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27th July 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	Symbol: JSWENERGY- EQ

Sub: Transcript of the Results Conference Call held on Wednesday, 22nd July 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 letter dated 17th July 2026 informing about the Results Conference Call scheduled on Wednesday, 22nd July 2026, at 3.30 p.m. (IST), to discuss the Company's unaudited Standalone and Consolidated Financial Results for the quarter ended 30th June 2026, 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/stock-exchange-releases/>.

The audio recording is also available on the website of the Company at <https://www.jswenergy.in/investors/quarterly-results/>.

Yours faithfully,

For **JSW Energy Limited**

Monica Chopra
Company Secretary



“JSW Energy Limited
Q1 FY27 Earnings Conference Call”

July 22, 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 ENTERPRISE RISK MANAGEMENT**

MODERATOR: **MR. SUDHANSHU BANSAL – JM FINANCIAL INSTITUTIONAL
SECURITIES LIMITED**

Moderator: Ladies and gentlemen, good day, and welcome to the JSW Energy Limited Q1 FY27 Earnings Conference Call hosted by JM Financial Institutional 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 touch-tone phone.

I now hand the conference over to Mr. Sudhanshu Bansal from JM Financial Institutional Securities. Thank you, and over to you, sir.

Sudhanshu Bansal: Thank you, Rayo. Hello, everyone. On behalf of JM Financial, I welcome you all to the 1Q FY27 Earnings Call of JSW Energy. For today's call, we have with us the leadership team of the company led by Shri Sharad Mahendra, sir, Joint MD and CEO; Mr. Chandrasekaran

Prabhakaran, sir, CFO; and Mr. Bikash Chowdhury sir, Head Investor Relations and ERM, along with the other team members.

Now, I will hand over the call to Sharad, sir, for his opening remarks, after which we will open the floor for Q&A session. Thank you so much, sir, for your kind presence and giving us the opportunity to host the call. Over to you, sir.

Sharad Mahendra:

Thank you, Sudhanshu. Good evening, everyone, and thank you for joining us today for JSW Energy's Q1 FY27 earnings call. I hope you and your families are keeping well.

We've started FY27 on an exceptionally strong note, and I'm delighted to share some key highlights.

Q1 FY27 has been a landmark quarter for JSW Energy. We delivered one of the largest single-quarter capacity additions in our history — and among the highest in the sector — adding 873 MW during the quarter, taking cumulative additions to about

1.1 GW - till date. Of this, all but 150 MW came through organic capacity addition. The 150 MW was driven by the early commissioning of Tidong Hydro, originally scheduled for October 2026, which contributed an incremental ₹20-22 Crore to EBITDA in Q1 itself and will allow us to capture the ongoing hydrology season. Acquired only in January 2026, this pace of commissioning is a testament to the integration capabilities our teams bring to every acquisition.

This momentum has carried firmly into Q2. In July till date, we have already added about 225 MW of organic renewable energy capacity, taking our total capacity additions since April 2026 till date to approximately 1.1 GW, as I said earlier. For further details, please refer to Slide 7 of our Results Presentation.

We remain firmly on track to deliver our FY27 annual target of 3 GW capacity addition and ₹20,000 crore capex — having already achieved close to 36% of the FY27 capacity guidance, and surpassed about 87% of the total capacity added in all of FY26. You may kindly refer Slide 21.

Another significant milestone in our journey was the deleveraging achieved through the successful execution of a ₹10,150 crore capital raise in the recent past — the largest growth capital raise in the Indian power sector. This was accomplished by a combination of strategies, reflecting strong market confidence in JSW Energy's growth story.

This comprised three components. First, a preferential allotment to promoters of ₹3,000 crore, of which ₹1,125 crore has already been received, with the balance to come in before June 2027. Second, a partial stake sale in JSW Steel, monetizing 2.5 crore shares out of our 7 crore share holding, worth ₹3,150 crore. And third, a QIP of ₹4,000 crore, anchored by marquee global and domestic institutional investors.

Together, this gives us an ample liquidity cushion of about ₹12,880 crore in cash balances, comfortably funding the equity portion of our estimated ₹20,000 crore FY27 capex and 2030 growth plans, with headroom for further growth.

Our balance sheet discipline continues to strengthen, with net operating leverage on a trailing-twelve-month basis improving to 4.95x, from approximately 5.2x in FY26, even as we scale up our growth investments. By year 2030, we are committed to have our net leverage below 5 times.

Further, I am also 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 16-17 million tonnes of CO₂ emissions in the fiscal 2026 and about 4.5 million tonnes in Q1FY27, based on the prevailing Indian grid emission factor.

Now, before I get into our detailed quarter 1 performance, let me share a few sector observations.

India's power sector delivered a strong start to FY27, with Q1 demand growing 8.5% year-on-year — a sharp turnaround from the muted 0.9% growth in FY26. This strength was broad-based, driven primarily by prolonged heatwaves, delayed monsoon progression, and higher cooling-appliance usage, pushing up residential and commercial consumption. The momentum has carried into July as well, with the month-till-date demand growth being robust at about 12%.

Peak power demand touched 271 GW in May, already surpassing FY26's full-year peak of 245 GW. On July 16th, we saw another peak of 270 GW, and demand is expected to touch 300 GW in the near term.

We view this as early validation of the medium-term structural story we have consistently articulated: India's industrialisation, urbanisation, and rising per capita consumption underpin a clear 5–6% long-term CAGR in power demand.

Additionally, the ongoing crisis in West Asia underscores the strategic importance of India's energy self-sufficiency agenda under Atmanirbhar Bharat — further strengthening the case for accelerated electrification and sustained long-term demand growth. India's growing global economic stature — contributing approximately 8% of world GDP on a PPP-adjusted basis — coupled with its continued high GDP growth outlook, should support sustained power demand growth.

On the merchant market, this improving demand backdrop is now clearly visible. DAM prices, which averaged around ₹3.86 per unit through FY26 on muted demand, have firmed meaningfully in Q1 FY27 — rising to ₹5.10 per unit from about ₹4.40 in Q1 FY26, a nearly 16% YoY increase.

Against this improving landscape, let me take you through our performance for the quarter.

With the sizeable capacity that we added, our total installed capacity now stands at about 14.6 GW, with renewables constituting around 61%, complemented by 5.7 GW of thermal capacity providing reliable, dispatchable baseload. This balanced mix remains central to our strategy — participating meaningfully in India's clean energy transition while ensuring grid reliability through firm, contracted thermal capacity.

On the inorganic front, we continue to evaluate selective, value-accretive acquisition opportunities that complement our strategic priorities and strengthen our growth platform.

Accordingly, we signed a definitive agreement to acquire Maruti Clean Coal & Power Limited, which operates a 300 MW thermal plant in Chhattisgarh. The plant has a long-term PPA of 195 MW (net) with Rajasthan discoms, with a residual PPA life of 14 years. In addition, the plant provides 5% power at variable cost to the Chhattisgarh discom, while the balance ~64 MW capacity is sold in the merchant market. Coal is secured through a long-term Fuel Supply Agreement with SECL, and linkage under the SHAKTI scheme.

Further, on our organic thermal growth — please refer to slide 22 — our first Salboni plant has received all key clearances, 100% of land has been acquired, equipment orders are placed, and site work is now in full swing. On the KSK brownfield expansion — land, water, rail, transmission infrastructure, and environmental clearances are already in place.

On vertical integration — a priority we've spoken about consistently. On the thermal side, we increased our stake in Toshiba JSW Power Systems JV to 10.7% from 2.4% earlier — this is aimed at de-risking our equipment supply chain and building thermal capacity at one of the lowest capital costs in the industry. Combined with our ongoing acquisition of GE's boiler business, which we look to complete this quarter, we have now fully de-risked our thermal growth ambitions — giving us full control over our build-out, for both our current projects and future opportunities.

On the wind side, we commissioned our wind blade manufacturing facility at Halol, Gujarat on June 8th — with an annual capacity of 450 blades, sufficient to support approximately 600 MW of wind installations per annum, strengthening backward integration in the segment and supporting a lower LCOE. The second facility, at Chitradurga, is expected to be commissioned by FY27, with work currently at an advanced stage.

On the 5 GWh battery plant which we have commissioned in Q4FY26, we have received our first large external order of about ₹ 440 crore. This engagement represents a step forward in the Company's strategic expansion in the energy storage segment, reinforcing our commitment to building capabilities across the energy value chain.

In summary, Q1 FY27 has reaffirmed the momentum we built through FY26. We are executing at pace, strengthening our balance sheet, deepening our vertical integration, and remaining firmly on track to deliver Strategy 3.0 within defined timelines.

Now, coming to operational performance for the quarter, net generation for Q1 FY27 declined marginally by 5% year-on-year to 12.9 billion units, primarily driven by lower generation at Mahanadi and our Hydro plants.

Our hydro portfolio grew in capacity with the addition of Tidong and Kutehr, year-on-year. However, overall portfolio generation declined by almost 26% YoY, owing to weak hydrology across the entire basin — national hydro generation was down 7% YoY, Sutlej basin was down 39% YoY, and Ravi basin was down 24% YoY. This comparison should be viewed in context: last year saw an early onset of monsoon, while this year the winter was longer in various Himachal basin areas and snowmelt began much later.

However, with the onset of monsoons, water flow has normalized, and generation in July till date has been excellent, with our Karcham, Baspa, and Kutehr plants operating at over 100%

PLF. We expect the plants to catch up and achieve design energy for the full year. Further, we also continue to receive the capacity charges for our plant availability.

On the thermal portfolio, Mahanadi generation was impacted by a one-off evacuation availability for about 17 days in the quarter, which is now fully normalized. The loss in MU's YoY was about 184 MUs, or 7% decline YoY. However, this will be categorized under the Force Majeure provision.

As a reminder, we had a healthy quarter of merchant sales in Utkal last year. This time, generation was broadly similar, but was sold under long-term contracts instead. Going forward, the Utkal plant is expected to generate higher EBITDA due to its stable operations and supply under the PPA with Karnataka and Assam.

Overall, our thermal generation declined by 6% year-on-year to 8 billion units.

Coal prices witnessed a year-on-year increase. Taking a specific index like API4 as a reference, it stood at \$90 in Q1 FY26 compared to \$113 in Q1 FY27 — an increase of about 25%. Our continued shift toward domestic coal has kept us resilient to this adverse fuel price movement. Further, our open capacity has reduced to under 4% currently, which render stability to our earnings.

On the RE portfolio, our Solar and Wind generation was up by 29% and 3% respectively, supported by increased capacity year on year of 1,168 MW.

Turning now to our financials for the quarter — figures many of you will already be familiar from the pre-call materials.

Revenue for the quarter remained flattish on a year-on-year basis, coming in at ₹5,437 crore. EBITDA mirrored this trend, growing marginally by 2% year-on-year to reach ₹3,103 crore.

Our YoY capacity addition was 1,558 MW — with fresh assets continuing to be capitalised onto the balance sheet, both depreciation and interest expenses have moved up in step. On a year-on-year basis, depreciation increased 20% YoY in Q1 to ₹890 crore, while interest costs climbed roughly 16% YoY to ₹1,519 crore — movements that align with the pace of capacity we're adding.

Coming to the bottom line, Profit After Tax stood at ₹533 crore, declining year-on-year on account of the higher capitalisation impact as new assets are commissioned. Correspondingly, PAT attributable to shareholders was also down, at ₹471 crore. As many of you are aware, we've already issued notice to exercise our call option on the remaining 26% stake in KSK Mahanadi — once this transaction closes, the minority outflow should shrink substantially.

Turning to leverage — stripping out debt tied to Capital Work-in-Progress, our Net Debt to TTM EBITDA ratio stands at roughly 4.95x, comfortably within our financial guardrails and, as noted

earlier, a substantial improvement from the 5.2 times we reported in FY26. On the liquidity front, we remain well-placed, holding cash and cash equivalents of approximately ₹12,880 crore.

Additionally, our cash return on net worth — after adjusting for our JSW Steel shareholding — continues to be healthy, about 14%- it has reduced YoY primarily because of Networth increase due to recent fundraises.

Overall, as I said in my opening statement, this has been a strong quarter — fully in line with our plans, with sharp focus on organic capacity addition and balance sheet deleveraging, both of which we've delivered decisively, and that momentum is carrying firmly into Q2.

And, That concludes my opening remarks. Happy to take any questions. Thank you.

Moderator: Thank you very much. We will now begin the question and answer session. First question is from Sumit Kishore from Axis Capital.

Sumit Kishore: First, a question on the macro situation in relation to thermal. We have been seeing that between 12 to 1 p.m., several thermal power plants in the country are likely operating below technical minimum. What has been your experience for your thermal fleet? And how do you see this situation progressing in coming times?

Sharad Mahendra: Right. Yes, Sumit, thank you. Very correct because this is a peak time when the solar generation is at its peak. But just to tell you that for us, barring, of course, the load factor reduces. But what we have gone -- what our experience during the entire quarter has been that because of the attractive tariffs at Mahanadi, our backdowns or reductions have been the minimum because of the merit order.

And the minimum load that we have seen in the case of Utkal has not gone below 60%; this has been the case in most cases. But overall, on a round-the-clock basis, if you talk for the month of July when the power demand has grown almost 12% till date, we have been operating at almost more than 85% PLF and more than 90% availability.

So we have not experienced anything in terms of the technical minimum load. In other plants, we don't need, but we are building the capability to even operate at maybe below 50% also, which we have already done in our Ratnagiri and Vijayanagar plants.

C. Prabhakaran: Sumit, just to add that we continue to recover our fixed costs in these kinds of backdowns. We are not kind of impacted. And we also have the flexibility to kind of sell that in the merchant market, in case that happens.

Sumit Kishore: Sure. My second question on the thermal space is you have introduced 600 MW Mahanadi under construction projects now. And combined with Salboni Phase 1, how is the ramp-up on BTG sourcing for these projects progressing, particularly your arrangement with GE for the acquisition that you had made? How is that shaping up?

So what is your nameplate capacity in terms of internal manufacturing for boilers, turbines and generators today? And given you are looking to commission 600 MW Mahanadi by FY28, how is that going to pan out in terms of equipment sourcing?

Sharad Mahendra:

Right. Sumit, I'll answer to both Mahanadi as well as the Salboni, what you have asked. See, in case of Mahanadi, we have been saying, maybe since the first call after acquiring this asset last year, that the fourth unit of 600 MW, almost 30% - 40% of the work was already completed.

And balance of plant already ready when we talk, of course, coal handling plant or ash handling or railway or transmission network, everything is already in place. This unit is getting completed through the same suppliers who had supplied the material earlier because part material also of turbine and other things is available with us for the fourth unit.

So we have placed the orders, and the material is under dispatch and all. So we will be, as we have said, in FY28, the commissioning of the next fourth unit. We are on track for that, and it will be through the Chinese suppliers only.

For another 2 units, we are in discussions, and we will be making the announcement at the right time very soon that what is our strategy for fifth and sixth unit to make it from 1.8 to 3.6 GW.

Now, coming to Salboni, as we have announced earlier also, maybe 2 x 800 Phase 1, with the turbine generator order has already been placed to TJPS, Toshiba JSW Power Systems, and the work has already started, the suppliers deliveries and commissioning are in line with the PPA timelines

Regarding the boiler, that is the GE facility of Durgapur, which we are in the process of acquisition, maybe by end of this quarter, it is expected that it will be there. That has a nameplate capacity as of now, as is where is basis is 1.1 GW, means if we say 800 MW boiler, it can make 1.3 boilers in a year.

But with some de-bottlenecking and some minor investment, what we have already planned, this will go to 2 x 800, means 1.6 GW capacity because the TJPS, Toshiba JSW plant in Chennai is already having a capacity of 2 x 800. So these 2 will be benchmarked together, and this will be there. So this is the strategy. But we are totally de-risked in terms of the supply chain of boiler, turbine, generators for all our 800 MW expansion plants.

Sumit Kishore:

Okay. Just one last question on your external order for 200 MW/400 MWh battery assembly facility. So what has the battery assembly facility scaled up to? And what does this external contract mean in terms of margins? And what value it will add in JSW Energy?

Sharad Mahendra:

Yes. Just to tell you the readiness of the plant, we have already completed the trials. We have already supplied, maybe not a big quantity, but at least some orders we have supplied also to the third party. And plant is fully ready to start producing and meet the schedules, supplies as per the schedule, which has been agreed by the buyer.

And regarding the financial, I'll request Prabhakaran. He will just let you know on the margins.

- C. Prabhakaran:** So I think here, in terms of the margin in dollar terms, it's in the range of about \$2.75 to \$3. If you look at the overall capacity running, it will be about \$15 million in a year. So that's how we are saying you can get about close to ₹ 150-odd crores of EBITDA from this project.
- Moderator:** The next question is from Apoorva Bahadur from IIFL Capital.
- Apoorva Bahadur:** On this, the expansion for fourth unit, you mentioned that you have placed the order for remaining equipment from Chinese suppliers. Will there be any restriction on us in terms of tying this up with the state utility or do we plan to use it in the merchant or captive market?
- Sharad Mahendra:** No, see, the thing is that those are only the guardrails. There is no such regulation in this, and a lot of states are looking for , one thing which has to be important, there are more than one state who are interested.
- Keeping in mind now that with so much of solar and this question was asked in the very beginning that maybe the technical minimum coming down, so some of the buyers are preferring 600 MW and lower capacity tie-up because even if they have to do the back down, it is comfortably at 50%.
- We are seeing a lot of interest, especially with the way international coal prices are moving and the way the currency direction is going, a lot of imported coal-based power buying is there, and they are looking to replace it with domestic coal. So, we are confident that this will happen.
- And in this case, because we have got the permission also from the authorities for this partial import to complete the asset, this fourth unit, so we don't see that as a challenge, and there is a lot of interest we are seeing in terms of signing PPA.
- But to remember, even if it is merchant, with next to the mine and the coal cost being so low, the cost at which we will be completing this project, another 600 MW, will be significantly lower than the benchmark per MW cost of capacity addition, I think this will remain attractive in both the ways, whether it is merchant or whether it is in long-term PPA. So we will take a call. But PPA opportunities, we are absolutely confident will be happening.
- Apoorva Bahadur:** Sure, sir. Understood. Sir, secondly, on this BESS business return profile, I think sir highlighted that we'll intend to make around \$2.75 to \$3 per KWh of storage capacity. Do you see a glide path towards improving the value addition and the margins over here or this is something that you're looking like an exit margin from this business?
- C. Prabhakaran:** Yes. I think this is more from the assembly, whatever we are doing, and I think this is what we're looking at. We will keep exploring opportunities, especially since the government has also come up with a PLI kind of incentive for setting up cells and related facilities. We'll continue to evaluate that. But in terms of whatever we have invested, I think this is the kind of return profile that we will have.
- Sharad Mahendra:** Yes. And also to add what Prabhakaran just said in terms of the value addition, the opportunities which we have identified going forward is that of backward integration and maybe instead of importing the cells, maybe making the cells in India, for which we are in discussion with various technology partners.

And second is in terms of scaling up. Like today, it is a 5 MWh of container size, which is there. Going forward, we are building the capability even if -- when the product is available, the components are available instead from 5 to make it to 6,7 or 8 which becomes more cost efficient for us as well as to the buyer also.

Apoorva Bahadur: And sir, do we have a long-term partnership with the supplier from China for importing the cells?

Sharad Mahendra: Right now, no. Right now, no.

Apoorva Bahadur: The warranties for this BESS are typically in this industry are given by the OEM, right, the cell manufacturer?

Sharad Mahendra: Yes, yes.

Apoorva Bahadur: Sir, I would also like to touch upon the connectivity for our renewable capacity. I think very helpful, you have provided in the presentation about this 3 GW, so remaining 1.9 GW connectivity in FY27. Is all of it operational, first of all? And secondly, what's the update for FY28? Do we have the full connectivity capacity operational in '28 as well?

Sharad Mahendra: Yes. I'll come to that. As I said, till date, in the current year since April 1, we have commissioned 1.1 GW of fresh capacity. Just to tell you that out of this 1.1 GW, 300 MW right now is under TGNA, which is facing curtailment. This is getting converted as the new capacity is getting commissioned. And we are almost certain that before 31st August, this will get converted into GNA.

Once it gets converted into GNA, then there will be no curtailment. So, this 300 MW, which is currently under curtailment and one earlier project, which I have mentioned last time as well, the 400 MW O2 Power project in Rajasthan that we acquired, is also under TGNA. The connectivity for that project was expected to be ready by July-end and is now expected sometime in September or October. So we will be waiting for that till then. These 2 projects remain under TGNA.

Now, balance 1.9 GW, which we have to commission in this year, I just want to tell you that out of this 28% of the capacity of 1.9 GW, what we are doing, maybe more than 530 MW of balance 1.9 GW, which we have to execute, is our group captive, which is a mix of off grid also. Majority of the capacity is off-grid, which is we have a dedicated transmission line of ours, not connected to the grid, is insulated. So this 530 MW is totally insulated.

Another is that a significant part of what we are doing with utilities, there also we have the connectivity fully in place and operational, which is a mix of STU as well as the CTU. And also, the C&I projects that we are going to execute for our C&I customers during the current year.

So these are the 3 mixes. But whatever 1,900 MW we have to commission to reach the 3 GW guidance we have given, we are absolutely 100% secured from connectivity and which is all commissioned also.

Apoorva Bahadur: And for FY28?

- Sharad Mahendra:** And for FY28, we will definitely come back to you. We have, but yes, as I have been saying earlier also that the 2 areas we are in focus is for the year, maybe -- these 2 are the major driving factors based on which we'll be giving so that there is a surety of the numbers which are being achieved. But we will be definitely giving at the right time. Very soon, we will come back for FY28 also.
- Apoorva Bahadur:** Appreciate it, sir. If I may squeeze in just one more question on wind generation. PLFs appear to be a little bit weaker YoY. I think last year was exceptionally strong. Like hydro, are you also seeing them recover in July or they continue to trend lower?
- Sharad Mahendra:** Yes. We have seen a significant recovery. And normally, if you see, it is a very clearly established, there are patterns. When there are heavy rains, the temperature drops, normally, the wind speed is related, and it improves, which we have also seen.
- In July, if you see, as compared to previous month, the PLF is already higher by about 5% to 6%.
- Moderator:** The next question is from Satyadeep Jain from Ambit Capital.
- Satyadeep Jain:** Pump storage projects, you've given some details. I think first time I'm seeing some, actually the 2 projects specified. Just maybe if you can, you've shared some details on readiness, but maybe if you can elaborate on what is the capex you're expecting? And what is the level of confidence in achieving this commissioning that you mentioned?
- Sharad Mahendra:** Yes. See, as I told you that there are 2 PPA, which we have signed. One is the Bhavali project in Maharashtra with MSEDCL of 1,500 MW. And another is in UP, Kandhaura, of 1,680 MW, out of which 1,500 MW PPA has been signed with the state of UP.
- Regarding the readiness, in Bhavali, we are fully ready in terms of whether it is the environment clearance, which we have received. The land acquisition, majorly it has been done. Some part is left, but that is not in the core project area. So that is not going to have any impact. That will carry on parallelly.
- And then the third is the forest Stage 1 clearance has already been received. So we are at a very advanced stage. The ordering has already been placed, like for entire civil work, the order has been placed to L&T.
- For electromechanical, the order has been placed to Voith, so we are fully ready in terms of, and already the mobilization, the construction power also has already been awarded, and the connectivity has already been done, which you can see also in the slide.
- So we are ready with that in terms of execution and meeting the time lines we don't see as a challenge and especially with our experience and expertise of executing greenfield hydro projects in very tough terrains of Himalayas in Himachal Pradesh, here, the quality of rock, the ease of executing the project comparatively is much easier as compared to that.
- I'll not say easy, but definitely, the difficulty levels are much lesser. The tunneling part is very, very less as compared to what it is there in Himalayas in the projects. So we are absolutely confident of meeting the timelines in terms of the PPA timelines. Of course, if there is any delay

in terms of the availability of power evacuation by the state, then only it can be, but we don't see that as a challenge also.

So Bhavali, we are absolutely certain. Kandhaura, as I told you, that we have already secured the ESC recommendation for EC from Ministry of Environment and Forest and application for the forest clearance has already been submitted and connectivity application also has been submitted to the UP authorities.

So civil work and construction award process is on, and we expect all the readiness by maybe in the last quarter of the current fiscal, the readiness to start the execution work at this site also and to be within the time lines.

Regarding the capex, we will come back. But as I said to you that rather than maybe we are not particularly for a project, maybe giving a capex is not the thing, But I can tell you that this offers very, very high returns. In terms of when we say benchmark returns of mid-teen IRRs, here, I can say it will be significantly high-teen IRRs, we can say, is what we are absolutely confident with the tariff and the cost at which the most of the ordering has already happened.

Satyadeep Jain: Is it safe to assume maybe ₹ 5 crores per MW or something any benchmark?

Sharad Mahendra: Not very far from this number, you can say that. Not very far from this number.

Satyadeep Jain: And the thermal capex you mentioned for Mahanadi for the coming expansion. Can you maybe indicate what kind of capex we can look at for the 600 MW and the remaining capacity

Sharad Mahendra: See, I can tell you at what we execute the greenfield project we are doing at Salboni also, for which we have placed the order. Boiler, we are going to do ourselves. Civil part order, we have already placed. The work has started. We know we have a fair idea of the completing a greenfield project there. As compared to that, Mahanadi, when we will be completing, I can say definitely that we will be at least 25% to 30% lower while doubling the capacity from 1,800 MW to 3,600 MW.

Satyadeep Jain: Okay. Just lastly on TGNA, what was the curtailment, if you can mention, in this quarter for overall for these 2 projects

Sharad Mahendra: See, wind plus solar put together, we had a curtailment of 69 MU during the quarter. But as I told you, this has to be divided into 2. There were curtailments under the GNA projects also, for which the power was being supplied under the PPA.

There, it is being treated as deemed as a plant availability, and we are getting the tariff against this supply, even if there is a backdown because my buyer has scheduled in the exchange to draw the power. My plant is available, even if I'm being asked by the load center not to put the power, my buyer is getting the power, and I'm getting my money for this power under the GNA.

Yes, Prabhakaran, you can add.

C. Prabhakaran: Yes. I think in terms of the overall revenue, it's not material. It's about ₹ 15 crores this quarter for us.

- Moderator:** The next question is from Nikhil Nigania from Bernstein.
- Nikhil Nigania:** It's in continuation on the earlier question on pump storage projects. I wanted to understand if there is any update on the Karnataka tender, where the tariffs look even more attractive than the ones you have in the other 2 projects?
- Sharad Mahendra:** Yes. Karnataka also we have, for which we have got the letter, some local clearances and all which are at an advanced stage, which are under discussion. And we expect that also soon to be sorted and the PPA will be signed, for which we have already received the letter. That relates to the Narihalla project in Karnataka, yes.
- Nikhil Nigania:** Okay. Understood. And any reason we did not participate in the recent SECI tender, where again, tariff discovered was very attractive for pump storage projects where only 3 bidders had come?
- Sharad Mahendra:** See, in this in this tender, the condition was that there has to be forest clearance, stage 1, in place, those only can apply. That was the case. So we were not having any other site ready with forest clearance stage 1 clearance. So we had decided not to participate. But just to give you an update that we are now ready with another site of almost close to about 9 GWh and which as and when any opportunity comes, we'll be participating in that. But we have not participated because we are not ready with forest Stage 1 clearance, which was a pre-condition.
- Nikhil Nigania:** Got it. Makes sense. And one last question I had. Any plans to set up Merchant battery storage plant?
- Sharad Mahendra:** Can you repeat, please?
- Nikhil Nigania:** Does JSW Energy have any plans to set up Merchant battery energy storage plants?
- Sharad Mahendra:** See, right now, no. But yes, we are exploring keeping in mind the gaps and the requirements which are coming up because the thermal capacity, which is going to take care of the evening peak is still a few years away and the way demand growth is there. So, there is an opportunity because this also is a place where the solar plant exists, and the solar radiation is good, and the connectivity is available. The same connectivity can be used post solar hours. So connectivity is not a challenge.
- And solar capacity to charge the battery can be built at a very attractive cost because only DC side is to be done. So that reduces the solar capacity charges capex significantly. So those are the things we are exploring. And at the right time, we will be definitely exploring when it makes sense that our benchmark returns are protected, we'll definitely be looking into this to take care of evening peak advantage.
- Moderator:** The next question is from Dhruv Muchhal from HDFC Asset Management.
- Dhruv Muchhal:** Sir, the PLF across your thermal plants this quarter are lower, say, for example, YoY. This is despite a very strong demand season. For example, Ratnagiri is lower, Vijayanagar is lower. Rajasthan is also lower, but anyways it does not matter much. Utkal is almost equal despite a long-term PPA.

I thought you have a long-term PPA, you have better schedule, and hence, you can sell more in the short term. So the PLF could have been higher. KSK, I understand there was issues. So I mean, is this because of the solar thing, which is causing all this, and we are not looking at it rightly? I'm just trying to understand what caused this. The demand was very strong?

Sharad Mahendra:

Yes, I'll come to plant-wise, not really because of the solar power and the backdowns which are there. I'll start with Utkal. Utkal, there was a shutdown which was planned, which was important for us to take to ensure the annual availability of the plant, which is critical after the signing of the power purchase agreement. So there was a large portion of this in quarter 1, wherein the unit was not available, 1 unit. So that was the reason of lower PLF in Utkal. So this was one.

And now, if we see that in the month of June, the availability and the PLFs have significantly improved. And in the month of July, the availability is in excess of 91% in case of Utkal. So we are not facing, as I told in the beginning only when someone asked about the PLF. Our PLFs, even during the peak solar hour in case of Utkal, it has not gone below 58% to 60%. It is almost 60% of the PLF we have been operating. So those are not the reasons.

It was that we had taken the shutdown to improve the reliability and the performance because we were foreseeing the demand, given the way May had started and how demand was shaping up in May and June, we decided to take that because July also when we are seeing the power demand growth at maybe 12% in July. So we have deliberately did that. And now, the plant is back on track.

Coming to Ratnagiri, Ratnagiri, the PLF has been down for the reasons that one is that with no impact on our financials, the reason is that this is again a 2-part tariff where we have to ensure the availability for our group captive -- large capacities under group captive, which we are doing, and one unit is with MSEDCL. So there also, it was again a plant shutdown to ensure the annual availability we have to ensure we achieve of 80% so that's my fixed cost. So this is not without any impact.

And also, in the month of June, there was a reduced demand, extreme weather conditions also when the rains started when we saw that in Maharashtra. So that is all by design. As I told, MSEDCL, this Mahanadi, you are aware yourself that what happened, which we have recovered. Now, the availability has been 100% in July.

Dhruv Muchhal:

Got it. And sir, even on the solar PLF, if I look at your slide, the number is about 21%. Last year was also 21%. Given the AC/DC that you typically do, and also this time, probably the weather was also relatively favorable. I'm just wondering -- I mean, is this because of curtailment that the number is low or I mean, I thought it should trend towards somewhere, I don't know, 24%-25%.

Sharad Mahendra:

Yes. See, the thing is if you see the trend also in the country, normally, the second half of the year for solar is always better post monsoon. Also, of course, as I told that 400 MW capacity, where we have been facing curtailment. All those things normalize, then it is coming 21%. But, otherwise, PLFs have been much higher as compared to this is after the impact of the curtailment also.

- Dhruv Muchhal:** Because if I look at your YoY generation capacity, renewable capacity growth, it's about 20%, 5.7 GW going to 6.8 GW with the generation -- RE generation growth is about 11%. And typically, the newer projects are coming even better PLF, I'm assuming. So of course, there could be some scheduling issue.
- Some projects have happened at the end of the quarter, but the number seems very different. So I was wondering, is there some maintenance-related loss or something else which is causing? So even if I had 69 MU of curtailment, the number is only 13% growth YoY?
- Sharad Mahendra:** Right. Yes, I'll come to that. If you see the generation for us in solar generation in general is the PLF, what we are seeing in Quarter 1, about 22%, Quarter 2, but Quarter 3, as I said, 26% and Quarter 4, 28%. This is the annualized 25% breakup QoQ, which you can see the past data also, you will see the similar trend. So rather than going for a short-term Quarter 1 PLF, I think we have to wait for some longer time and wait for second half is significantly higher.
- C. Prabhakaran:** Also just to add that some capacity we've added very recently, which is also stabilizing, which is bringing it slightly lower from the average perspective. I just wanted to add.
- Moderator:** The next question is from Rajesh Majumdar from 360 ONE Capital.
- Rajesh Majumdar:** So sir, I was wondering on this Maruti Clean and Power, what is the logic of acquiring a subcritical capacity like this, except for the fact that the project is cheap. What are the long-term plans on this, if any? And how does it fit into our overall scheme of things?
- Sharad Mahendra:** See, yes, basically, the objective is, again, as I told you, the opportunity to improve upon on and to take advantage of the running asset. See, once the asset is ready, it is close to the coal mine. The opportunity of the upside of a small capacity, 60-odd MW capacity, which is open also either to go for a PPA or to take advantage of the merchant taking care of the evening, this thing.
- So it is overall, when we say the cost of acquisition, the opportunities lying, the tariffs which we are recognizing, it's a mix of many things. In addition to that, the team has done the technical due diligence.
- And after that, there is an option of utilizing part of the existing plant's resources and investing and maybe doubling the capacity or even more in the same plant, which is very, very close to the coal mines is also an opportunity to take advantage of. So it's a mix of a few factors, which makes this asset extremely attractive for us.
- Rajesh Majumdar:** So we may see brownfield announcements on this in the future is what you're trying to say?
- Sharad Mahendra:** Yes, yes, there is an opportunity. And, it is a very, very value-accretive EV/EBITDA, if you see, at what multiple I'm acquiring this and what is prevailing in the industry as a norm. So all those factors also were considered. This is a very attractive acquisition, the price at which we have acquired. We are in the process.
- Rajesh Majumdar:** Okay. And sir, my other question is on the debt. So if you look at first of all, what is the gross debt figure as of June 30? You've given the net debt figure, it is about ₹ 55,000 Cr. What is the gross debt figure?

- C. Prabhakaran:** Yes, it's about ₹ 74,000 crores is the gross debt. And we have about close to ₹ 12,900 crores of cash, yes.
- Rajesh Majumdar:** ₹ 74,000 crores and ₹ 12,900 crores in investment. So net debt is ₹ 55,000 crores.
- C. Prabhakaran:** Yes.
- Rajesh Majumdar:** And is there any balance of the cash raised during the quarter left to come in, in terms of the June '30 number or it's already been factored in the entire, whatever, ₹ 10,150 crores
- Sharad Mahendra:** Both the QIP and the JSW Steel liquidation, which we did, I think those are already in. We have about close to ₹ 1,900 crores of the preferential capital from the promoters that can come in because that can come in within 18 months what we did. So that can come in any time.
- C. Prabhakaran:** That is the last date. End date is June '27 if the requirement is earlier, but this is there. That is yet to come, ₹ 1,875 crores.
- Rajesh Majumdar:** Right. And if we look at it, you talked about ₹ 20,000 crores capex for the year. So essentially, that means we are looking at the gross debt increasing by another ₹ 6,000 crores to ₹ 7,000 crores. Is that the right assumption?
- Sharad Mahendra:** No, I think how we look at it is that, see, for example, we have already done about this ₹ 7,000 crores of fundraise, and we'll have an operating cash flow also coming in, so which can give us close to, put together, about ₹ 12,000-₹ 12,500 crores odd numbers. The balance is what we can kind of look at the balance required between whatever ₹ 20,000 crores minus ₹ 12,500 crores is what the incremental this one could be.
- Rajesh Majumdar:** And next year also, we plan to add about 3 GW or similar?
- Sharad Mahendra:** Yes, it will be in the same range. It will be in this range only.
- Moderator:** The next question is from Atul Tiwari from JPMorgan.
- Atul Tiwari:** So my question is on the profitability at the PBT or PAT level, which has been quite suppressed over the past few quarters, obviously because of increase in depreciation and finance costs. And obviously, in your portfolio mix, there are a number of projects which are very mature now, right, operating for many years on thermal side.
- So my question is, will this situation persist over the next few quarters or are we likely to see improvement in the profitability at the PBT or PAT level? Because your ROEs have been suppressed quite a bit after factoring depreciation.
- Sharad Mahendra:** I think there are two things here. So one is like if you look at the capacity additions that we have been doing, these are mostly in the RE sector, right? Now, last year, we did about close to 2.3 GW, this year, we have said 3 GW.
- Now, the assets we started developing 2–3 years ago are the ones that are getting commissioned today. Initially, the interest cost charged to the P&L is relatively higher because there is a

moratorium during the construction period. Once commissioning starts, the interest expense recognized in the P&L remains higher in the initial years.

However, as the asset stabilizes over a period of about 4–5 years, we see a better translation of EBITDA into PBT and PAT. This is generally how the economics of such projects work across the industry as well.

Moderator: The next question is from Dishant Jain from Quasar Capital.

Dishant Jain: So just a very basic question. Since and correct me if I'm wrong, but I heard that we continue to receive the fixed charges even if we have the lower PLF on the thermal side. So when do we account it? And when do we actually receive the fixed charges from the customers?

Sharad Mahendra: If you look at Mahanadi, the plant availability entitlement is considered over the entire year and is around 85%. Once the required availability level is achieved, the corresponding income can be recognized. However, while the revenue is recognized in the current period, the actual cash collection is expected over the next two to three quarters

Dishant Jain: So collection you will receive in the next 2 to 3 Quarters. And when do you account it, sir?

Sharad Mahendra: The accounting happens now in this quarter. For example, in this case, when we said to the extent of whatever because we are kind of saying that 85% of the minimum availability will anyway reach. And to the extent of the fixed charges, we are eligible to get, that is only accounted in this Quarter.

Moderator: That was the last question. I would now like to hand the conference back to the management team for closing comments.

Sharad Mahendra: Yes. Thank you all of you. Thank you very much and for being with us today and having the interaction. And also, in case there are any further questions that come up, or if you feel any of your questions have not been answered and would like to know more, please connect with our IR team, and we will be happy to take those and respond to them. Thank you very much.

C. Prabhakaran: Good day. Thank you.

Sharad Mahendra: Thank you.

Moderator: Thank you very much. On behalf of JM Financial Institutional Securities, that concludes the conference. Thank you for joining us. Ladies and gentlemen, you may now disconnect your lines.