



“Adani Enterprises Limited
Q1 FY26 Earnings Conference Call”
July 31, 2025



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Moderator: Ladies and gentlemen, good day and welcome to the Adani Enterprises Q1 FY26 Earnings Conference Call hosted by Investec Capital Services India Private 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 this conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this call is being recorded.

With this, I now hand the conference over to Mr. Aditya Bhatia, Head of Research at Investec. Thank you and over to you, sir.

Aditya Bhatia: Thank you, Samira. Good evening, everyone. A warm welcome on behalf of Investec India to Q1 FY26 Earnings Call of Adani Enterprises.

We have with us the senior management team represented by Mr. Robbie Singh, Group CFO, Mr. Manan Vakharia and Mr. Jitendra Khyalia, Investor Relations. Now I hand over the call to the management for initial comments, post which we will open the floor for Q&A. Thank you and over to you, sir.

Robbie Singh: Thank you, Aditya. This is Robbie here. Good evening, everyone. Thank you for joining us today for Adani Enterprises Results for the quarter ended June 30, 2025. AEL's portfolio is categorized into incubating and established businesses, spanning energy and utilities, transport logistics, consumer services and primary industries. The key incubating businesses include Adani New Industries, airports, roads and data centers.

The established businesses consist of primary industry vertical, which includes mining services, metals & materials and commercial mining. Just as a broad outline, this quarter's results were affected by global trade uncertainties, although we expect that to normalize during the rest of the year.

Furthermore, these results of this quarter reflect a significant stabilization phase of our incubating businesses and we will see the operationalization of three large assets over the next two to three quarters. We will discuss that in detail in FAQ. We will see EBITDA unlocking from assets like Navi Mumbai Airport, Kutch Copper and Ganga Expressway as we move forward in FY25-26.

The consolidated results are as follows:

Total income: INR22,437 crores.

EBITDA: INR3,786 crores.

PBT: INR1,466 crores.

Incubating EBITDA increased by 5% to INR2,800 crores.

ANIL's EBITDA is at INR1,212 crores and the solar business maintained a volume of over one gigawatt per quarter and was at 1,350 MW. It also got first external order of 300 MW for the newly listed 3.3 MW wind turbine.

Airport EBITDA grew 61% to INR1,094 crores, with now the run rate EBITDA being comfortably above INR1,000 crores per quarter. There were 23.4 million passenger movements at the airport for this quarter. Additionally, MIAL subsidiary of AAHL received its tariff order, which is effective from 16th May 2025.

The Greenfield Ganga Expressway project in our roads business is now 85% complete and is set to be completed in the second half of this year. I am also pleased to report the change in ESG. Sustainalytics now rates AEL at 28 from previous score of 34, moving it from high risk to a medium risk business.

Just a quick snapshot of the mining services portfolio. Dispatch volume in our MDO business increased by 30% to 12.1 MMT, with the revenue rising in line at 35% to INR1,159 crores and EBITDA is now at INR484 crores. In the integrated resource management, which was affected by this quarter's trade related uncertainties, the revenue stood at INR8,056 crores and EBITDA at INR605 crores. Carmichael mine continued to ship at or around its rated capacity and this quarter shipped 2.3 MMT.

We can now open for Q&A.

Moderator: Thank you very much. We will now begin the question and answer session. The first question comes from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Hi. Good evening, sir. Thanks for the opportunity. My first question is, did you mention the value unlocking or earnings to grow from the new business, like data center, Mumbai airport and Copper businesses?

Robbie Singh: If I understand the question correct, is the earnings growth from the new businesses? Currently, the major assets in the airport that is operating is, Mumbai airport and all of the rest of the airports are in various stages of their brownfield expansion, be it Ahmedabad, Jaipur, Guwahati, and Lucknow. And Navi Mumbai is under development.

So, we expect that Navi Mumbai will have operational clearances somewhere around October this year, to be precise, and it will ramp up then within the next six months to its capacity. In fact, we are confident of the ramp up to be on schedule and it's very likely that the second terminal development there will also commence shortly thereafter. So, that's on the Navi Mumbai asset.

Ganga Expressway, we expect to have completion around the last quarter of this year. And therefore, from a numbers perspective, we expect to see the impact not in this financial year, but in the next financial year, because in this financial year, Ganga Expressway will be operating maybe around 60 to 100 days only.

Kutch Copper, we expect that to start showing up in the relevant numbers and we will report accordingly, probably towards the end of this year and first quarter next year in a meaningful way. The other major asset that is under construction is the PVC project, but that's still in its first years of major construction. So, we expect that the construction period is on schedule. So, we expect it, construction to be another couple of years.

- Mohit Kumar:** I understood, sir. Are you looking to some kind of value unlocking from all the new assets in near term or do you think it is expected to be happening in the longer term?
- Robbie Singh:** As we have already indicated, we are comfortable that at least the airport business will be technically ready, subject to board approvals. It will be meeting its criteria by 2027. So, the way we do it as a demerger, it will just be, the shares will be handed over to the AEL shareholders.
- But aside from that, the other major businesses, we have not yet indicated or we are not yet outlined the timeline. So, outside of the airport, which we think is in the near term, in the next 18 months, two years, other businesses will be obviously post that.
- Mohit Kumar:** My second question is on the solar business, given that the tariff has been imposed by the US, given the talk of increase in tariff materially. How do you think the mix is going to change for us, for solar, looking at more domestic sales? And the related question is that we have 2 GW solar ingot, right? And that's operational. Are we not thinking of increasing that 2 GW to 10 GW capacity, this ingot & wafers?
- Robbie Singh:** See, there is a sequence. The first is that to take the cell and module line to 10 GW and then correspondingly, continue to increase the associated chain like ingot and wafers and other associated infrastructure. But our first key focus is to take the cell and module line to 10 GW.
- And in relation to your first question, while we are going through, we've seen this trade disruption events, etc. over the last quarter. We don't see why the mix can alter. But I think it's too early to comment on these things. We will see how it pans out over the next 12 months or so to update the market in relation to the precise impact of the tariff structures. But overall, this uncertainty will have some impact on the business.
- But correspondingly, the opportunity for us from our own point of view will also continue to increase. So, we don't see, in the longer term perspective, we don't see an impact on ANIL from these tariffs. Our business plan does not significantly dependent upon the EBITDA of the manufacturing component of ANIL. It is finally a green hydrogen business. And consequently, that is the bigger aim for us.
- Mohit Kumar:** Understood, sir. Thank you and best of luck.
- Moderator:** Thank you. The next question comes from the line of Veenit from Investec. Please go ahead.
- Veenit:** Thank you for the opportunity. My first question is on Kutch Copper. Now that Kutch Copper will get operational by end of this year. And some time back, we had also incorporated a subsidiary there to foray into cables manufacturing. So, can you highlight some timelines, what are our plans towards cables manufacturing, what capex that will involve, and by when that will get operational?
- Robbie Singh:** I think just to clarify one point there, first is that those downstream businesses are joint ventures rather than pure subsidiaries with the relevant expertise. And our first clear objective here is that we, in a process industry, the main objective is to streamline the process element and therefore, run at full production. So, that's number one.

So, once that is achieved, then our second objective in this is the tubes business. And from there on will be the other JV. And they are a little bit away in terms of any meaningful contribution because there more will be a JV. The main objective here is to ramp up, get the process machinery in play, and ramp up the capacity when we are ready to for the Kutch Copper plant.

Veenit:

Understood. Sir, my second question is on Navi Mumbai. And you sounded fairly confident around the scaling up of the Navi Mumbai airport and second phase getting into construction fairly soon after the first one commences. So, it would be great if you can throw some light on how the utilization levels will ramp up, how long could it take for us to reach optimum utilization levels there in the first phase? And what proportion of let's say slots have been taken up by airlines or some color on that would be helpful.

Robbie Singh:

Yes, I think it's an excellent question. As I think I said in the last presentation in our post-annual results, we are in the process of working out the relevant internal disclosures, etc., to actually have the airport team join the next call post-half-yearly results. Because I think it is their show and they should have the opportunity to answer the questions you have via their presentation.

All of those will be answered. And we think it's a better time to do that from a disclosure from a certainty perspective and giving full view to the market would be post the half-yearly results. And the airport team will present that, answer that. I think it's not appropriate at this stage to go through that, in that level of detail, because we are ourselves just going through the various elements related to when do we start the second terminal, etc.

While we are confident that all of this is within the frame of next six to nine months, it is best that the leadership team of airports, which I will have here with me in post the half-yearly results in September.

Veenit:

Understood. I had a question on the airport, city-side development business as well, but I think I'll reserve that for the next call or should I go ahead with that?

Robbie Singh:

No, it's overall if just a basic update. I can share with you that the planning of that at Ahmedabad is going well.

Veenit:

I wanted to just understand around the city-side development that's been one of the growth avenues for us there. So, how should we think about it from a next three-year perspective, let's say, and will that city-side development be largely restricted to Mumbai and Navi Mumbai airport and what sort of land parcels we have and how should we think from a longer-term perspective?

Robbie Singh:

Yes. So, just to give you a snapshot idea of this, because it's part of our overall disclosure regime. So, we roughly have around, broadly 655 acres of land available across our eight airports – Mumbai, Navi Mumbai, Ahmedabad, Jaipur, Lucknow, Guwahati, Mangalore, and Trivandrum.

Of this, our phase one development will be across 114 acres. Of the 114 acres, roughly 40%, that is roughly 50 acres will be Mumbai and Navi Mumbai. And the rest, which is just over 60 to 65 acres, will be in the other six airports. In Phase 1, the primary objectives on the city-side

is, one commercial hotels etc and two retail, entertainment, and food courts, primarily serving the city-side population.

And then, from there onwards, Phase 2 will have slightly different rental-retail mix, and Phase 3 will have different rental-retail mix. So, broadly speaking, 114 acres are under development in Phase 1.

Veenit: Understood. Okay. And what should be the capex involved to develop, let's say, 114 acres here, of which how much is already spent? And what could be the EBITDA potential from these 114 acres?

Robbie Singh: See, that is what we are working through from all disclosure perspectives and forecast perspective at the moment. We will outline this very clearly in the post-half-yearly results as a formal presentation. I don't want to give a number that is still under evaluation internally. We haven't gone through, not completed our detailed review of that.

Veenit: Okay. Understood, sir. Just last question from my side. There have been news articles of late around us closing the super app, the Adani One, given losses, etc., etc. So, can you throw some light there? Are those reports true? And second, if yes, does that deter or impact our strategy in terms of driving non-aero revenues customer experience in any manner?

Robbie Singh: No. I think, generically, people just tend to make the commentary on titbits of news, but I will just clarify that since you asked the question. When we started on this, we started on the basis that what should be the best use case that we will have. We were always very clear the best use case for us for this is to, like any other super app that has been successful in the world, is to have a very defined use case that works.

And the defined use case that works is, for us initially, given the number of consumers, is airports. So, consequently, we set this up. We looked at the broader architecture and then zeroed in on our use case that we had already outlined. And so, part of the press reports are correct in the sense that, this is how ADL is part of airports. That is the first use case is airports, so the entire airport use case is being developed fully as planned. And that's all that has happened.

Veenit: Understood. That's clear. Thank you so much, sir.

Moderator: Thank you. The next question comes from the line of Nirav Shah from GeeCee Holdings. Please go ahead.

Nirav Shah: Good evening, sir. And thanks. Thanks for the opportunity. Robbie sir, I mean, just a continuation of your opening remarks that three large projects are commissioning in this financial year. So, what is the broad value that we've invested in these projects where the EBITDA contribution is just not there, but we've spent a significant amount, like in Ganga Expressway, Kutch Copper, Navi Mumbai?

And I would also add the PVC project, where we've drawn some debt, but we would have invested far more than that. We would have invested the initial equity also. So, if you can just separately give the value across these four large assets.

- Robbie Singh:** Sure. I think just to give you an idea, we have on our presentation, page 22 and 23, but I'll spread out the numbers based on what you are asking. So, for example, we have a total external debt in Adani Enterprise consolidated of INR61,500 crores. Of this total external debt of INR61,500 crores, roughly INR29,000 crores, which is roughly 50% of it, is as follows.
- Navi Mumbai Airport, roughly INR9,100 crores, plus AAHL's Greenfield developments, INR3,000 crores. So, INR12,000 crores in the non-EBITDA currently assets under development of airports. Copper is INR7,300 crores, and Ganga Expressway, INR6,500 crores, and PVC currently drawn is INR3,100 crores. So, roughly half of the external debt is in assets that have yet to start contributing EBITDA.
- Although PVC will complete around 2028, but the other three assets will all be starting in the next six months to nine months in this year. So, that's where we are in total. We don't spread out the EBITDA, etc. We have a rate of return on these assets, which we highlight, and we expect that the rate of return on assets will be tracking above 15% on these assets.
- Nirav Shah:** Got it. And, sir, what is the total capex from the PVC project?
- Robbie Singh:** See, PVC project to complete will be roughly 24,000 crore.
- Nirav Shah:** And steady state EBITDA generation on stabilization should be any ballpark number on base case assumptions, I mean, base cycle?
- Robbie Singh:** No, there is a normal for process of processing industry of that type based on current market pricing. So I'm just going to caveat that on the materials. You'd expect ROA on the total asset in this case at current market prices of roughly around, say in the range of about 14% to 16%.
- Nirav Shah:** Got it. And, sir, on Australia coal operations, can you share the EBITDA number? How much we, how much did Carmichael Mine reported?
- Robbie Singh:** Carmichael Mine is yet, the mining business is not doing the segmental reporting on that other than the production and dispatch numbers. So, it's, roughly speaking, what I can give you is that the revenue number for Carmichael is roughly at an average of around between, the dispatch can range from 2.2 MMT to 3 MMT per quarter. But if the dispatch is, say, what the current dispatch is 2.3MMT, then the revenue is roughly around INR1,050 crores.
- Nirav Shah:** But the PBIT is a sharp negative of INR450 crores plus. So, last part of that is depreciation or some accounting related line items?
- Robbie Singh:** Internal mark to market of FX, of our own Adani Enterprises own internal loan.
- Nirav Shah:** And that amount would be, sir?
- Robbie Singh:** Over 500 crores.
- Nirav Shah:** Over INR500 crores. Got it. Sir, if I have more questions, I'll join back the queue, sir. Thank you, sir.

- Moderator:** Thank you. The next question comes from the line of Nidhi Shah from ICICI Securities. Please go ahead.
- Nidhi Shah:** Thank you so much for taking my question. So, firstly, on the Others component that we report in the segment reporting, we are seeing that the fluctuation in EBIT over there, over the last five quarters has been quite significant. Could you probably outline what are some of the key businesses that make up these Others? And if you could quantify specifically this quarter, you know, what their contribution to the revenue and EBIT has been?
- Robbie Singh:** Broadly speaking, if the number was, if you're referring number was higher largely due to the gain of the Wilmar sale in the Others, in Q4, now last quarter. Otherwise, this number will track broadly at or around plus minus INR200 crores.
- Nidhi Shah:** And what are the major businesses?
- Robbie Singh:** Major business is just certain specialist industrial businesses, which supply some components to the defence, bunkering, and so on and so forth.
- Nidhi Shah:** Alright. And secondly, on the coal business, so we are seeing that the coal and the commercial mining are drying this quarter. Are we expecting the situation, market situation to get better, especially for the coal business anytime soon?
- Robbie Singh:** No, we think that the overall trade instability will last through this year.
- Nidhi Shah:** Alright. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Prateek Kumar from Jefferies. Please go ahead.
- Prateek Kumar:** Hello. My first question is on your copper segment. So, you said that we'll commission by the end of this financial year. So, in this year, you're not expecting any material EBITDA from that business. Just wanted to confirm that.
- Robbie Singh:** No, I think, Prateek just to clarify, the commissioning is done, it's just that the full ramp up, is what we were referring to, the completion of the ramp up and stabilization, which we expect in the second half.
- Prateek Kumar:** But is the a segment expected to contribute meaningful EBITDA in this year, assuming a full year EBITDA potential of INR2,000 crore plus for next year?
- Robbie Singh:** No, it will be in the next year. This year, it will contribute much less.
- Prateek Kumar:** Alright. Second question. Can you give revised guidance on mining trading segment volumes and mining services volumes for the financial year?
- Robbie Singh:** I think from guidance point of view, we don't expect the volumes to be impacted hugely. What we have, we believe the trading instability that is there globally will last. So, therefore, there will be pricing pressure on the realization that we expect to last through the year. Volume-wise, I

think from MDO, we will ship a higher volume. Carmichael will ship its expected 15 odd MMT. Trading will be in the range that we expect trading to be, which is roughly slightly subdued, but roughly still be around averaging around 13 odd MMT per quarter. So, from a shipping volume point of view, no, we don't anticipate a change. But from a revenue perspective, MDO will continue to grow well. But the IRM business, given the trade issues in the world, there will be pricing pressure on commodities. So, especially coal.

- Prateek Kumar:** So, last question on your annual consolidated capex expectation for this year and next year?
- Robbie Singh:** I think Prateek, that we have not changed the guidance from the last conference call. We expect to complete that capex.
- Prateek Kumar:** Okay. So, mid INR30,000 crores, INR35,000 crores?
- Robbie Singh:** Yes.
- Prateek Kumar:** Sure. I'll get back to you. Thank you.
- Moderator:** Thank you. The next question comes from the line of Bhavik Shah from Invexa Capital. Please go ahead.
- Bhavik Shah:** Hello, sir. Thank you for the opportunity. So, my first question is just continuation of the previous participant. So, can you just give us the breakup of segment wise capex? Like, which business or which segment, the capex we are going to do in FY26?
- Robbie Singh:** See, roughly, just to give you an idea, airports, say, these are broad, not precisely to decimal accurate. So, INR10,000 crores in airports, INR6,200 crores roads, around INR1,600 crores in defence, about INR1,000 crores in copper and associated businesses, Petchem will be about INR9,000 crores further. MDO, natural resources, etc, INR2,500 crores and in manufacturing plus other part of the Adani New Industries Ecosystem, roughly about INR5,500 crore. So, total about INR35,000 crores broken up like in the following manner.
- Bhavik Shah:** So, INR6,200 crores of what did you say? So, I was just saying INR6,200 crores capex is for what? The money mentioned?
- Robbie Singh:** I think we have lost him. Move to the next question if there is any.
- Bhavik Shah:** Hello. Am I audible?
- Moderator:** Yes, sir. The management is replying to your question.
- Bhavik Shah:** Okay. So, I will just move on to the next question. So, can you give some EBITDA guidance on the new businesses? Like how much is the potential, say, from the copper?
- Robbie Singh:** Bhavik, you are dropping. I cannot hear you. No, you are just audible now, but you were not audible at all before.

- Bhavik Shah:** So, I am just saying, can you just give some idea on the EBITDA of the new businesses which are going to be commissioned this year? The Copper One, the Ganga Expressway and the New Mumbai Airport, like what is the potential of EBITDA there?
- Robbie Singh:** So, I think as we have mentioned in the previous caller's question. We are not giving EBITDA guidance of those specific businesses. What we are saying is that we expect the rate of return on assets to be in the range of about 15% to 16%.
- Bhavik Shah:** Okay. Understood. And so, like what is the plan in ANIL now? Since like we are not doing any major capex there from the breakup I see. So, are we like currently not doing any major investment on the green hydrogen side?
- Robbie Singh:** Yes, we are just currently conducting the testing on electrolyzers. So, we are waiting for the results of the electrolyser testing. So, currently we have first non-grid based electrolyser operational. And so, once we get the full results back, then we will take on with the capex based on the results.
- Bhavik Shah:** Okay. Understood. And so, in the airport business, when we ramp up the new Navi Mumbai Airport, we will close down the T1 terminal. So, what will be the impact of the closure of the T1 terminal?
- Robbie Singh:** No, we do not expect any impact overall on AAHL. And in fact, there will be well synchronized in the manner that the demand profile is such that in fact, we will also have to start the development of the new terminal at Navi Mumbai very soon. So, we will give you a full update post the half year. Airport team will pull that.
- Bhavik Shah:** And so, just one question on the data center business. Sir, how much capex are we planning there? I am saying on the data center business.
- Management:** I guess we have lost him again.
- Bhavik Shah:** I am asking on the data center business. So, what is our guidance for FY26 in MW terms and in capex terms?
- Moderator:** Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for closing comments.
- Robbie Singh:** Thank you very much to the team and investors to join the call. Thank you for your questions and Investec, thank you so much.
- Moderator:** Thank you very much. On behalf of Investec India, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.