



November 5, 2024

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Dear Sir/Madam,

### **Earnings Call Transcripts**

Pursuant to Regulation 46(2)(oa) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the transcript of the audio call recording of the Company's Analyst Call held on October 30, 2024, on the Audited Standalone Financial Results and Unaudited Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2024 is attached herewith.

The transcript of recording can also be accessed on the Company's website using the following link:  
[Quarterly & Annual Financial Reports - Tata Power Investor Resource Center](#)

This is for your information and records.

Yours Sincerely,  
For **The Tata Power Company Limited**

**Vispi S. Patel**  
Company Secretary  
FCS 7021

**TATA POWER**

**The Tata Power Company Limited**

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“The Tata Power Company Limited  
Q2 FY25 Earnings Conference Call”

**October 30, 2024**



**MANAGEMENT: DR. PRAVEER SINHA – CEO & MANAGING DIRECTOR,  
THE TATA POWER COMPANY LIMITED  
MR. SANJEEV CHURIWALA – CHIEF FINANCIAL  
OFFICER, THE TATA POWER COMPANY LIMITED  
MR. KASTURI SOUNDARARAJAN – INVESTOR  
RELATIONS, THE TATA POWER COMPANY LIMITED  
MR. RAJESH LACHHANI – INVESTOR RELATIONS, THE  
TATA POWER COMPANY LIMITED**



*The Tata Power Company Limited  
October 30, 2024*

**Moderator:** Ladies and gentlemen, good day, and welcome to The Tata Power Q2 FY25 Earnings Conference Call.

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 “\*” and then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Dr. Praveer Sinha – MD and CEO of The Tata Power Company Limited. Thank you and over to you sir.

**Dr. Praveer Sinha:** Thank you, Rayo, and good evening to everyone and thanks for joining for the call. On behalf of Tata Power and on my personal behalf, I would like to extend my best wishes to all of you for a very Happy and Safe Diwali.

I have over here my colleague, Sanjeev Churiwala – CFO along with Mr. Kasturi and Rajesh from Investor Relations. We have already shared the Presentation with you, but just wanted to take you through few important issues.

First is the last quarter we saw abnormal monsoon and which extended not only right through the quarter but also extended in October and due to which, the consumption of power was very muted. We of course expect that because of the impact of the long monsoon, the winter will be little severe and there will be an extra demand of power during winter months. Section 11 has been extended due to this reason because there is an expectation that many of the plants, especially coal based plants, will be under maintenance during this period when the demand is less. Also, many of the hydro plants will not be in a position to generate during winter months and hence the demand of power from the operating coal plants will continue to be there.

We have already shared with you that this quarter our PAT before exceptional items was up by 51% to Rs. 1533 crores and EBITDA was up 23% to Rs. 3800 crores. Similarly in the first half of this year the EBITDA has jumped by 17% to reach Rs. 7158 crores and PAT is also up by 41% to Rs. 2721 crores.

Some of the important things that have happened in this quarter, one is that our 4.3 gigawatt manufacturing plant for cell and module are operating. Our module plant is operating at full capacity at 4.3 gigawatt. Our cell plant, the first 2 gigawatt of cell has already started production and is now getting stabilized and will be fully stabilized by end of November. The second 2 gigawatt also is going to get commissioned in November and hopefully by end December they should be stabilized and producing at full capacity. So you will see massive improvement in the performance of the manufacturing plant from next quarter onwards. You would also be happy to note that this plant is showing very good initial signs in terms of productivity and yield for

the module plant. As also in the cell plant where we find that the efficiency of the cells being produced is possibly the highest in the country at this stage and with much better yield. We would also take the opportunity to invite you to visit the plant and we will coordinate your visit to the site in November or December so that you can see for yourself the way the plant is operating and how state-of-the-art that facility has been created.

We continue to do well in our large utility scale projects as well as first party EPC and you will see large quantity of these projects getting implemented in Quarter 3 and Quarter 4. In fact, there is a very large quantity expected to be commissioned before March this year, especially most of the third party projects will get commissioned before that. You will also see that our work in rooftop solar has really picked up pace. We are not only one of the biggest in the country, but our penetration in various states have increased tremendously. We have huge traction in terms of order and execution of these rooftop projects in many states. And we have committed that we will be doing 10 lakh of rooftop in Odisha. Similarly, 10 lakh rooftop in UP and 10 lakh rooftop in Rajasthan apart from many other states where we are working very closely especially in Kerala and Chhattisgarh and few of the other states also to see that our penetration of rooftop increases in line with the PM Surya Ghar program and many of the initiatives that we have taken to increase our channel partner will start showing results in the third and fourth quarter.

Our transmission and distribution businesses continue to do well. Four of our projects in transmission are under implementation. Two of them will get commissioned in FY25 and the balance too in FY26. Similarly, we have recently won another big project, 765kV transmission line in Odisha from Paradeep to Angul. That will also start work in next few months and we expect to take many more new transmission projects which are coming in different parts of the country in the next few quarters.

Our business in pumped hydro where we had earlier shared with you last year we had taken you to the site is also picking up pace. The first 1000 megawatt, our board has approved the proposal today and we will start the work over there from 1<sup>st</sup> January 25. The project has received all the necessary approvals accepting one approval which we expect within November, December and some of the activities have already started, the construction activity and full-fledged work will start from January. Similarly, the 600 megawatt of Bhutan project which we have signed the shareholder agreement and we will be starting work from January of 2025. In fact, already the diversion tunnel work has started at site and we do expect that it will pick up lot of pace once all the documentation and the financial closure is achieved within November-December.

We are also working on our 1800 megawatt pumped hydro project at Shirawta and hopefully by mid of next year, the work should start once all the necessary approvals are in place. Our Odisha Discom continues to do well. Of course it had been badly impacted during the monsoon months and then we had the cyclone also last week, but they have been able to very quickly restore work and restored the network which was appreciated by the people as well as the government. And I

think the way the whole business has been structured, we will possibly be able to replicate this sort of an arrangement in many other states which are in discussion with us about distribution opportunities.

Our rating because of all the initiatives that we have taken has improved tremendously. Both ICRA and CARE have enhanced our rating as also S&P Global which has upgraded the rating to BBB negative from BB positive which is actually sovereign rating and we do expect that the way the company has been able to take care of its balance sheet. It will improve further by one notch or two notch in the coming quarters. I do believe that the way the company is today structured and focused on various businesses including new businesses like EV and rooftop and the businesses in our renewable space and clean energy space, we will be able to give unique solutions to customers of providing them 100% renewable power and the company has developed many solutions for that. And this will not only be for the RTC and FDRE projects for Discoms, but also for many of our commercial and industrial customers with whom we are working very closely to provide them 100% clean energy solution. So I strongly believe that The Tata Power Company Limited will continue to do exceedingly well in the future quarters based on the strong fundamentals and foundation it has laid for itself and do look forward for your support in this direction.

I would now request Rayo to open the floor for questions and answers and would be happy to respond to.

**Moderator:** Thank you very much. We will now begin the question and answer session. First question is from Mohit Kumar from ICICI Securities. Please go ahead.

**Mohit Kumar:** My first question is The Tata Power Company Limited solar system manufacturing capacity. So how are you thinking about this capacity? Is there any plan to expand the capacity or integrate backward? That's the first question. And the related question is how long do you think it will take to stabilize your cell line?

**Dr. Praveer Sinha:** So as I mentioned to you, we are in the process of stabilizing our cell line. And the task before us is how quickly we can stabilize, how do we improve the yield, how do we improve the efficiency. So this is a big task in our hand. We want to make it the best in terms of all operational parameters and financial parameters in the country and we are right now focused on completing these activities before we decide on any new steps in future.

**Mohit Kumar:** Understood sir. It's good to see sir that pumped storage project is taking off the ground, but my question was a large, bid was conducted in Maharashtra in recent past. It seems that we didn't participate in the tender. So how are you thinking about tying up this Pumped Storage Power Plant, which we are undertaking?

**Dr. Praveer Sinha:** So our objective is that we will bundle this from storage power where we will be producing nearly 8 hours of peaking power along with solar and wind to not only Discoms under the FDRE and RTC project, but also to many of our industrial and commercial consumers who are looking for clean energy solutions. And I think we will play a very, very critical role in supporting many industries in the country who are looking at clean energy as their input for the activities that they carry out. So we have huge number of inquiry for all these type of projects and we will soon be tying up with many of them.

**Mohit Kumar:** My last question on this is solar order book. The accretion in solar order book has been on the lower side. We are at 150 billion or Rs. 15,000 crores. Is it the opportunity which is low or it is competitive intensity which has gone up in recent times especially for third party solar order?

**Dr. Praveer Sinha:** So there are two parts of this. One is that we have a large order book of third party, which we are trying to complete within this financial year. And you will see that March, a major quantity of our third party order book we will complete. The second is our own more than five gigawatt of renewable projects are there, which are under various stages of implementation. We want to complete those also so that in FY26, all these projects are completed. And then we build up a pipeline of projects for FY27 onwards. So that's what is our plan. We decided that we will only go for complex projects that is hybrid solar and wind or hybrid projects and storage projects of solar wind and pump storage or battery storage. So we have been very calibrated in the way that we have been bidding and we will continue to focus on those type of projects which bring greater value to the consumers.

**Moderator:** Thank you. Next question is from Sumit Kishore from Axis Capital. Please go ahead.

**Sumit Kishore:** My first question is, what would be the phase out of the RE capacity addition for under construction projects on your books in FY25 and FY26?

**Dr. Praveer Sinha:** So our phase out, we have already given that how much capacity we will be adding in FY25 and what capacity will come in FY26. All the so called nearly 5 gigawatt of under construction projects will get completed by FY26. That is our plan on which we are working. And this also shared with you in our presentation.

**Sumit Kishore:** So you had mentioned 2 gigawatt to be commissioned in FY25 on the previous call. Is that on flag?

**Dr. Praveer Sinha:** We had said that our yearly run rate will be about 2 to 2.5 gigawatt and that's what we are working on.

**Sumit Kishore:** So what was the capacity utilization for your module manufacturing facility in Tamil Nadu in the second quarter? And could you please speak about the end use of the modules manufactured? How much is for your internal project requirements and how much is third party?

**Dr. Praveer Sinha:** So we will be able to share those details in our presentation. I think it's already there. I don't have the breakup, but yes, right now it is virtually equally divided between rooftop solar, third party and our own projects and going forward we will try to complete most of the third party in third and fourth quarter and thereafter most of the quantity that we will produce will go for our own utility scale projects and rooftop projects.

**Sumit Kishore:** And there seems to be a significant increase in your approved regulatory assets in The Tata Power Company Limited Delhi Distribution Limited.

**Dr. Praveer Sinha:** So, there was lot of regulatory asset amount which was not approved earlier. Now that all of it has been approved, the liquidation plan is being worked out by the regulatory commissions which will get amortized in next 2 to 3 years.

**Sumit Kishore:** Good to hear that. Just the last point. Are there any non-recurring items that you like to call out for Q2 either in other income or any other regulatory....

**Dr. Praveer Sinha:** So, Sanjeev will respond to this.

**Sanjeev Churiwala:** Yes. So non-recurring I don't know, but we call it one-off because as Dr. Sinha said and you also alluded to that at The Tata Power Company Limited Delhi we have received approval for our regulatory assets, right? And there's a liquidation plan that will happen in the next 2-3 years. We already have some liquidation in quarter one and some liquidation in quarter two. And when you look at that one-off, we had at TPDDL Rs. 170 odd crore of liquidation, which is shown as part of the income in our distribution business. And then we also had a dividend that we have received from ITPC of Rs. 220 odd crores and this dividend most likely, well this is a dividend that is an accumulation of the past profits we have received, but more than likely that we will still continue to have recurring dividends coming from ITPC in the subsequent years. It's a good recurring item to have and good one-off to let you know.

**Moderator:** Thank you. Next question is from Aditya Vikram from Digital Research. Please go ahead.

**Aditya Vikram:** It seems the profit for Q2 and the EBITDA for Q2 has been aided by lower fuel cost. Do you see it sustainable or you think it will again go back to the normal rate?

**Dr. Praveer Sinha:** Fuel cost does not move the profit up and down. It is the regulatory environment, normally you get cost plus, right? So it is not because of the fuel cost that the profits are moved up and down. It's because most of the clusters really performing well. And when you look at our renewable

cluster, the profitability for the current quarter is Rs. 300 crore versus Rs. 186 crore in the previous quarter, is up by 61%. Our generation cluster, our transmission distribution cluster, they all performed well.

**Moderator:** Thank you. The next question is from Satyadeep Jain from Ambit Capital. Please go ahead.

**Satyadeep Jain:** A few questions. One was on Mundra. Maybe what's the update there after the availability was down in the second quarter? Any latest update? And we've seen extension of Section 11 and that keeps happening every few quarters. But there's nothing, no update on supplementary PPA. There have been solar plus thermal awards and MSEDCL here and different types of awards. But why has there been delay on the supplementary PPA? So just on Mundra overall.

**Dr. Praveer Sinha:** One is that the Mundra plant suffered damage of the coal conveyor system due to heavy rains on I think 27th of August and whole of September we could not operate the plant, but within a period of one month, the conveyor system was repaired and it is now operating at full capacity. So the whole of October it has operated at more than 90% availability. There is one more pump that has to be repaired, which has already been repaired and so we do expect that Mundra in November-December should do about 95% to 97% of ability. So it will catch up and meet the yearly 80% requirement. Secondly, the discussions have been going on with the state governments on SPPA. Since the Section 11 continues to get extended, the SPPA discussions also have not been able to get concluded. But I do expect that we should be in a position to close this issue on SPPA with the states within next few months. Of course, the Section 11 helps us to get full pass through cost of the Mundra plant and hence something on similar lines are being discussed with the five procured states for finalizing.

**Satyadeep Jain:** Mr. Sinha, I think the delay is mainly because of Section 11 being extended so there is no urgency. Is that the main reason for delay in supplementary PPA?

**Dr. Praveer Sinha:** Not urgency but yes, it is getting little extended because of that. I expect that hopefully there is now sincere effort that is being made from all sides that we should quickly finalize the SPPA and move on with the agreement which can be there right up to complete the SPPA period of this project.

**Satyadeep Jain:** Second question is on the Bhivpuri PSP, it is largely a Brownfield, so we thought the CAPEX would be relatively lower at somewhere between 4.5 to 5Cr. It seems like there's a cost inflation there and maybe some change in configuration from 6,000-megawatt hour to 8,000 megawatt. What is driving that maybe capital cost inflation for this brownfield project?

**Dr. Praveer Sinha:** What happens is each project is dependent upon the local site conditions. And since the site over here is an existing site and also the level of water from where the penstock will come, the alignment of it has to be done in such a way that it is sustainable for a long period of time.

Secondly, many of the pump storage projects of 6 hours, we are designing over here for 8 hours with opportunity to enhance that also. So I think every project has a peculiar and specific requirements and that's why the cost has been worked on those lines and these are updated cost, these are not cost which are initial cost, this is the final DPR which has been done through various iterations. So we expect that we will be able to complete the project not only at this cost or may be little lower than this cost.

**Satyadeep Jain:** Given the 44-month timeline, it's safe to assume that this project will commission sometime in FY29 and maybe the other projects, we cannot use this cost as a benchmark for the remaining 1800 megawatt cost. Is that fair?

**Dr. Praveer Sinha:** There may not be too much of difference because that project also hopefully should start by mid of next year and we are in the process. But as I mentioned to you, each project has a specific design and architecture and we need to consider their topography, their condition before we can take a call of what actually. So thumb rules are just good enough for initial discussion, but when you do a final one, it takes some more time.

**Satyadeep Jain:** Just one quick question. On the EPC, I think recently the target was about Rs. 11,000 crores of revenue in FY27. Given the order book and you're looking to execute within the next two years, is there a possibility of risk to that Rs. 11,000-crore target that you had for EPC revenue in FY27?

**Dr. Praveer Sinha:** We will share with you some more updated information when we have the analyst meet in December. So the way the business has moved, you will see that with more and more pipeline of projects, our own projects coming in, our focus is more on our own projects rather than third party EPC because we would like to conserve resources and use it for our own purpose.

**Moderator:** Thank you. Next question is from Murtuza Arsiwalla from Kotak Securities. Please go ahead.

**Murtuza Arsiwalla:** Yes, two questions. One, actually, the Delhi piece has already been addressed. On this Bhivpuri project against the project costs of Rs. 5,600 crore, is there any indication of what could be the potential revenue on an annual basis for this project, any return profile that you can talk about? Second smaller piece but on Odisha, the second quarter seems to see some drop in PAT if there is anything out there that is non-recurring or one-off?

**Dr. Praveer Sinha:** So Bhivpuri, we will be able to share more details but the returns on all these projects we had already mentioned are definitely what we get in our regulated business, so nothing less than what we get in our regulated business. I think the team is there. The second is you are right that Odisha last quarter was a very tough quarter in terms of collection because of rains over there, access to many locations especially in remote and semi urban areas was difficult and the collection got impacted. I think they will catch up. September collection has been very good. I think October

also it will pick up pace. And hopefully this quarter and coming quarter, whatever collection shortfall has been there will be made good.

- Moderator:** Thank you. Next question is of Sudhanshu Bansal from JM Financial. Please go ahead.
- Sudhanshu Bansal:** This, like, in last two quarters, we have been doing around 250 to 260 megawatt of the solar capacity addition. And on a yearly basis, we want to do around 2 to 2.5 gigawatt. So how we are planning to scale up this number to this thing is the first question, sir?
- Dr. Praveer Sinha:** So many of our projects which we were supposed to execute in Q2 and Q3 have got delayed because our DCR line, our cell line got delayed. We will catch up and do all that in Q3 and Q4. So most of the other work at the site have been completed including balance of plant. It is just that once the DCR modules are ready, we will be able to. So you will see much faster pace of execution in Q4 once the modules are available. Similarly, many of the other projects which we are trying to pre-pone, which were part of FY26, you will see the results in Q4. So you will see a huge amount of capacity added, which will happen between now and Q4.
- Sudhanshu Bansal:** Okay, second is like few quarters back we changed our strategy to focus on the captive renewable capacities. So any assessment that how much this our group captive can become in terms of the size maybe in 2 years, 3 years?
- Dr. Praveer Sinha:** I think the details have been shared with you earlier. We will give you the updated numbers once we have the next round of analyst meet. But Sanjeev, you would like to add anything?
- Sanjeev Churiwala:** Yes, if you look at the slide 32 of the presentation that is uploaded, against the total order book of Rs. 15,000 odd crores, almost 50% of the order book is for the The Tata Power Company Limited Group companies. And you would expect more in the pipeline to come through. But yes, we are working on a strategy going forward. So when we are meeting up again somewhere in November to December, we should be able to give you more update, but I think the trend that we have earlier mentioned will continue with the similar trends.
- Sudhanshu Bansal:** Just last question that there was a media news that like we have come out with some tender for wind WTGs for 3 gigawatt. Any color on that in terms of prospective bidders in the timeline for ordering?
- Dr. Praveer Sinha:** Well, we examine all these bidders based on merit. So we do a technical and commercial evaluation of them. And based on these costs, we decide on the suppliers for these equipment.
- Sudhanshu Bansal:** Sir, any timeline that when we want to place orders on anything?
- Dr. Praveer Sinha:** I think before December we would like to place orders.

- Moderator:** Thank you. Next question is from Vishal Periwal from Antique Stock Broking. Please go ahead.
- Vishal Periwal:** My question is on the adjusted PAT number, a couple of one-offs that you mentioned. So the slide 52 has that exceptional item of Rs. 440 crore. So that's a cumulative number to take to come to adjusted PAT.
- Dr. Praveer Sinha:** Yes, so you're talking about the exceptional item, right, which is Rs. 440 crore in the bottomline. So that is a one-off exceptional item, and that is happened because 23 companies or subsidiaries of TPREL got merged into TPREL. And because of that, there's a small stamp duty implication of Rs. 140-odd crore, which is a cash out go. That will happen in any case after a year, after all the assessment happens. And there's about Rs. 330-odd crore roughly on account of deferred tax write-off because post-merger, the tax regime will be different and then the existing tax write up had to be done, but it's all non-cash and one time.
- Vishal Periwal:** At EBITDA level, there is no exceptional that you have. So, Rs. 3800 odd crore is the recurring sort of EBITDA for us, is that correct?
- Dr. Praveer Sinha:** Yes, that's correct.
- Vishal Periwal:** And then second is on the slide 32, where you have given a breakup of the EPC order book that we have. So what is the difference between The Tata Power Company Limited Group line item and Group Captive? So earlier it was not there, so we have separated this. So what is the difference in this?
- Dr. Praveer Sinha:** This is the EPC work that the EPC division would be doing for the various group companies within the Tata. For example, if we are executing work for Tata Steel or Tata Motors, all of that, we will follow it with this bracket.
- Sanjeev Churiwala:** And the group captive is the group captive which we do for group does not mean Tata group, it can be a group captive for any third party also.
- Vishal Periwal:** And in terms of a megawatt of this 15000 to 64, it will be how much?
- Dr. Praveer Sinha:** Yes, it's this would be very difficult to say because it would be a mix of various types of projects, but I would say about 4-gigawatt, 3.5 gigawatt.
- Vishal Periwal:** And one last thing. So in terms of the project that we have, slide 9, where we have talked about total pipeline and further 21,668 megawatt that we have. So Bhivpuri is not yet added in this particular number. Is that right?

- Dr. Praveer Sinha:** Yes. So this was made before the board meeting. So Bhivpuri got approved today in the board meeting. So that will get added. Hydro is included in this. So Bhivpuri is not added, you will get Bhivpuri, you need to add 1000 megawatts. So it will become 22,688.
- Vishal Periwal:** Bhutan is there, hydro 600 megawatt.
- Moderator:** Thank you. The next question is from Santosh Kesari from SK KHUF. Please go ahead.
- Santosh Kesari:** I just have one question about our borrowing profile. What is the plan for debt reduction in the next 2-3 years, which you can just elaborate?
- Dr. Praveer Sinha:** So I think the way we're narrating is the kind of leverage ratio that we want to have and the coverage that we want to have. Standing as of now, our debt equity is in a very, very comfortable zone. So we don't think there is any need for us to reduce debt further but to ensure that our debt ratings are on a very healthy scale and our leverages are very very healthy as compared to our peers.
- Santosh Kesari:** Okay, so it may go up also. Does it mean that? Depending on the projects we have or the expansion plan we have?
- Dr. Praveer Sinha:** Yes, so the idea is to maintain a healthy debt equity and the debt coverage and ensure very high ratings for that.
- Santosh Kesari:** So, sir, what is the comfortable debt equity ratio you prefer to have? Something like below 1.5?
- Dr. Praveer Sinha:** As of now, we are going around that. So, assume 1.5x to 2x for an infra company is a very healthy ratio to be in.
- Santosh Kesari:** Yes, sir, I agree for a power company it is so. But generally, all the Tata Group companies are debt-reverse now over the past few years. So that's why this question came through.
- Moderator:** Thank you. Next question is from Amit Bhide from Morgan Stanley. Please go ahead.
- Amit Bhide:** Just one question on your solar module manufacturing business. Last quarter you reported about Rs. 1000 crores of revenue on that and 614 megawatts. I think roughly your realization was coming to around 20 cents or so and margin of around 11%. This quarter I see margin is close to 9% and if you can help us with the megawatt and in the market, we are hearing that some of the sales are happening at around 14, 15, 16 cents as well. So how is our realization?
- Dr. Praveer Sinha:** We have given our details in slide #52. And you can see over there. So our production has increased in the second quarter. And of course, our margins are based on how we can be competitive in the market. But definitely not what price range that you have mentioned. It is

linked to the quality of the product and what sort of guarantee and warranty you are giving for that and what is the efficiency. So I think we definitely command a premium in the market vis-à-vis many others who do not have the quality and the backup of services that we offer.

**Amit Bhide:** Can you help us with the megawatt sold this quarter because I can see on slide 52 revenue, EBITDA etc. you have provided.

**Dr. Praveer Sinha:** We will provide you the megawatt. It is not an issue.

**Sanjeev Churiwala:** I think that the only thing that I would also want to add is we are still in the ramping up stage. So I think when you calculate the margins in the sense, we will not give you a right indicative number. Quarter 3 will be a better number to look at.

**Dr. Praveer Sinha:** So we have done 830 megawatts in this.

**Amit Bhide:** 830 megawatts, right now. So ballpark, would you target around 10% to 12% of margin?

**Dr. Praveer Sinha:** It is the range we are looking at. Again it depends on what sort of market penetration we are looking at and again many of these things are stabilizing, many of the things also will be impacted once we start getting the state government support and incentives that we are supposed to get.

**Sanjeev Churiwala:** And also one thing I would like to mention, it is very difficult for us to kind of compare this with another plant which is in a standalone sale in the market. Here right now, most of our production line is dedicated to our pipeline that we have. And the overall profit that we're looking at is a composite profit that we're making against those bids and the cost that we use. Right now, there's a cost that has to be supplied and there's a transfer pricing margin, right. So I think on a standalone basis, I'll not be able to compare with other people who are producing to sell in the market.

**Amit Bhide:** Another question that I have is on your Mundra coal and shipping cluster. So if I look at your EBITDA that's been mentioned Rs. 516 crores, if I remove the shipping EBITDA, the balance EBITDA is close to around Rs. 437 crores which I assume is for Mundra plant. We had lower sales, so implied EBITDA per unit is coming pretty high 1.2 etc. versus 0.45 in the Q1 using the same logic. So why should that increase so much?

**Dr. Praveer Sinha:** Our coal profits have kind of almost flattish every quarter, right and you are looking at the PAT for the quarter, right?

**Amit Bhide:** So Rs. 516 cross of EBITDA in the Mundra coal and shipping cluster. So I'm just looking at Q1 F25 over there and the current quarter. We are generating Rs. 437 crores implied EBITDA on

Mundra it seems versus 263 cross in Q1 whereas our generation was down. Is there any one-off that you have realized in terms of?

**Dr. Praveer Sinha:** It's not a one-off. Basically what happens is the way this plant runs and the regulatory power plant runs, you have to look at your annual utilization and your fixed costs is accordingly apportioned over 12 months. Right now, because we received Section 11 approval, to that extent there is a probe happening this quarter, which we will get normalized in the subsequent quarters. We can give you the working separately if you need.

**Moderator:** Thank you. Next question is from Rajesh Majumdar from B&K Securities. Please go ahead.

**Rajesh Majumdar:** So my first question was actually on the solar cell plant. Does it make sense to export cells and use imported cells for our module plant because we've seen a number of companies who are exporting cells and generating much more EBITDA and EBITDA percentages than what we are generating right now. That was my first question.

**Dr. Praveer Sinha:** So the response right, the way the regulation presently works, we have to normally use ALM modules and DCR modules, so which means for most of the pipeline projects we will be using our own modules and cells. And hence right now we are not looking at an export, but yes when we fully ramp up, we can assume that 25% to 30% will be exported and rest will be used internally.

**Rajesh Majumdar:** And the balance you will be importing for the module plant. Is that correct?

**Dr. Praveer Sinha:** No, we said 25%-30% will be exported and the rest will be used internally for our own asset under construction.

**Rajesh Majumdar:** Off the sales, right? Modules will still be made in-house for domestic sales, right?

**Dr. Praveer Sinha:** Both modules and cells will be made in-house only.

**Rajesh Majumdar:** And when you say 25% exports, you are including modules as well, is it?

**Dr. Praveer Sinha:** Yes, the export would be of modules.

**Rajesh Majumdar:** And sir my second question is on Delhi Discom again. Slide #50, if we look at it, the PAT has gone up by about Rs. 180 crores. So is that the right one time impact of the trueing up order on the P&L?

**Dr. Praveer Sinha:** Yes, that's correct. That's the one of trueing up on the P&L.

**Rajesh Majumdar:** And about Rs. 275 crores on the EBITDA and Rs. 180 on the PAT. Is that correct?

- Dr. Praveer Sinha:** 238 and 170. Rajesh, just a clarification that 170 is before minority. So after minority, the impact should be only Rs. 85 crores.
- Moderator:** Thank you. The next question is from Swati from JM Financial. Please go ahead.
- Swati:** I just wanted to understand what is the potential capacity utilization that we can reach, let's say once our module and cell facilities have stabilized?
- Sanjeev Churiwala:** Around 97%-98%.
- Swati:** And could you also say, so if I look at your cluster wise breakup that you have given, this within the renewables cluster, others include, does it include all of the TP solar sales as well as some of EPC or is it some of TP solar and some of solar EPC?
- Sanjeev Churiwala:** So others basically, the elimination that takes place for our own projects. So that's what it is.
- Swati:** I just wanted to understand what is this? What is exactly coming into this others including elimination? This Rs. 3400 crores that we have of revenue in Q2. What is that exactly that 3000? What does that attribute to? Is it the EPC? Is it the solar? Is it a mix of the two?
- Dr. Praveer Sinha:** Yes, so maybe I'll help to address. In RTC business, the EPC does a lot of work for TPREL. Similarly, the sales and modules is sold internally to TPREL. On a console basis, all of this gets eliminated. And what you see is a pure plain revenue, EBITDA and PAT.
- Moderator:** Thank you very much. That was the last question. I would now like to hand the conference back to the management team for closing comments.
- Dr. Praveer Sinha:** Thank you very much. Thank you to everyone for joining in the call. And if you still have any questions, please connect to Kasturi and Rajesh and we'll be happy to respond to them. And you all have a safe Diwali and enjoyable Diwali. So we look forward to connect with you. Possibly in December we'll have the site visit to the 4.3-gigawatt plant. And I do look forward to meet many of you over there. Thank you, thank you very much.
- Moderator:** Thank you very much. On behalf of The Tata Power Company Limited, that concludes the conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.