thermal projects?

Sharad Mahendra: Yes. See, the Government of India has announced 97 GW of capacity addition, fresh capacity commissioning by 2034 -- '32 to '34 period. So in line with that, whatever the pipeline is and balance, so we see some bids, fresh bids definitely will be coming. Some of the states have already given their indication that they are preparing for the bidding. So we expect maybe giving an exact number will be difficult. But yes, definitely, there will be some fresh bids we expect, at least for next 1.5 to 2 years in thermal space will be coming. Regarding us. As I told you that we are absolutely full till 2031, '32, but yes, any attractive opportunity with the sufficient timelines and efficient capital allocation, we will be exploring all the possibilities and decide. Because now we are secured from the material supply point of view, supply chain security with the acquisition of GE boiler plant and placing the Toshiba into -- with Toshiba JSW. So we are secured in terms of the suppliers of BTG, which has been a big constraint for the industry. So we will be evaluating the opportunities as and when the future bids come.

Atul Tiwari: And sir, my second question is on it consol PBT or PAT number, excluding the deferred tax sales. So obviously, your capacity growth has been quite strong and generation and cash flows are good. But your PBT has been under pressure because of depreciation and interest costs down in second quarter, I believe, and this year, it's a loss. So I mean, how do you think about those dynamics as you further ramp up capex and capacity over the next 1, 2 years?

Asking because it does impact your reported ROEs post depreciation, etc. So is that a target in your calculation at all to get the reported ROEs to a 13%, 14%, 15% kind of number or you are okay to continue at a very suppressed PBT level?

Sharad Mahendra: Yes. I'll request Mr. Prabhakaran to just reply to your question.

C. Prabhakaran: So currently, we are end up adding capacities. Initially, what happens is that as you add capacities, initially, I think if you look at the returns, it is kind of at a lower rate. And overall, once the interest and depreciation starts coming down, that is the time in which basically you will find the returns at a PBT level.

So considering that, since we are in the kind of phase where we are in the execution phase, the next 2, 3 years, we'll have -- and this quarter specifically, we will have anyway a lower PLF, both for wind and solar. So that's a seasonal one. But as and when, we kind of stabilize, I think this should kind of even out.

Bikash Chowdhury: And to add to what Prabhakaran said, we have about 5.2 GW of capacity, which is wind and hydro, right? So that on the third quarter is always muted. So we should actually look at it from -- on a year basis than just looking at 1 quarter.

Moderator: Ladies and gentlemen, we will take that as a last question. I would now like to hand the conference over to the management for closing comments. Over to you, sir.

Sharad Mahendra: Thank you, everyone, and thanks for being with us today. And again, wish you a very, very happy 2026 and look forward, again, meeting you all. Thank you very much.

Moderator: Thank you. On behalf of Investec Capital Services, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.