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Power

July 29, 2026

To,

BSE Limited	**National Stock Exchange of India Limited**
P J Towers,	Exchange Plaza,
Dalal Street,	Bandra-Kurla Complex, Bandra (E)
Mumbai – 400 001.	Mumbai – 400 051.
Scrip Code: 533096	**Scrip Code: ADANIPOWER**

Dear Sir(s),

Sub.: Transcript of Investors / Analysts Conference Call on Q1 FY27 Financial Results of Adani Power Limited held on July 23, 2026

Ref.: Our intimation dt. July 20, 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 July 23, 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

PUNEET BANSAL
Digitally signed by PUNEET BANSAL
Date: 2026.07.29 21:36:39 +05'30'

Puneet Bansal
Company Secretary

Encl.: as above.

Adani Power Limited
"Adani Corporate House"
Shantigram, Near Vaishno Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad-382421, Gujarat India
CIN : L40100GJ1996PLC030533

Tel +91 79 2656 7555
Fax +91 79 2555 7177
info@adani.com
www.adanipower.com

Registered Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad-382421

"Adani Power Limited

Q1 FY27 Earnings Conference Call"

July 23, 2026

MANAGEMENT: **MR. S B KHYALIA – CHIEF EXECUTIVE OFFICER – ADANI POWER LIMITED**
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 the Adani Power Limited Q1 FY '27 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 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: Thank you, Rio. Good afternoon. On behalf of ICICI Securities, I would like to welcome you all to the Q1 FY '27 Earnings Call of Adani Power Limited. Today, we have with us from the management Mr. S.B. Khyalia, CEO; Mr. Dilip Jha, CFO; and Mr. Nishit Dave, Head of Investor Relations. We'll start with the brief opening remarks, which will be followed by Q&A. Thank you, and over to you, sir.

S B Khyalia: Good afternoon, friends. I want to extend a warm welcome to everyone who has joined us today for our first quarter '26-'27 earnings call. I appreciate you taking time out of your busy schedule to connect with us. Before we begin, I encourage you to download and review our quarterly results and analyst presentation, which are available on the stock exchanges and our website. With me on the call today are our CFO, Mr. Dilip Jha, and our Investor Relations Head, Mr. Nishit Dave.

As we begin the new financial year, one thing is increasingly clear – in times of geopolitical uncertainty and extreme weather events, a nation needs abundant, reliable, and domestically available energy. As India's economy continues to advance, the importance of reliable baseload power for the country's growth story has become even more evident.

During the quarter, India experienced a hotter-than-usual summer with sustained heat waves across most regions. Due to these high temperatures, peak demand shot up to a record high of around 271 GW in May '26, while overall energy consumption rose by 8.4% on a year-on-year to 485 billion units for quarter 1, FY27. This has also put to rest concerns over any demand slowdown that has arisen in the previous year. Thermal power was once again the mainstay for fulfilling the nation's electricity needs during this period of surging demand.

I'm immensely proud to say the Adani Power stepped up to this challenge. We achieved our highest ever quarterly power generation of 31 billion units and dispatched 28.8 billion units, a growth of 17%, which was a result of improved PLF as well as greater operating capacity. We have once again demonstrated the strength of our efficient, cost-effective portfolio and operational excellence by reliably supplying power when the country needed the most.

Financially, we have started the year on a strong note, posting our highest ever quarterly performance. Total continuing revenue for the first quarter of FY27 is INR17,936 crores, which is a growth of 27% over the corresponding quarter of FY26. Continuing EBITDA without prior period items for the quarter is INR6,983 crores which is 22% higher year-on-year. The company has reported 47% higher profit after tax on year-on-year at INR4,867 crores for quarter 1 FY27, reflecting our operational profitability and excellent management of the capital structure.

Beyond our financial and operational milestones, this quarter has been defining for our strategic growth. We are consolidating firmly on the paths to expand our portfolio to 45 GW.

A major highlight of the recently concluded quarter was the successful acquisition of the stake of Jaiprakash Associates in various power assets under the corporate insolvency resolution process. This strategic move adds 180-MW Churk power plant to our portfolio, alongside a 24% stake in Jaiprakash Power Ventures and an 11.49% stake in Prayagraj Power Generation Company. These acquisitions further expand our reach and operational footprint.

Additionally, we secured our revenue visibility further by signing a 25-year power supply agreement with the Maharashtra DISCOM for supply of 1,600 MW of power on a long-term basis from a 2x800-MW Ultra-Supercritical thermal power plant. We have announced the receipt of the letter of award for this PPA earlier in March '26.

Our capacity expansion program is progressing at an excellent pace. We are on track to commission the 1,320 MW Korba Phase-II project this year, while the 1,600-MW Mahan Phase-II project is scheduled for commercial operation in quarter 1 of the next financial year. Furthermore, execution is advancing rapidly at Raipur Phase-II and Raigarh Phase-II, which have achieved over 62% and 54% progress, respectively, and we have commenced execution for our 1,600-MW Mirzapur greenfield project and other projects.

As you would be aware, we have ordered the entire 24 GWs of BTG supply in advance and secured the land required for the expansion program. We have tied up 56% of our upcoming capacity already under long-term PPAs, and we are confident of tying up the balance capacity soon through ongoing and upcoming bids. Further, I'm thrilled to say the Adani Power has been ranked as India's most valued energy brand by Brand Finance with a brand value of USD1.8 billion and a AAA rating. This is a testament to the trust our stakeholders place in us.

Looking beyond the horizon, we are entering new and exciting territories as we expand our thermal base, we are also diversifying into international hydropower projects and preparing ourselves for new opportunities in the nuclear power field. We are strongly committed to helping India meet its long-term development goals with the supply of reliable and competitive electricity, and I look forward to interacting with you as we progress on this path.

Thank you. I would now like to hand over the call to our CFO, Dilip, to elaborate further on the quarter 1 results. Thank you, and over to you, Dilip.

Dilip Jha: Thank you, sir, and good afternoon, everyone. I will take you through the financial and operating performance for quarter 1 FY '27 and then share a brief update on our balance sheet and liquidity.

So let me start with our operational backdrop. As Khyalia sir mentioned, quarter 1 FY27 was characterized by exceptional demand driven by persistent heatwaves. Consequently, power offtake under PPAs improved significantly, while merchant prices also strengthened materially. In this environment, APL achieved a phenomenal operating performance. Our consolidated plant load factor jumped significantly to 78% in quarter 1 FY '27 compared to 67% in the corresponding quarter last year.

Our consolidated power sales volume was higher by nearly 17%, reaching 29 billion units against 25 billion units in quarter 1 last year. This strong volume growth was supported by higher operating capacity, robust power demand, and PPA tie-ups for our previously open capacities at Butibori and Tuticorin power plants. Specifically, power sales under PPAs grew by 30% to 25 billion units. Merchant volumes were 4 billion units in quarter 1 as compared to 6 units billion in the same quarter last year, due to our tying up capacity in PPAs increasingly and incrementally during this period.

Coming to revenues, I am very pleased to say that Adani Power has posted its strongest quarter yet in terms of continuing revenue and continuing EBITDA. The strong generation volumes combined with improved realizations translated into our strongest performance yet.

Continuing revenue from operations for quarter 1 FY27 increased by a robust 28% to INR17,550 crores. Total continuing revenue, which includes other income, stood at INR17,936 crores, reflecting a 27% growth year-on-year. Our total reported revenue, including one-time prior period item reached to INR19,322 crores, a nearly 33% increase from quarter 1 last year.

Our tariff realization under PPA improved by 8% to INR5.93 per unit and merchant and short-term realization improved by 13% to INR7.04 per unit, directly benefiting from the strong demand environment. Our PPA realizations include the fixed capacity charges of PPAs that we have signed recently for previously open capacity, that is in Butibori and Tuticorin.

During the quarter, we have reported a one-time net recognition of prior period revenues of INR1,386 crores, primarily due to the revision in historic energy charges under certain PPAs.

Moving to profitability. During quarter 1 FY27, we have showcased core profitability strength despite an increase in fuel cost. The Fuel cost for the quarter was higher by 30% at INR9,513 crores, which was driven by larger dispatch volumes and higher imported imported coal indices.

Even with this, our continuing EBITDA grew by 22% to INR6,983 crores. Reported EBITDA surged by 36% to INR8,369 crores. This improvement was primarily driven by higher volumes and an improved PPA contribution.

At the bottom line, profit Before T on a continuing basis registered a strong 29% increase to INR4,914 crores. Reported profit before tax jumped to nearly 50% to INR6,300 crores. Ultimately, our Profit After Tax for quarter 1 FY '2y rose by a stellar 47% year-on-year to INR4,867 crores, up from INR3,305 crores in quarter 1 FY '26.

Let me now touch upon the balance sheet and our financial discipline. Despite our growing capacity, recent acquisitions, and an ongoing capital expenditure program, we maintained very tight control on our finance costs. We continue to follow a conservative capital management policy. Our strong liquidity and healthy profitability have helped us keep our leverage in check.

As of June 30, '26, our total debt outstanding stood at INR58,381 crores, and our net debt stood at INR47,643 crores. Our rapid capacity expansion is largely supported by predominantly self-financed capital expenditure strategy, strong project execution, track record and in-house management capabilities. Together, these factors give us a structural cost advantage and ensure that we deliver our capacity addition in a timely and cost effectively manner.

Now to summarize, we delivered our highest ever operating and financial performance on a continuing basis this quarter. Capacity utilization remained exceptional with PLF of nearly 78%. We are expanding both organically and through strategic acquisitions. Our balance sheet remains robust and supportive of our 45-GW vision.

Thank you for your time and your continued confidence in Adani Power. We will now be happy to take your questions. Thank you.

Moderator: Thank you very much. The first question is from Abhinav Nalawade from ICICI Securities. Please go ahead.

Abhinav Nalawade: My first question is whether Jaiprakash, will it be consolidated? And do you have some expansion plans at Nigri and Bina? Also what will you do with the 11% shareholding at Prayagraj?

S B Khyalia: Are you asking related to consolidation in the accounts or you are asking related to the...

Abhinav Nalawade: With regards to accounting. Yes, accounting.

Dilip Jha: Thank you, Abhinav. Let me brief you. In JPVL, we have taken a 24% stake and we have very good assets over there. For accounting purpose, we are consolidating the respective percentage. So this is an associate for Adani Power. We are consolidating the percentage of profit in JPVL to that extent in APL's profitability statement.

S B Khyalia: So P&L and balance sheet is not getting consolidated. It is only the share of profit that is getting consolidated. The other issue regarding the opportunity of expansion at Bina and Nigri, there is a good opportunity because at both locations, a lot of land is available.

So fortunately, going forward, we will have this as a land bank available, whether we want to go for expansion of thermal or whether we want to go for nuclear, because in case of Bina, we are also exploring the possibility whether the site is conducive from the point of view of various requirements of nuclear power. We have not planned anything yet, but these are the two sites where a good land bank is available. Going forward, these sites will obviously be available for any growth opportunity.

Abhinav Nalawade: Okay. Sir, second question is on the nuclear. You've mentioned for the first time that you'll be targeting capacity of about 10 GW by 2035. Just wanted some granular details on it in terms of is there any technology tie-up, whether the domestic technology available with NPCIL will be used or will it be sourced -- I mean, will it be imported?

Secondly, on the fuel sourcing as well as when can we see some tangible traction in terms of the first nuclear power plant? Is it contingent on the final guidelines from the government? If you give some details? That will be helpful.

S B Khyalia: You have said rightly that it will be dependent on the government guidelines and that the government has not yet come out with the rules under the Act. Unless we get the clarity on that aspect, it would be difficult to decide on these things. Nevertheless, we are evaluating both the domestic and the outside technologies. It will all depend on what would be cost effective in terms of per MW cost, because at the end of the day, electricity has to be viable for the Indian consumers and the project cost has to be in that range to provide the type of rates, which are affordable to DISCOMs..

We will take all these costs related to technology into consideration, whether it be domestic, or foreign technology. So all these things can be finalized only when the rules are in place. So at present, we are waiting for the rules to come. As soon as that happens, we can move fast. We are keeping our sites ready from the point of view of their suitability and various studies are being carried out. So that is the status today.

Abhinav Nalawade: Sir, my final question is on the receivables from the Bangladesh PPA. What will be the number and the corresponding number a year ago?

Dilip Jha: For the quarter ended 30th June 2026, the receivables are in line with projections and we are getting payment on a regular basis. Last month also, we received near about USD100 million. On an average monthly basis, we are getting USD100 million payment. Specifically at the end of June, our receivables level is near about USD400 million. We are expecting that every month we will also get near about USD100 million on an average from BPDB.

We expect that the payments will continue at a slightly higher level than our monthly billing. So we are expecting that the liquidation of receivables and realization will also increase over the period of time. There is significant reduction if you will compare on quarter-to-quarter basis. during the first quarter of the last financial year, the receivable was all-time high.

As you know, in June and July last year, we received a significant payment from Bangladesh. That had helped us a lot in reducing this receivable. In short, the receivables have significantly reduced on a quarter-to-quarter basis, and we are getting on an average USD 100 million on a monthly basis.

Moderator: The next question is from Apoorva Bahadur from IIFL Capital.

Apoorva Bahadur: Congrats on strong results. I see in your presentation, you have highlighted an incremental capacity plan of another 3 GW. Can you throw some light on this, sir? Where will it be used? Any plans to use it on a captive basis for the group companies? Or do we expect more to be made? And how about the ordering -- equipment ordering for this?

S B Khyalia: 3 GW can be construed from two angles. One is we have already got the 24% stake in Jaiprakash Power Ventures. So that itself is 2,220 MW. So going forward, we can get more stake in it, which itself can be considered as a part of this another 3 GW.

Moreover, a lot of opportunities are arising because this summer has given a clear indication to the policymakers that a lot of thermal power projects are required, baseload is required. Nuclear power will take some time, even if we get the rules in the near future. Any nuclear power project is going to take let us say, 7, 8 years from the stage of planning to commissioning.

During this period, thermal power would be the only source which will provide the baseload power. So a lot of states are contemplating to come out with bids. If you see the resource adequacy study of various states, every state is having a huge deficit and power requirement over the next 4 to 6 years.

We expect that many more bids will come from the DISCOMs, and therefore, we have considered that we probably will need to add some more capacity, because 24-GW capacity that we have planned presently is now tagged to the specific locations. Now if any state comes with a bid, which is made specific to that state location, we have to tie up new capacity. Keeping that in mind, the additional 3 GW is considered and planned.

Apoorva Bahadur: Okay. That's helpful. Sir, also on your nuclear plan, I believe the target has been increased from 5 to 10 GW and the deadline or the target time line is around 2035. By when do you expect to actually order these plants so that they commission by 2035?

S B Khyalia: As I said earlier, only once we get the rules under the Act from the Government of India. We are keeping ourselves ready, but ordering can happen only when there is a clarity about the rules of the game.

Apoorva Bahadur: No, no, fair point. I just want to understand, sir, what's your take on what would be typical execution time line for a nuclear power plant?

S B Khyalia: As per our standard of execution, it should take, we have not experienced this, but it should take at least 5 years.

Apoorva Bahadur: 5 years, that's quite a short time line, I mean, against what we are typically conditioned to see anyways. Sir, I think you gave some details on Godda. It would be very helpful if you can provide probably the generation number. And also what's the realized tariff for this quarter?

Dilip Jha: The generation in terms of unit for this quarter in Godda, was 2.519 billion units as compared to last year's same quarter at 2.362 billion. So, there is an increase in terms of units that we sold to BPDB during the quarter In terms of realization, our total revenue for this quarter is INR2,473 crores. As against the same quarter last year, it was INR2,135 crores.

Apoorva Bahadur: Very helpful, sir. Sir, also, if I may just squeeze in one more question, and this is on the agreement, which we have with Adani Energy, right? So another sister company of yours, Adani Green, has an agreement of sharing some capacity, locked in returns with Adani Energy. Do we have any similar plans? And how much of that capacity would be earmarked and what tariff?

S B Khyalia: Are you talking about this 2,500-MW PPA?

Apoorva Bahadur: I'm talking about this -- the energy management solution business, which Adani Energy has incubated. And I think for supply over there, they are tying up with group companies for capacity.

S B Khyalia: I do not understand the question. Are you asking any question related to Adani Power? Because neither do we have any agreement with Adani Green Energy nor with PTSL.

Apoorva Bahadur: Right, right. So we don't have any PPAs with them, the Adani Energy?

S B Khyalia: No, we don't have any.

Apoorva Bahadur: Okay. Okay. And sir, lastly, I think I also see that you have taken an approval for an equity raise. The balance sheet is very robust for us. So is there any specific use case you want to deploy this capital for?

Dilip Jha: The Board has approved this QIP, and we have requested our shareholders for approval through the EGM. This will be an enabling provision to be ready for this QIP. As of now, these are enabling provisions we have requested to our shareholders to approve.

We have a massive capacity expansion with a capex program of more than INR2 lakhs crores over the period of next few years. At the same time, we are generating significant internal accruals from our operating assets. The interim gap between cash accruals and capex is being met through shorter term funds that we are taking from the debt market. This is this an enabling provision for QIP that we have requested to our shareholders through the EGM.

Moderator: We move to the next question. The next question is from Dhruv Muchhal from HDFC Asset Management.

Dhruv Muchhal: Sir, first question is in the prior period first -- prior year first quarter and current quarter, can you help us what was your merchant capacity? When I say merchant, it is nothing beyond, say, 1 year PPA. Because what I see is your merchant volumes on an absolute basis have come off, so 4.3 billion versus 5.6 billion units last year quarter. But I believe your merchant capacity has also come off, right? Is that the right understanding? A lot of merchant capacity is converted to PPAs, if I'm not wrong, in that quarter. So if you can help on quantum.

Dilip Jha: Yes, your understanding is correct. The merchant capacity has reduced. Specifically, during my speech, I said that our Butibori plant as well as our

Tuticorin plant were on merchant basis earlier, which are now under PPAs. In this quarter, the merchant volume was 4 billion units. And the same period last year, it was 6 billion units. There is a 1/3 reduction in terms of the merchant units and there is capacity reduction in open capacity.

Dhruv Muchhal: Got it. So Butibori is 600 MWs, right? And your current Tuticorin project is also 600-MW effectively, which was open in. So 1,200 MW effectively got converted from, which was last year same period merchant, which is now under PPA.

S B Khyalia: Correct, Butibori is 600 MW, and it is fully tied up now under the PPA. Some capacity of Raipur is also tied up under a PPA with Karnataka. So a lot of reduction has happened in untied capacity. We have earlier said that going forward, we would like to tie up almost everything through medium term or long term PPAs to reduce volatility inherent in merchant prices.

Dhruv Muchhal: Got it. Sure. And sir, second question is, we see Maharashtra has approved a PPA, which is to be sold to Adani Energy Bombay, but it seems you also have a role there. You will be supplying 540-MW thermal. So it's -- I mean, it's partly related to the earlier question. So probably Adani Energy is the intermediary, but you become the supplier of thermal power there.

But sir, I just wanted to understand how does this work for you? Because it's an RE RTC contract and you have a thermal plant. Now it's probably 540-MW. You will probably have to ramp it down, ramp it up. But does the cost of that not borne by you and it is borne by the intermediary? I'm just trying to understand because we don't see that kind of ramp up, ramp down in the thermal plant or you get your assured power -- I mean you get your assured fixed charge by running the plant at the minimum technical load or higher than the technical load and you're not impacted by this arrangement?

S B Khyalia: Presently, it is already tied up under a medium-term PPA with Maharashtra, MSEDCL. Once we will sign the PPA with the intermediary, it would be a PPA based on capacity charges. It will not be a power supply only in terms of units. It would be a capacity tie up. It would be a PPA like any other PPA of thermal power projects. So for making it RTC, it is an exposure taken by PTSL.

Dhruv Muchhal: So for you, the contract structure is exactly similar to like a typical PPA, what we are generally used to. And the ramp-up time down and all those things, you get your technical whatever minimum and all those. And all those volatility gets handled by the other party.

S B Khyalia: Correct.

Moderator: Next question is from Vivek Ramakrishnan from DSP Mutual Fund.

Vivek Ramakrishnan: Like you rightly said that you have been maintaining excellent financial discipline. Now in terms of -- you have a large expansion plan. Over the next 2 to 3 years, how do you expect the net debt-to-EBITDA move especially because you'll have also one-off acquisitions and so on because the opportunities are very good? And what can we expect in terms of net debt-to-EBITDA guidance from the company?

Dilip Jha: I was explaining earlier that we are running a capex program of more than INR2 lakhs crores and on a yearly basis, we are generating an FFO of INR20,000 crores. So, in the same period as the capex program, there will be an FFO of more than INR1.4 lakh crore. There will be an interim requirement of around INR60,000-odd crores, which will be taken from the debt market.

As far as net debt-to-EBITDA is concerned, we are maintaining a very robust capital management program. We are ensuring deployment of every single penny in the best possible and effective manner. Net debt-to-EBITDA as on date, is slightly higher than 2 timex. We are expecting that net debt-to-EBITDA will not cross 3 times at any point. So this net debt to EBITDA level of between 2 to 3 will persist over this period of time.

Moderator: The next question is from Girish Acchipalia from Morgan Stanley.

Girish Acchipalia: I had a couple of questions on Slide 25. We have long-term PPAs that are in the market for 13.2 GW and on the same side, we have an untied capacity of 11.1. Our historic strike rate has been about 2/3 on the market in the last 2 years.

I wanted to understand like which are the likely states, which we would probably see the bidding close in the next, let's say, this fiscal? And will there be more such states come through in the next year because if I assume 2/3 get through, you'll still be lining up with, let's say, 4, 5 GW of untied capacity right now.

And one question as a follow-up on that MSEDCL contract of 2.5 GW, which is RE RTC. I'm not sure whether this is captured in the PPA bucket that you have right now because on the left side, where you have the capacity tie-ups, there is 10.2, which is tied up in progress. So would that PPA be counted here? And what is the quantum of PPA here? If you can just clarify on that?

S B Khyalia: The numbers you have already stated, the numbers stated on the slide, it already shows which bids are presently under progress, which is UP 4,000 MW, Gujarat is 4,000 MW, Uttarakhand is 1,320 MW, and West Bengal is almost 3,800 MW. So, 13,000 MW of bids are there now. We believe we would be the strongest contenders for these bid.

Apart from this, if you see the resource adequacy study of various states, many states are facing a power deficit. Bihar is having further deficit. We have heard recently that Andhra Pradesh has also sought coal linkage for coming out with a bid. So there may be many more states in the market.

We can't say exactly when they will come out with the bids, but the resource adequacy studies give an indication that many of the states will have requirement going forward up to 2032-33. So that gives us a strong signal and confidence that we will get our capacity tied up.

With regard to the 2,500-MW PPA, as I stated in the last earnings call also, this is a supply contract. It has nothing to do with long-term capacity tie-ups. This supply contract has the requirement of minimum 51% from green energy sources. Therefore, by nature of this contract, we can supply some of our small left out thermal capacities , and small left out capacity of green energy, which includes solar, wind, battery, PSP.

This PPA would be run like a trading platform and we'll decide going forward which company will actually run it. However, this PPA will need multiple sources of supply. It would be pulled into one platform and then will be supplied to the beneficiary. Thank you.

Girish Acchipalia: Understood. Sir, my second question is on capacity expansion timeline and thanks for the disclosure over there annually putting out what is expected. In the next 2 years, in FY '27 and '28, you are expecting 1,320 and 1,600 MW. Just wanted to understand which quarters and which plants are these likely to be? Are we likely to have them back ended? Or it could be evenly split FY '27 this year and FY '28?

S B Khyalia: We expect that Korba Phase-II will come before December end this year. That is the broader expectation. As regards to next year we are expecting the first unit of Mahan Phase-II in the first quarter and then the second unit with a gap of 6 months going by normal standards, in the third quarter. However we are trying to bring that also in the second quarter.

Girish Acchipalia: Last question is on capital expenditure. If you can outline for next 2 to 3 years, what will be the annual run rate that you would be incurring?

Dilip Jha: This year, we are expecting that our expansion CapEx will be near about INR25,000 crores. Next year, it will be near about INR33,000 crores, and thereafter it will be more than INR35,000 crores.

Moderator: The next question is from Swetha Rakhecha from Cantor Fitzgerald.

Swetha Rakhecha: Swetha on the line on behalf of Manish from Cantor. First, congratulations on a great Q1. I just have a quick question on the funding mix that we spoke about earlier and this is regarding the QIP. What is the expected execution time line? And how should we model sort of the resulting per share equity dilution in there?

Nishit Dave: Swetha, we could not hear you clearly. Can you sit a bit closer to the phone or pick up the receiver and speak?

Swetha Rakhecha: Yes, sure. I hope I'm more audible now. I just wanted to ask a question on the funding mix regarding the QIP. What is the expected execution timeline? And how should we model the resulting per share equity dilution? I'm just continuing on the earlier question that was asked.

Dilip Jha: Swetha, as of now, we have requested for our shareholders' approval through EGM as an enabling provision. The timeline, we will communicate it as and when it will be finalized.

Nishit Dave: So Swetha, to actually explain it a little bit. As and when there is a need for raising funds and the market opportunity also presents itself, we would come out with our plans and announcement at that time. As of now, this is an enabling provision so that we don't have to go for shareholder approval when we need to raise funds. This is actually a provision that we need to keep on refreshing every year.

Swetha Rakhecha: Right. And also apologies if I missed this. Regarding the proposed 3-GW additions and with the potentially 2.4 coming from Jaiprakash, are they currently already under the PPA? Or is it open right now this capacity?

S B Khyalia: As I have already explained earlier, the 3 GW, which we have already stated is at a planning stage because a lot of bids are coming from the states. It's not that we have firmed up the capex or we have firmed up the equipment ordering, et cetera. It is a plan envisaged to meet the future bids, which are going to come from the states other than the states where we have already planned our capacity expansion.

So, this is just at a planning stage to take care of the forthcoming bids. As regards Jaiprakash Power Ventures, at present, since we have 24% stake, as and when, if we get any further opportunity of increasing the stake, then we will be in a position to take that forward. Thank you.

Swetha Rakhecha: Just one more follow-up on the nuclear strategy. Do we have a capital allocation plan in place for the next 5 years?

S B Khyalia: As I explained earlier, for nuclear, we have only stated our intention. So until the Government of India notifies the rules, we cannot decide exactly in which year, how much we will invest and when we can commission the projects, because we are waiting from last 6 months or so for the rules to come, but the rules have yet not come. So as and when the rules will come, then only we will start preparing the exit plans.

Moderator: The next question is from Shirom Kapur from Jefferies.

Shirom Kapur: Just a quick question on your upcoming plant this year in Korba. The PPA for this plant, we have not signed one yet. So just wondering by December, end of this year, are we expected to sign a PPA? And once this is operationalized, will it already be supplying under PPA? Or is this expected to be supplying under the merchant market for some time?

S B Khyalia: Even if we sign a PPA during the current year under long term bids, even in that case also, there would be certainly some period, maybe a year or two, during which we would be supplying power in the merchant market from this capacity.

Shirom Kapur: Understood, sir. But just a follow-up on this, do we have visibility on any PPAs coming up soon? Like how -- when are you expecting to sign a PPA for this plant?

S B Khyalia: Yes. Recently, we have participated in a bid where the results are yet to come out. Also, whatever other bids are there, we will participate in them also. So we are certainly hopeful that we should be in a position to tie capacity up in the current year itself.

Shirom Kapur: Understood, sir. And just my second question is on your acquisition of 180-MW plant from Jaiprakash. Is that operational? So would that be -- would that start contributing to your financials from the second quarter onwards? And is it tied up under any PPA right now?

S B Khyalia: It is not operational. It's like something like what we acquired in Butibori, more or less in the same condition. It will take some time, maybe 6 months or so. We don't foresee much contribution during the current year. So we have to revive this, and we can certainly expect a good contribution from it next year. It is not tied under any PPA.

Moderator: The next question is from Vishal Periwal from PL Capital.

Vishal Periwal: Sir, one, just a clarification. So we have reported a continuing EBITDA adjusted for one-off. Increase is almost like 20 %, 22.5%. Now if I look at our capacity increase is hardly 4%, 5%. And merchant sales, I think probably merchant revenue is largely flattish. Given our PPA tariffs are 2 part, what should explain this strong EBITDA increase? Because I think base period last year, again, we could have done PPA. We could have recovered fixed charges. This quarter, we could have done the same thing. So just for better clarification.

Dilip Jha: To give you the clarity on why this quarter's performance is robust and the strongest ever, as you rightly said, our revenue consists of 2 parts, that is capacity charges and energy charges. As we were explaining to you, although we have converted some of our open capacity into PPA in Tuticorin and in Raipur and Vidarbha, The capacity charges are significantly higher.

Second, in terms of the energy charges also, in some of our plants where the imported coal indices go higher, our contribution will be higher. So the contribution and EBITDA are also driven by volume. There is significant increase in volume, there is increase in capacity charges, and also some contribution in energy charges. Therefore altogether, our EBITDA is robust and higher in comparison to the same quarter last year.

Moderator: Next question is from Nikhil Nigania from Bernstein.

Nikhil Nigania: I have 2 questions. One related to the earlier question on the EBITDA bridge, which has been shared in the presentation. So it shows there was a gain of INR2,200 crores due to change in fuel cost.

So I wanted to clarify, is it the same part you mentioned earlier that due to indexation of variable tariffs and some PPAs that went up rather than actual fuel costs coming down, why this INR2,200 bump up is there? Or in something else, which is a change in fuel cost of INR2,200 crores.

Dilip Jha: Yes. As I had explained the volume has also increased now. The indices of imported coal are higher, and merchant prices have also increased.

Nikhil Nigania: Makes sense. The second question I had was on the hydro asset that we are building in Bhutan. Possible to share the commercial terms of that PPA of 570-MW and future plans?

S B Khyalia: PPA is yet not finalized. As and when it is finalized, we will certainly share.

Nikhil Nigania: Got it. And would it be at least -- do you know the regulatory structure? Will it be a sort of a cost-plus structure or fixed tariff? Or is that also yet to be finalized?

S B Khyalia: No, that is all to be finalized. It's open, whatever will be the best opportunity, we will capture that, whether it would be through a bidding process or whether it would be through a cost plus mechanism.

Moderator: The next question is from Sumit from Subji Enterprise.

Sumit: Sir, first of all, congratulations for stellar numbers. My question is we have sufficient reserves available. Can we expect some dividend or bonus?

S B Khyalia: See, we have a huge and large capex program for the next 6, 7 years. So rather than distributing, we are reinvesting in the capex program. As you may be aware, our the return on investment or return on capital is quite good. So we are of the view that we are giving more capital appreciation than the dividend, and therefore, we are reinvesting whatever surplus we are generating.

Sumit: Okay. Got it. And sir, in the result, can we -- have we considered Bangladesh disputable portion?

S B Khyalia: No, we are not considering whatever is disputed. We are considering as revenue only that which is not disputed.

Moderator: The next question is from Diganth Kumar from SAMIL.

Diganth Kumar: Given the strong Q1 performance and the aggressive expansion plans, what are the major short-term catalyst and risks for the company?

Nishit Dave: Actually, we want you to clarify your question. Are you asking us about short-term risks?

Diganth Kumar: Yes. The short-term catalysts and the risks for the next 6 to 12 months.

Nishit Dave: Catalyst, short-term catalyst. Okay. So primarily, actually, we have a largely contracted business. 95% of the capacity is already tied up in our power supply contracts with DISCOMs, most of which are long term in nature. Around 5% is open capacity, where we supply power in the short-term market and on the exchanges.

So primarily from that perspective, we have a very high degree of stability when it comes to our EBITDA, although revenue might fluctuate here and there based on the power offtake by DISCOMs, given the specific demand environment. But as we have an availability-based tariff mechanism, two-part tariff mechanism, we have a good stability of EBITDA on a quarter-on-quarter basis.

The first quarter in the financial year tends to be a peak quarter because of the high demand of electricity because of the high temperatures, the beginning of the sowing season, et cetera. So because of that, we generally see higher volumes during the first quarter. Then during the monsoon months, actually typically because of rains, the power drawdown goes down a little bit. So that is the sort of seasonality we generally see in our revenues and to a small extent also in the EBITDA.

But now that we largely are supplying power under long-term contracts, we expect to see over the near term and medium term, typically more of stability when it comes to revenues and EBITDA.

Moderator: The next question is from Nitin Prajawati from Suyog Management.

Nitin Prajapati: In the previous quarter, company guided for approximately INR25,000 crores for capex in financial year '27. Okay? And INR33,000 crores for financial year'28. But in company proposed a INR15,000 crores equity rise now. Has anything changed in your capex plan for your funding mix? And should we read this as a preparation for expansion beyond the previously announced 23.7 GW program?

Dilip Jha: There is no change in the capex program. We are very firm and confident that our capex program of INR2 lakhs crore, we will be able to achieve in the defined timeline. We are expecting that it will be INR25,000 crores and then next year, it will be around INR33,000 crores, and thereafter it will be more than INR35,000 crores.

So we are very much confident that we will be able to achieve this capex program. As far as financing is concerned, our internal accruals is significant. So the majority of funding for the capex will be contributed from our internal accruals. Any interim gap, short-term gap between inflows and outflows, will be funded from the debt market. We are very much confident that we will be able to achieve our capex program.

Nitin Prajawati: 23.7 GW, will achieve it easily as for as company's plan. Is that right?

Dilip Jha: Yes. Now our target is 45 GW by the same time. It is now revised from 42 to 45. And we are confident that we'll be able to achieve it.

Nitin Prajawati: Okay. Time line for another financial year 2031 -- sorry, '31 or beyond?

Dilip Jha: Yes, same time line as it was for 42 GW.

Moderator: We'll take that as the last question. I would now like to hand the conference back to the management team for closing comments.

Dilip Jha: Thank you. Thanks a lot for your time and attention to us, and we are very much confident and hopeful that this engagement will be continued, and we will have continued support from you all. Thank you. Thanks a lot. Have a great day.

Moderator: Thank you very much. On behalf of ICICI Securities Limited, that concludes the conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.