



NTPC Limited Q2 FY26 Earnings Conference Call 30 October 2025

Management:

Mr. Jaikumar Srinivasan, Director (Finance)

Mr. Shivam Srivastava, Director (Fuel)

Mr. K Shanmugha Sundaram, Director (Projects)

Mr. Ravindra Kumar, Director (Operations)

Mr. Anil Kumar Jadli, Director (HR)

Moderator: Ladies and gentlemen, good day and welcome to NTPC Q2 FY26 Earnings 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 conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Bharanidhar Vijayakumar from Avendus Spark. Over to you, sir.

Bharanidhar V: Thank you. Good evening, everyone. On behalf of Avendus Spark, I welcome you all to the Q2 FY26 and H1 FY26 Earnings Conference Call of NTPC Limited. Representing the company, we have Mr. Jaikumar Srinivasan, Director (Finance), along with other functional Directors. Without further ado, I pass over the call to Mr. Jaikumar Srinivasan. Over to you, sir.

Management: Good evening, everyone. I am Jaikumar Srinivasan, Director (Finance) of NTPC and NGEL. It is my pleasure to welcome you all to our earnings conference call for the second quarter of FY26 and half year ended 30 September 2025. Today, I am joined by my colleagues on the Board, Sh. Shivam Srivastava, Director (Fuel), NTPC, Sh. Shanmugha Sundaram, Director (Projects), NTPC and NGEL, Sh. Ravindra Kumar, Director (Operations), Sh. Anil Kumar Jadli, Director (HR), along with the key members of our senior management team of both the companies.

We have announced our unaudited financial results for Q2 and H1 of FY26. “Operational and Financial Snapshot” indicating key performance indicators have also been shared with the Stock Exchanges and are available for investor reference. I will now share some key perspective on the Indian power sector to begin with and NTPC and NGEL's performance, key developments, sustainable initiatives and growth drivers for the future.

Let me begin with a brief outlook on the Indian power sector. India's growing economy, expanding industrial base under the “Make in India, Made for the World” vision and rapid urbanization are expected to drive sustained growth in the power demand. We are also seeing new-age demand accelerators emerging, particularly the giga-scale data centers recently announced by several global technology majors. We expect that the recent geo-political situation will also offer opportunity for the country to become a hub of “Global Capability Centers”. These developments will continue to reinforce the need for reliable, affordable and sustainable power to support the country's long-term economic growth.

With GDP projected to grow between 6.5% to 7% in the coming years, electricity demand is expected to rise steadily, led by manufacturing and expanding digital infrastructure. The government's focus on “Viksit Bharat 2047” coupled with the continued thrust on renewable energy and energy transition, is expected to create strong investment opportunities across the power value chain.

In the current fiscal, demand growth has been somewhat moderate compared to previous year, largely due to the milder summer and extended monsoon. However, the underlying economic momentum remains firm and demand drivers, especially from the industrial and commercial sectors, are expected to show upward growth.

This landscape presents significant opportunities and NTPC and NGEL are poised to capture the next phase of India's power sector growth by balancing conventional and non-conventional sources to ensure reliability, affordability and sustainability.

With a strong pipeline of projects under execution, a calibrated and a measured investment approach, both entities are prepared to play a pivotal role in meeting the country's energy needs.

Now turning to our capacity growth

As of H1 FY26, NTPC Group capacity rose to 83893 MW, nearly 10% increase from the previous year's same period, which was 76443 MW, clearly indicating that we are expanding at a faster pace.

We have added 4403 MW till H1 FY26, by far the highest capacity added in any half year since our inception. Of this, 1732 MW is on standalone basis, 1506 MW from NGEL & its JVs and balance 1165 from other JVs and subsidiaries.

Additionally, 956 MW has been added in the current month, i.e. October 2025, taking total fresh capacity addition to 5359 MW as on date.

It is worth mentioning that the highest ever capacity addition by the NTPC group in a single year stands at 6984 MW in 2019-20. However, we have already achieved 5359 MW within the first seven months of the current financial year.

NGEL Group has added 1506 MW in H1 and further added 156 MW in October till date, taking total installed capacity to 7564 MW. With this, NTPC Group installed capacity rose to 84849 MW.

Coming to the operational performance, during H1 FY26, due to the adoption of sustained maintenance practices, we maintained over 90% availability of our coal stations, demonstrating operational reliability. The group's total generation stood at 214 BUs, which is around 6 billion units lower compared to H1 FY25, primarily due to subdued demand during the period. This is consistent with the overall trend observed in the country's coal-based generation during the same period.

Our coal stations have maintained a PLF of 70.52% vis-à-vis rest of India average of 64.32%, which reflects our best-in-class operational practices.

The current coal stock at our station is 13.4 MMT, up by 2.1 MMT for the same period last year and is sufficient for 15 days' generation at 85% PLF for our stations.

Coal receipt for NTPC group has been 129 MMT, of which 21.63 MMT is sourced from our captive mines, which is 16.76% of the total receipts. Further, our captive mines registered a dispatch growth of 2.61% vis-à-vis the previous year.

NTPC group has 9 coal blocks with peak rated capacity of 91.6 MMTPA. With the declaration of commercial operation of the Kerandari coal mine with effect from April 1, 2025, a total of 6 coal blocks are now under commercial operation. NTPC has incurred cumulative capital expenditure of ₹13,300 crore in coal mining as on 30 September 2025.

I will now take you through some of our key financial numbers, giving comparison to the corresponding period.

For NTPC on a stand-alone basis, total income for Q2 FY26 is ₹40,689 crore as against ₹41,245 crore in the corresponding quarter of the previous year. For H1 FY26, the total income is ₹84,022 crore as compared to ₹86,298 crore in the corresponding previous period.

NTPC's profit after tax for Q2 FY26 is ₹4,653 crore as against ₹4,649 crore in the corresponding quarter of the previous year. On a half yearly basis, PAT is ₹9,428 crore as against ₹9,160 crore in H1 FY25.

Total income of the group for H1 FY26 is ₹93,083 crore as against ₹94,179 crore in the corresponding previous period. Profit after tax of the group for H1 FY26 is ₹11,334 crore as against the corresponding previous year PAT of ₹10,886 crore registering an increase of 4%.

During H1 FY26, our subsidiaries earned a profit of ₹1,805 crore as compared to ₹1,362 crore in the corresponding period of the previous year, registering an increase of 33%. NTPC's share of profit in JVs was ₹1,059 crore in H1 FY26 as against ₹1,124 crore in H1 FY25.

During H1 FY26, we have accounted for dividend income of ₹1,271 crore from our subsidiaries and joint venture companies as against ₹762 crore during H1 FY25.

Standalone regulated equity as on 30 September 2025 was ₹94,454 crore as against ₹89,430 crore as on 30 September 2024, an increase of 6%. Consolidated regulated equity as on 30 September 2025 was ₹1,16,022 crore as against ₹1,05,049 crore as on 30 September 2024, an increase of 10%.

Coming to adjusted PAT, on a standalone basis adjusted PAT for Q2 FY26 is ₹4,518 crore. This is against ₹4,202 crore in the corresponding quarter of the previous year, an increase of 8%. For H1 FY26 adjusted PAT is ₹8,932 crore as compared to ₹8,397 crore in the corresponding previous period registering an increase of 6%.

On consolidated basis, adjusted PAT for Q2 FY26 is ₹5,069 crore as against ₹4,943 crore in the corresponding quarter of the previous year, an increase of 3%. For H1 FY26 adjusted PAT is ₹10,808 crore as compared to ₹9,856 crore in the corresponding previous period on a consolidated basis registering an increase of 10%.

During Q2 FY26 a loan agreement amounting to JPY equivalent of US\$100 million was executed on 16 July 2025 between NTPC and CTBC Bank Co. Ltd., Tokyo. Average cost of borrowing during H1 FY26 was 6.11% as compared to 6.63% in H1 FY25. This has been mainly achieved through refinancing and restructuring of loans.

As regards capital expenditure, in H1 FY26 we have incurred a group CAPEX of ₹23,115 crore as compared to ₹17,474 crore in the corresponding previous period, while on a standalone basis NTPC has incurred a CAPEX of ₹14,149 crore in H1 FY26 as compared to ₹14,040 crore in the corresponding previous period.

The Gross Property, Plant and equipment (PPE) as on 30 September 2025 on the group level has increased by ₹54,336 crore to ₹4,37,142 crore during last one year, an increase of 14%.

Turning to NTPC Green Energy Limited

NGEL's revenue from operations for H1 FY26 on a consolidated basis increased 19% to ₹1,292 crore compared to ₹1,082 crore in H1 FY25. Operating EBITDA also rose significantly by 21% in H1 FY26 to ₹1,133 crore compared to ₹933 crore in H1 FY25. NGEL's operating EBITDA margin has improved to 88% in H1 FY26 as compared to 86% in H1 FY25.

NGEL's revenue from operations for Q2 FY26 on a consolidated basis surged by 21% to ₹612 crore compared to ₹504 crore in Q2 FY25. Operating EBITDA also rose significantly by 26% in Q2 FY26 to ₹530 crore, compared to ₹420 crore in Q2 FY25. NGEL's operating EBITDA margin has improved to 86% in Q2 FY26 as compared to 83% in Q2 FY25, underscoring the robust profitability of our renewable business.

Capital investment remains a strategic priority for NGEL. During the six months ended 30 September 2025, NGEL and its subsidiaries incurred a consolidated capex of ₹6,607 crore, substantially higher than ₹4,884 crore spent during the six months ended 30 September 2024.

Some of the other key points on financial results that I would like to share are:

NTPC has declared first interim dividend of ₹2.75 per equity share for FY 2025-26.

Based on the questions raised by the investors during the earlier con calls, I would like to inform that the fixed costs under recoveries till September 2025 is ₹625 crore and we expect this number to be around ₹250 crore by the end of the year.

Our operational gains from coal stations for H1 FY26 is ₹238 crore on account of SG incentive, primary frequency response etc., and ₹49 crore from hydro stations. We are improving our operational practices continuously to reduce under-recoveries and maximize gains.

Coming to our efforts on the energy storage system, we are exploring different sources of energy storage systems including Battery, PSPs and CO₂ based systems.

Out of the 21 GW of PSPs we are pursuing on different fronts, we have commissioned two units of 250 megawatt each at Tehri Pumped Storage Project in H1 FY26 and we expect to commission remaining two units in the current fiscal. Further, based on our engagements with various states, we got firm allocation of 12670 MW of additional PSPs to be executed in NTPC group for which the preliminary studies are underway.

On BESS, we are developing 1990 MWh won through TBCB route, 1520 MWh at co-located solar projects of NTPC, 5280 MWh co-located near existing solar projects. Additionally, 5000 MWh at existing thermal projects being developed by NTPC and viability gap funding of ₹18 lakh per MWh shall be receivable. Further, the work on 160 MWh CO₂ based energy storage system at Kudgi is currently under progress.

On the sustainability front, NTPC continues to strengthen its ESG performance through digital interventions, transparent disclosures and a continuous focus on measurable sustainable outcomes. Our ESG ratings have shown notable improvement since last financial year. MSCI ESG rating has progressed from 3.4 to 4.1, while Sustainalytics ESG risk rating improved from 35.7 to 31, very close to a band upgrade.

We have declared the commercial operation of Flue Gas Desulphurization systems for a cumulative capacity of 20270 MW and work is in progress for balance 39390 MW. We are continuing our focus on environmental commitments by planting over 1 million trees each year. Biomass co-firing at our plants has also increased significantly, reaching over 5 lakh metric tons in first half of FY26, nearly double the level achieved during the same period last year.

These positive movements reflect our robust governance practices, enhanced stakeholder engagement and accelerated execution of our environmental commitments.

On the international business development side, both units of Bangladesh India Friendship Power Company Limited (BIFPCL), are currently operating with over 90% availability and a PLF of around 85%. Payments from the off taker are being received within 60 to 90 days of billing.

The groundbreaking of the first phase of Sampur Solar power plant was held on 5 April 2025 in the presence of Honorable Prime Minister of India and His Excellency President of Sri Lanka. The project activities are in progress.

Recently, a joint declaration was made by the Honorable Prime Minister of India and Honorable Prime Minister of Mauritius to advance the Government-to-Government proposal for establishing a 17.5 MW floating solar PV project with a 48 MWh Battery Energy Storage System (BESS) at Tamarind Falls, Mauritius.

Some of the other key developments include business transfer agreement for transfer of coal mines from NTPC to NTPC Mining Limited was signed for hiving off coal mining business at an estimated value of ₹10,503 crore and Chatti Bariatu and Badam mines have been transferred. We expect to complete transfer of all the remaining mines to NML in the current fiscal.

Receivables from various DISCOMs improved to 28 days from 33 days last year's same period.

Honorable Prime Minister of India has laid the foundation stone on 22 September 2025 for two hydropower projects of NEEPCO in Arunachal Pradesh. The project includes Heo Hydroelectric project (240 MW) and Tato-1 Hydroelectric project (186 MW) having an estimated cost of over ₹3,700 crore.

NTPC Vidyut Vyapar Nigam Limited has registered a growth of 11.45% in power trading up from 22.3 BUs to 24.8 BUs.

Another important event has been the issuance of CERC Suo Motu order which provides a structured framework for scheduling of thermal stations and addresses the issue of supply obligation on generator in the event of infeasible schedule by the DISCOMs. It also enables stable plant operations. We would be happy to take any further questions on this topic during the Q&A session.

NGEL secured a contract for supply of 0.7 lakh tonnes of green ammonia in the recently concluded green chemical tender, marking its entry into the emerging segment. This win provides opportunity to set the foothold in the new market of green hydrogen chemicals under the National Green Hydrogen Mission.

On the nuclear side, Honorable Prime Minister laid the foundation stone of Mahi Banswara Rajasthan Atomic Power Project (4 x 700 MW) in Banswara, Rajasthan on 25 September 2025. The Government of India has approved the transfer of the project from NPCIL to ASHVINI at book value and excavation work is expected to commence shortly.

While we expand into new areas, we remain steadfast on our prudent practices and core strengths. We are expediting new capacities in coal, renewable and nuclear. Additionally, we are exploring opportunities in energy storage, green chemicals and other new technology areas including our international presence.

As highlighted during annual investor meet, we have revised our capacity addition target from existing 130 GW to 149 GW by 2032 and 244 GW by 2037. Accordingly, the estimated capital expenditure requirement is 7 lakh crore by 2032. Our current capacity under construction stands at 33 GW consisting of 17 GW coal, 2 GW hydro and 14 GW renewable.

To achieve the targeted capacity addition Plan, we are well on track to place awards of contracts of new capacities in both coal and renewable. In the current fiscal, pending some minor clearances, we have placed Limited Notice To Proceed order for 2400 MW Meja II expansion to be executed through Meja Urja Nigam (P) Limited (MUNPL), JV with Uttar Pradesh. We have also placed fresh contracts for 3 GW of renewable capacity. Additionally, contract for land and connectivity was placed for 1200 MW.

We are also systematically looking out for large parcels of land banks for our solar projects as connectivity becomes automatically available for large capacity projects with huge land banks.

Allotment of land parcels by various state governments with aggregate capacity of 16.5 GW is in advanced stage (4 GW Andhra Pradesh, 10 GW Rajasthan, 2.5 GW Gujarat, 6.5 GW through tenders). With this, our total land pool has reached 22.8 GW.

We are exploring partnerships with various international players in the nuclear domain to prepare ourselves for setting up capacities in our nuclear subsidiary NTPC Parmanu Urja Nigam Limited once we get required permissions from the government.

Way Forward

FY26 so far has been a strong year for both NTPC and NGEL with record capacity addition and healthy financial performance. A major milestone has been the foundation stone laying of the Mahi Banswara project which marks formal beginning of NTPC's nuclear energy journey.

As we look ahead to the second half of FY26, we remain optimistic about both the economy and the power sector.

For NTPC, the focus remains on the timely completion of under construction projects, strengthening fuel security and continuously improving plant efficiency and availability.

India is once again adding substantial thermal capacity. We are a key part of this national mission. At the same time, NGEL is driving expeditious execution of renewable projects to ensure capacity ramp up, supporting our goal of achieving 60 GW of RE capacity by FY32.

We are also exploring opportunities in battery storage and hybrid projects to deliver renewable power round the clock and strengthen our clean energy portfolio.

The nation is progressing towards becoming a developed economy, in turn increasing the power demand. As a key player in the power sector, we are ensuring that we meet this demand while staying ahead of the competition.

We are committed to enhancing shareholders' wealth and continue to strive for improving performance in every facet of our business. Thank you for joining us.

Moderator: Sir, we may proceed with the Q&A session.

Management: Yes.

Moderator: Okay, sir. So, thank you very much. Participants, we will now begin with the question-and-answer session. The first question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Yes. Good evening, sir and thank you for the opportunity. My first question is on the capacity addition target. Are you on track to meet the capacity target of 11.8 GW in FY26 or do you think there could be some miss?

Management: Yes, very much. We are quite geared up. In fact, for FY26, we have a target of 2019 MW on a standalone basis and 7825 MW for JVs and subsidiaries, both totaling to 9844 MW. For the next financial year, the figure is 9600 MW and for FY28, it would be 10564 MW. So, we have a clear visibility on the CODs over the next three years.

Mohit Kumar: Is it possible to break the FY28 number between conventional and RE?

Management: The thermal would be 2120 MW, hydro would be 444 MW, and renewable would be 8000 MW totaling to 10564 MW.

Mohit Kumar: Understood. The second question is, what is the status of Meja Phase 2 project? Is it expected to take off in near-term or is it delayed?

Management: Meja Phase 2, all clearances are in place. Only the State Government of UP approval is required. It is a matter of time, expected to take place within two months. We will be starting the project work, say, from 1st of January.

Mohit Kumar: Understood. My last question, sir, is the EESL losses. How long will the EESL losses continue in your opinion, and it will stop impacting our P&L?

Management: I would just like to inform the members that the promoters are taking this very, very seriously and all attempts are being made to get the receivables from the various urban local bodies and we are looking at various options including our stake sale in IntelliSmart.

Mohit Kumar: Understood. So, does it mean the losses will continue in FY26 for the entire fiscal?

Management: The losses will continue till FY26, yes.

Mohit Kumar: Understood. Understood.

Management: But I can emphasize that all the promoters are very serious about this matter and they are taking various actions for the same.

Mohit Kumar: Understood. Understood.

Moderator: The next question is from the line of Puneet Gulati from HSBC.

Puneet Gulati: Yes. My question is on the battery side. You talked about 5000 MW of battery with thermal projects and 5020 MW with solar. Can you also elaborate on the timeline of execution for these projects?

Management: Expected completion within three years from our date of award.

Puneet Gulati: And when is the date of award likely to be?

Management: Already we have tendered 2.3 GW.

Puneet Gulati: Okay.

Management: 2.9 GW will come up in say December. So, we are expecting the award in the current financial year itself.

Puneet Gulati: Okay. This financial year and then within three years.

Management: Yes.

Puneet Gulati: And fair to assume it is all regulated return, right?

Management: 5 GW is fully regulated.

Puneet Gulati: And the 5020 MW with existing solar, that also?

Management: No. That is not regulated.

Puneet Gulati: That is not regulated. Okay.

Management: Yes. The one which is co-located with our thermal plants will be part of the thermal business, Cost plus business.

- Puneet Gulati:** Yes. Okay. So, you talked about four parts, right? One was through TBCB 1990 MW, that is TBCB then you talked about 1520 MW of co-location, right? That is also regulated?
- Management:** No. 5000 MW will be regulated. Located at NTPC coal plants, 5000 MW will be regulated.
- Puneet Gulati:** Okay. That's the only one regulated. Also, if you can just remind us of what balance capacity commissioning is for FY26, how much do you still have to do, both on thermal side and renewable side?
- Management:** The balance in thermal is 800 MW.
- Puneet Gulati:** Okay.
- Management:** And in renewable it is 4 GW, you can say approximately.
- Puneet Gulati:** 4 GW in the second half. Okay. That's all from my side.
- Moderator:** The next question is from the line of Atul Tiwari from JP Morgan.
- Atul Tiwari:** Yes, sir. Sir, could you shed some light on plans of ordering new coal-based generation capacity in the rest of FY26, FY27 and FY28?
- Management:** You want the ordering? New ordering?
- Atul Tiwari:** The ordering of new coal-based generation plants.
- Management:** Okay. In this financial year, another 1.6 GW is expected to be awarded. Then coming to next financial year, we are planning 2.4 GW. Then beyond that we have another 800 MW. Now we may go for 1.6 GW.
- Atul Tiwari:** Okay. And for the nuclear power project at Mahi Banswara, what is the configuration and how much is the total capex?
- Management:** For Mahi Banswara, the cost will be around ₹20 crore per MW. The date of completion will be six years from first pour of concrete. That will be from December 2026 to December 2032, it will be in the 2032-33. The total capex is around ₹50,000 crore.
- Atul Tiwari:** ₹50,000 crore. Okay. And when will you start placing the orders now?
- Management:** This will be four units of 700 MW, constituting 2800 MW. The estimated cost in Rs crore per MW would be 20 and that takes it to a range estimated around ₹50,000 crore, execution time is 6 years. And broadly, the offtake will be to states of Rajasthan, Gujarat, Chhattisgarh, Andhra Pradesh.

- Atul Tiwari:** Okay. And sir, when will the award of contracts start for the project?
- Management:** See, the excavation contract is already awarded for Unit 1 and 2. And the free issue materials for this nuclear are already being done by NPCIL. The balance package of nuclear island and the TG package is expected to be awarded in this financial year.
- Atul Tiwari:** And sir, does it depend on the passage of Civil Nuclear Liability Bill (CLNB) in the parliament or you are not impacted by that?
- Management:** This project has no effect on that. That CLNB Act will help us to move further in the other technology, PWR technology.
- Atul Tiwari:** Okay. And you have all other approvals, environmental clearance and everything else.
- Management:** Yes.
- Atul Tiwari:** Okay. Good to know.
- Moderator:** The next question is from the line of Apoorva Bahadur from IIFL Capital.
- Apoorva Bahadur:** Hi, sir. Thank you for the opportunity. I hope I am audible.
- Management:** Yes. Please go ahead.
- Apoorva Bahadur:** Sir, I wanted to get some sense on NTPC Green capacity addition. I can see the capital expenditure which you have incurred in the first half is around ₹6,000 crore.
- Management:** Yes.
- Apoorva Bahadur:** Last year it was ₹7,000 crore. Sir, can you let us know, like, how much capital expenditure for the projects we are about to commission this year and maybe next year has not been incurred and how much we will have to incur in the second half?
- Management:** In the financial year 2025-26, we are going to incur a capex of around ₹30,000 crore, which will be financed through debt and equity. That is going to be the level of capex that is going to come in this financial year. which in the next financial year will further increase to around ₹45,000 crore to ₹46,000 crore.
- Apoorva Bahadur:** At NTPC Green level?
- Management:** Yes. This is at the NTPC Green level.
- Apoorva Bahadur:** Okay. Sir, we plan to spend ₹24,000 crore in the next six months at NTPC Green.

- Management:** Yes. Because our significant capacity addition is planned in the H2. So, therefore, this level of capex will come in the second half.
- Apoorva Bahadur:** Understood, sir. Very useful. Sir, also, I will probably go back to the BESS investment that we have lined up. I understand that for the co-located BESS is cost plus. Can you help us understand like how should we think about the BESS which will be co-located with the renewable projects? What sort of returns can we expect and what's the tariff on pre-tie-up being done?
- Management:** You see, the co-located BESS are primarily being done with an intent to use the solar capacity during the peak hours in the evening. So, that is expected to give us a significant boost in our revenue.
- But the exact numbers would come up only once we are able to firm up the tie-ups, because unlike the 5 GW which is on coal tie-ups are not yet finalized. So, we are in the process of acquiring the land nearby, the connectivity we are having, and the exact numbers in the return on equity would be known only after that.
- Apoorva Bahadur:** Okay. So, we won't be selling it on merchant basis. We'll have firm tie-up for it.
- Management:** No. See, we are going ahead with the projects. However, the tie-up will keep on happening as and when the opportunity arises. But the intent is to start the work and move ahead with the projects initially on the merchant basis.
- Apoorva Bahadur:** Understood, sir. Sir, last bookkeeping question, if you can help me with the adjusted consolidated PAT for the quarter. I am sorry, I think I missed that number.
- Management:** Adjusted consolidated PAT. Yes. The adjusted consolidated PAT for Q2 FY26 is ₹5,069 crore which I mentioned in my opening statement also.
- Apoorva Bahadur:** Yes, sir. Thank you so much. All the best.
- Management:** Thank you.
- Moderator:** Thank you. The next question is from the line of Satyadeep Jain from Ambit Capital. Please go ahead.
- Satyadeep Jain:** Hi. Thank you. Just a follow-up on BESS co-located at thermal. Just wanted to check this 5 GW that you are adding, how do you decide where to co-locate it? Is it based on the cost of the plant, pithead, non-pithead? And the equity will be after VGF, I'm guessing, right? So, after the VGF, whatever equity is, you look at regulated equity. I just wanted to understand the model there.
- Management:** The choice of location would be decided based on what is the variable cost over there. Ultimately, the higher variable cost is more likely to have a backing down. But at the same time, we will be judiciously choosing the plants where after you have stored it, the peak hours tariff will be viable. So,

there will be a balancing that will be done between these. And as far as your question about VGF is concerned, net of VGF, we will go for a debt equity model.

Satyadeep Jain: Okay. Perfect. And the curtailment, the PLF that was down, you mentioned because of grid curtailment and all.

Management: Yes.

Satyadeep Jain: Did it lead to higher O&M? Just trying to understand as we see this going forward, did it impact on some O&M expense, some other expense? I can see the PLF incentive is down, but anything on the operations part?

Management: No, no. It does not have a direct correlation like that. Of course, if there is a backing down, the overall tariff is likely to go up because your fixed costs will be distributed over a lesser number of units in that sense. But otherwise, the operation and maintenance will not have that much sensitivity.

Satyadeep Jain: Okay. And on NTPC Green, just wanted to check on the pipeline. Around 9 GW, the pipeline which is not signed PPA. So, how do you look at converting? There is that Green Hydrogen, Greenko, Kakinada project. There are some other projects also. So, what visibility are you getting on conversion? And how do you look at adding maybe to this pipeline? And also, this RE-RTC project that Ayana has, including some with Hindalco. Any visibility on when can you look at commissioning some of these projects?

Management: So, answering the first part, the last part of the question that is of Ayana. Ayana is progressing steadily with its work for the RE-RTC, and those projects are going to be commissioned almost by the end of this year. So, that is not a challenge at all.

For the other, what was the first part you asked? Yes, for the balance PPA, which we have not yet been done, we are judiciously approaching all the TBCB tenders which are coming up. And because the capacity addition is going on in parallel, we are hopeful that we will be able to get into good PPAs through the TBCB route and the C&I customers also we have been approaching. So, that challenge would be addressed that way.

Satyadeep Jain: Okay. Thank you so much.

Moderator: Thank you. The next question is from the line of Sumit Kishore from Axis Capital. Please go ahead.

Sumit Kishore: On NGEL, could you give us the full year target for FY26, 27 and 28 for RE capacity addition? And how much of that is going to be at the JV level? That is my first question.

Management: See, for the current financial year, as was already mentioned, the renewable capacity would be 5365 MW. And for next year, it is 8 GW. What was the associated question you had?

Sumit Kishore: How much of this capacity are you planning to add at the JV level? I mean, how much will not get consolidated line by line in the P&L?

Management: 1500 MW would not get consolidated.

Sumit Kishore: Every year for the next 3 years?

Management: No, this is for the current financial year.

Sumit Kishore: Okay. And, sir, second question is, you spoke about the CERC Suo-Moto order. Could you please explain the contours of it? And how does it impact the business? That was not very clear in your opening remarks.

Management: Yes. In fact, there were some constraints that NTPC or, for that matter, the central generators have been facing. While we had an obligation to supply power, there was no obligation on the part of the power off taker, the discoms, to give us a feasible schedule. Because there is always a constraint of ramping up.

Primarily, the generation units have to run on a feasible schedule with a technical minimum. But the earlier dispensation was that the DISCOMs were not obliged to give a technical minimum schedule. At the same time, during the peak hours, the generator was obligated to keep its plant ready.

So, there was a clear dichotomy over which was working to them, which was detrimental to us. But based on the policy advocacy and follow-up, now this Suo-Moto order has ameliorated that situation for us. And we will be getting a feasible schedule so that a certain amount of technical minimum operation is assured to us. So, we can ramp up to fulfill the peak hours requirement. Is that clear to you?

Sumit Kishore: Very clear. You mentioned 244 GW of capacity target, that was 2047?

Management: 2037.

Sumit Kishore: 2037. Okay. So, that is a substantial amount of capacity you are planning to add between 2032 to 2037.

Management: Yes.

Sumit Kishore: Broadly, how much of this are you planning on thermal, nuclear and RE, if you can give a broad breakup, that would be fine.

Management: Thermal would be 13 GW between 2032 to 2037. And I think hydro would be close to 0.3 GW only. And renewable, we are targeting a substantial amount, almost double, close to 130 to 140 GW. So,

that is 55 to 60 GW incremental. And the nuclear would be around 2.1 GW. So, that would be the broad breakup.

Sumit Kishore: Thank you so much and wish you all the best.

Moderator: Thank you. The next question is from the line of Rajesh Majumdar from B&K. Please go ahead.

Rajesh Majumdar: Yes, good evening, sir. You have a capacity under construction in thermal of 17 GW and hydro of 2 GW. Can you give us the execution schedule for this over the next few years, how it will be planned?

Management: We have under construction capacity of around 33 GW. Broadly, the breakup is 17.3 GW is from coal, hydro is 2.18 GW and RE 13.9 GW. We can give you a COD guidance of this, which we had already, at the cost of repetition, let me say, that broadly is 6 GW during the current year and 8 GW each in the next two years.

Rajesh Majumdar: That is for renewables, you said. I am talking about thermal and hydro.

Management: Thermal and hydro. Thermal is 2780 MW during the current year, 1600 MW in the next year and 2120 MW during FY28. As far as hydro is concerned, it is 1 GW during the current year. Next year, there won't be any COD achievement, but next year it will be 444 MW or 0.44 GW.

Rajesh Majumdar: And could you give us some color on any fresh thermal bidding that you're doing because we've seen some PPAs getting signed between states with Adani and JSW respectively. So, any endeavor on this front?

Management: No, we don't intend participating in any tariff-based competition.

Rajesh Majumdar: Sir, the last question is that regulated equity as of 30 September is ₹1,16,000 crore, what is the targeted regulated equity as of FY28?

Management: The same can be worked out based on CODs and the debt equity of that.

Rajesh Majumdar: Sure. Thank you

Moderator: Thank you. The next question is from the line of Nidhi Shah from ICICI Securities. Please go ahead.

Nidhi Shah: Thank you so much for taking my question. Sir, in the opening comments, you mentioned that the tariff will go down due to curtailment. My question is specifically on RE. Have we seen curtailment at the RE level as well? And is the lower CUF also a result of the extended monsoon?

Management: Yes, generally that's the result of an extended monsoon and some curtailment in RE in Rajasthan is there because of that.

- Nidhi Shah:** My second question is on the capacity addition for RE. So, the RE capacity addition has been slightly muted in first half and we have also reduced our target for the year. What are some of the hindrances that we are facing in doing the installation of these projects and getting the commissioning done?
- Management:** If you see in the first quarter, we added around 900 MW and in the second quarter, we added around 600 MW. So, the second quarter, typically being in the monsoon season is a muted season as far as capacity addition is concerned. The bulk of our capacity is in the balance period of that is in the second half is going to come from the regions of Bhuj and Khavda plus Rajasthan.
- So, there is no significant impediment as of now on the solar side. However, if you saw typically all wind projects, including ours, do face some ROW challenges in the movement of heavy vehicles. So, that could be one reason probably for a slight slippage of the wind capacity that we have been targeting.
- Nidhi Shah:** My last question would be on the new project that you will be awarding. Would you be awarding them on an EPC basis or will you be breaking the packages down into BTG, BOP? And you also mentioned that there are these 1.6 GW of projects that are going to be awarded in FY26. Does this include Meja phase 2 or has that already been awarded?
- Management:** Meja we have already issued LNTP on EPC basis to BHEL. So, there is no question of packaging in Meja. Coming to this 1.6 GW, it is for Lara Stage 3. That will be predominantly on packaging.
- Nidhi Shah:** Okay. Thank you.
- Moderator:** Thank you. The next question is from the line of Akash Mehta from Canara HSBC Life Insurance. Please go ahead.
- Akash Mehta:** Hi, sir. So, just continuing on the capacity addition front, on NGEL, we have added about 1.5 GW, as you said 900 MW in the first quarter and 600 MW in the second quarter. So, how many of projects were to get commissioned during the first half in terms of the company's target or commissioning dates?
- Management:** Yes. In the first quarter we exceeded what we had targeted for i.e. around 850 MW. We did more than that i.e. around 900 MW. However, in the second quarter there is a slippage, which is primarily because of the rains. We were targeting another 300 to 400 MW more in Khavda, which got slipped, which we will make it up in the second half.
- Akash Mehta:** Okay, sure. And I mean going ahead also, if you could just help us give a possible target quarterly commissioning, at least for the next two or three quarters, if that's possible?

Management: I can give you physical numbers, but again in RE business, quarter-on-quarter, there could be movement here and there slightly. Traditionally in the third quarter and the fourth quarter because it is the fair weather season everywhere, so, we are targeting around 2 GW in the third quarter and another 1.7 GW in the fourth quarter. That is our target currently at hand. And it is going to also come, as I told, from both, this will be both NGEL standalone, that means NGEL group along with the ONGPL, i.e. Ayana.

Akash Mehta: Okay, sure. That's quite helpful. Yes, thanks a lot.

Moderator: Thank you. Ladies and gentlemen, we will take this as the last question. That was the last question. I now hand the conference over to Mr. Bharanidhar Vijayakumar from Avendus Spark for closing comments. Over to you, sir.

Bharanidhar V: Yes, sure. On behalf of Avendus Spark, I thank NTPC management for giving us this opportunity to host this call. I will hand over the call now to NTPC management for closing remarks, if any.

Management: Yes, thank you. On behalf of the management of both NTPC and NGEL, I thank each and every participant in this earnings call for their very relevant queries and fruitful interaction. Thank you so much.

Moderator: Thank you, sir. On behalf of Avendus Spark, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.

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Note: This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.