Management Discussion

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you. Good evening, everyone. Good afternoon.

Operator
Yes, sir. Please proceed.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes. Anurag, we can -- if possible, we can go directly to question and answer?

Questions & Answers

Operator
Yes, sir. Thank you. [Operator Instructions] The first question comes from the line of Preet Nagarsheth with Wealth Finvisor. Please go ahead.

Preet Nagarsheth - Analyst, Wealth Finvisor
Yes. Hi. Good afternoon, and thank you for taking this question. So the thing I wanted to understand first is that if you can help us, what is the PLF for the months of April, May and June for, one, the 600-megawatt solar project as well as the lignite plant, if you can give us a sense of that?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
So, basically, this conference call is for the result for the financial year '25-'26. But, however, the PLF you are asking for the thermal stations, they are -- very good PLF is there. In case of thermal station, that is SLPP-1 and SLPP-2, both have crossed the threshold limit of 70%, nearing to 75% SLPP-1, and SLPP-2 is also nearing to 80%. So, there is no issue of running the stations at good payload factor. And regarding the -- tell me.

Preet Nagarsheth - Analyst, Wealth Finvisor
No, no. I was saying then, sir, regarding the solar one, 600-megawatt at Khavda, what is the update on that in terms of PLF?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes. Khavda -- what is the Khavda?

Unidentified Speaker
33.24%.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
33.24%.

Preet Nagarsheth - Analyst, Wealth Finvisor
Okay, sir. And, sir, if you can please help me or guide me, what is the conversion of this PLF to

revenue, if we can understand? So how do I size this up that the 600-megawatt at 33-odd percentage, how much revenue should we expect out of that?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Basically, revenue is INR2.73 per unit. This, basically, you have to calculate separately. That is PLF multiplied by 24, multiplied by capacity, you will get the million units. And then you have to multiply by this -- you will get this revenue.

Preet Nagarsheth - Analyst, Wealth Finvisor
Okay, sir. So I think in a rough sense, could you give us a sense of how much this will be for the full financial year? What should we expect for the FY '26-'27, just based on your rough sense.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
[Indecipherable]

Preet Nagarsheth - Analyst, Wealth Finvisor
No, I am saying the revenue, sir, for the 600-megawatt plant.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It would be around -- you are talking about Khavda only, no?

Preet Nagarsheth - Analyst, Wealth Finvisor
Yes, I am talking of Khavda only.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Just a minute.

Preet Nagarsheth - Analyst, Wealth Finvisor
Sure. Thank you, sir.

Operator
Thank you. The next question comes from the line of Saket Kapoor with Kapoor & Company. Please go ahead.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, around INR420 crore revenue would be roughly generated from Khavda.

Saket Kapoor - Analyst, Kapoor and Company
Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Saket Kapoor - Analyst, Kapoor and Company
Yeah. Namaskar, sir. And thank you firstly for this opportunity. Sir, if you could just outline to us or give us some more understanding of currently how our assets are sweating in terms of the entire portfolio. And what are we eyeing in terms for the ensuing year? And also, sir, what we have been reading about is a lot of grid congestion and issue with the evacuation of especially the solar assets have been read about. So how is the company preparing itself for the same? So just -- if you could just set a background to us of how are we going to sweat these solar assets in particular and also in terms of the thermal wherein we have also announced I think so some new capacity addition. So, some bit of thought process and some more color on the same.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you, Mr. Saket. Basically, our all stations are doing very well because we are top in the merit order. So, generation-wise and power evacuation-wise offtake, there is no issue. And as such, the power evacuation problem may be faced at some locations. But especially thermal, we are not facing any issue as of now. And we will not face also because of the region -- power evacuation in that region is more robust and it is -- there is a heavy demand of the power in the South Gujarat.

Secondly, regarding this RE, solar, our all stations' power evacuation is at full capacity. There is no backing down. However, you may be referring about the Khavda region. There is a -- power evacuation issue is there. Since the entire KPS-2 is still yet not ready, so there is a capacity addition is -- has taken place. But evacuation line is not fully operational. So, that issue is there and it is being allowed on pro-rata basis by PGCIL. But as such, we don't have any issue doing 600 megawatt. We have been given the full allocation in November 2025 and we are evacuating the full load from the Khavda from 600. That is why our CUF is 33%. So, as such, we don't have any sources from [Indecipherable] per se, there is any evacuation issue at any of these power stations.

Saket Kapoor - Analyst, Kapoor and Company
Sir, out of our portfolio of 1,100 megawatt at Khavda, 600 we have already capitalized and commercialized. And on the basis of the metrics which you gave just to the earlier participant, we are expecting INR420 crore of revenue from this 600 megawatt or also the 500 -- what is the status of the 500 megawatt?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It is only 600.

Saket Kapoor - Analyst, Kapoor and Company
It is only 600. So the 600 megawatt will generate revenue of INR420 crore for the financial year '26-'27. That is what should be understood.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
That is an approximation. Also, it may 5%, 10% go down, go up also. Both ways.

Saket Kapoor - Analyst, Kapoor and Company
Okay. And about the remaining 500, what is the status and how will those come into play?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Basically, we are at a very advanced stage of commissioning in staged manner, and we are just waiting for the power evacuation facility being getting ready by PGCIL. I think, post-Monsoon, they will be ready. So, we may be able to commission the first phase of 200 megawatt and followed by another 200, 100 megawatt in next couple of months.

Saket Kapoor - Analyst, Kapoor and Company
Okay. So, just to get some more color, sir, the 600 megawatt that we have, I think already capitalized as on March. So, what is the depreciation and the interest cost? If you could just give the -- just the EBITDA number for the 600 megawatt asset, that would give us some more understanding, or what is the EBITDA margin trend for our solar asset? If you could then put the color on the same?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Just a minute. EBITDA margin of the -- would be INR355 crores from 600, Khavda.

Saket Kapoor - Analyst, Kapoor and Company
INR355 crore should be the EBITDA.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
INR350 crores to INR360 crores, you can roughly assume.

Saket Kapoor - Analyst, Kapoor and Company
Okay. So -- okay, sir, that is on the revenue of INR420 crores, we are, we are going to exhibit the EBITDA in the vicinity of INR350 crores to INR360 crores. Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes.

Saket Kapoor - Analyst, Kapoor and Company
Yes, yes. Sir, now coming to the current maturity factor, how are we going to repay the loan? What are the current maturities or the moratorium period that we have? And if you could just give us some color, how is this repayment cycle going to come in?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically, our thermal stations all are debt-free. Solar existing, 262, 312 [Phonetic]. Wind is also more or less debt-free. Very small portion of debt has remained in the group. Only the Khavda 600 megawatts, debt is there. Interest payment payout is there. And one year moratorium was -- is there up to the July -- June 2026. That is the current quarter. The next quarter, we have -- repayment will start. But technically, we are making the profit from 600 megawatts, and it is ballooning. First five years, it is less, and second five years, slightly top-up, then another top-up. Like that, ballooning repayment is there. So, we don't see any issue on the repayment side also, because we have enough cash surplus being generated from the Khavda 600 megawatts to repay the repayment side of the loan.

Saket Kapoor - Analyst, Kapoor and Company
Okay, sir. We ended the year 31st March '26 on a borrowing of INR3,250 crores under the non-current liability. So, taking into account the moratorium period getting over and our repayment schedule, what should be our long-term borrowing number post-commissioning? Also, I think, the 500 will also get commissioned, but that is factored in the INR3,247 crores number. So, what should be the closing debt number on the long-term borrowing?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It would be around INR4,500 crores, roughly, you can say, would be the debt portion after commissioning of the 500 megawatts.

Saket Kapoor - Analyst, Kapoor and Company
And this is after the loan that we're going to repay for this year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Saket Kapoor - Analyst, Kapoor and Company
Sir, just correct me here, sir, when we look at our capital work in progress, that number is INR2,000 crores. So, that is already there in the borrowing. So, why is the debt going up by -- to INR4,500 crores, or this will get transferred to the debt?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically, it is in the project phase right now and that capitalization will take place and simultaneously, borrowing has already been taken from the lenders towards the project. That is also being shown in the books of accounts.

Saket Kapoor - Analyst, Kapoor and Company
That was my point, sir. Why is the number going to move up from INR3,200 crores to INR4,500 crores, when the capital work in progress is...

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
We have not taken the full debt as of now. See, it is still -- disbursement is pending. Work is going on. So there are certain conditions of payment to the contractors. Based on certain fulfillment of certain conditions, PV modules have been supplied post March. Then balance of supply work is also going on. So 500 megawatt has not yet completed on 31st March.

Saket Kapoor - Analyst, Kapoor and Company
Okay. And sir, with regard to the storage facility and how -- we are seeing that every RE player is coming up with the -- with some form or the other of the storage -- battery storage format. So, if you could just explain to us, what should we expect from GIPCL going ahead in terms of the battery storage foray and what are our preparations, if any, for the same?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

See, first of all, you should understand the PPA parameters which we have entered into with GUNL, wherein offtake is being taken by GUNL on fullest capacity. So, as such, I don't require, as of now, any storage capacity. It is to be governed by GUNL. We have an offtaker of this power. If he feels there is a requirement of storage capacity in the RE, because to maintain the grid, they will definitely tell us to go ahead with the storage facility in the existing project. So, we will take that to our stride. We will put the storage capacity as may be required.

Saket Kapoor - Analyst, Kapoor and Company
And pertaining to the new thermal power plant announcement that we had earlier -- or if you could just outline to us, what is in foray in terms of addition of more capacity in the thermal space and also what would be the likelihood future of our gas-based plants and now it is six long years that they have been stranded. So, what is the thought process currently of the management with respect to the availability and thereby utilization of those assets?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, the gas-based stations, looking at the current geopolitical situation, I think it is not going to be revived now. So, we are trying to put the gas capacity in the existing -- this gas-based station location and we are using the existing facility of switch yard and other facility of evacuation towards the BESS and we have already got the approval from GUNL to put 20 public -- 120 megawatt BESS and the tender is already in place. So, putting the first phase of BESS, this is the first step, and we are also thinking to put another 30 into 160 megawatt BESS in the coming year in this place.

So, this is the thought process of the management regarding the utilization of the existing facility at Khavda location. And regarding the capacity expansion of 750 megawatt thermal lignite base, lignite base power station, already approval has been given by GUNL in principle for going ahead with under Section 62 cost flow basis and we have already floated the tender and it is under observation by BHEL and other parties.

So, once the tender gets cleared and the order is being placed by end of the current financial year or first -- last quarter of the current financial year, the rest -- project will start on its own for a period of three, four years down the line. Three -- three to -- 50 [Phonetic] into 3 capacities will be commissioned by '31, '32 and '33. That is the right now target.

Saket Kapoor - Analyst, Kapoor and Company
Right. Sir, I'll just join the queue for my follow-up, and thank you, sir, and we hope that there are continuity of these calls either on a bi-annually or a quarterly basis.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yeah, yeah. We will definitely -- we have understood your requirement and we will definitely come to you on regular basis so that you will get the regular updates as may be required.

Saket Kapoor - Analyst, Kapoor and Company
Yes, sir. I am joining the queue, sir, and all the best to the team.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you. Thank you.

Operator
Thank you. The next question comes in the line of Kiran Mehta with Eureka Investment. Please go ahead.

Kiran Mehta - Analyst, Eureka Investment
Good afternoon sir. I am very happy with this phone call and I would request management to continue this in future. Sir, just to continue with Saket sir's question. So, are we incurring additional INR1,500 crores kind of investment to commence the 500 megawatts? That's number one. Number two, just my understanding sir, you said around INR350 crores EBITDA from 600. This 500 will generate another INR350 crores and our present INR300 crores EBITDA. So, does it mean that at FY '26-'27 we are looking at INR1,000 crores of EBITDA, assuming 500 megawatts is also operational by then? My last question is, sir, we have Khavda Park where we are establishing the solar park and I think we have been allotted a very huge land. So, what is the development on that and when we can start generating EBITDA on those projects as well? Thank you, sir, and I wish we are in a very big transformative journey generating INR1,000 crores kind of EBITDA from FY '27, and I wish we have more discussions on con calls. Thank you sir.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, you are absolutely correct, but this year, you will not see EBITDA of INR950 crores to INR1,000 crores. Once the 500 get commissioned for the full operational year, hopefully next year, you will see this figure on the paper. Once all the stations are in commission and full year of operation, this EBITDA margin of INR950 crores to INR1,000 crores will be there as you rightly mentioned.

And regarding parks, we have been allotted 2,375 megawatt park, wherein in the park 1,100 we are putting on our own and rest we have already given to third parties to sell to the GUNL and those parties are Coal India, SJVN and SAEL. So, that TPA is directly by the project developer with GUNL. We are only the park developer per se for power evacuation and infrastructure facility is to be provided by GIPCL which is already in place and that is available to other park developers.

Kiran Mehta - Analyst, Eureka Investment
Thank you, sir.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
Thank you. The next question comes from the line of Falguni Dutta with Mansarovar Financials. Please go ahead.

Falguni Dutta - Analyst, Mansarovar Financials
Yeah. Good afternoon, sir. Sir, I have a few questions. One is this, you mentioned, just to clarify, this 500 megawatt solar plant is coming -- will be commissioned in FY '27, is it?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Not '27, it is going to commission in phased manner '26, '27 and most probably post-monsoon, once the work will clear up by third quarter, it will be mostly commissioned capacity.

Falguni Dutta - Analyst, Mansarovar Financials
So, the capacity will be commissioned by end of this financial year, the revenue may start from next year, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Revenue will start post commissioning but initially all the teething problems, O&M issues may be there. So, full operational as you see 600 megawatt is giving me 33% share, that figure will turn out in the next financial year only.

Falguni Dutta - Analyst, Mansarovar Financials
Okay. And this INR1,000 crore EBITDA that you mentioned is for the solar division?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
No, no. It is entire including...

Falguni Dutta - Analyst, Mansarovar Financials
Okay. Including lignite and everything?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Falguni Dutta - Analyst, Mansarovar Financials
And the expansion that you mentioned, 750 was for the lignite plant you said?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Correct, correct.

Falguni Dutta - Analyst, Mansarovar Financials
And sir, I have one -- few questions based on Q4 results also. The other income that was of INR42 crores versus INR13 crores in previous quarter, so, can you give a breakup of this INR42 crores other income?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically, other incomes are from the insurance claims which has been settled in the current financial year, have been crystallized and we have booked and out of that, one income is from the income tax refund.

Falguni Dutta - Analyst, Mansarovar Financials
Okay.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
What is the amount, I will make a note. INR17 crores is towards the income tax refund, the various insurance claims and then amortization of the government grant, all those small liquidated damages

levied to the government fund sectors like that.

Falguni Dutta - Analyst, Mansarovar Financials
So, this user development charge revenue and the subsidy from the government and O&M revenue, none of these has come this year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, UDC is a capital payment, upfront development charge, that is not an income. O&M, as you rightly said, is an income, but O&M will start once the -- as per PPA, their plans get commissioned. So, current financial year O&M will start getting from the Khavda park from these developers.

Falguni Dutta - Analyst, Mansarovar Financials
Okay. And sir, another thing was like, could you give me just the EBITDA for the solar division of ours? The entire solar division, the EBITDA number for full year FY '26.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, FY -- solar division EBITDA would be around -- you can say INR600 crores somewhere.

Falguni Dutta - Analyst, Mansarovar Financials
INR600 crores?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
For the current financial year, '26-'27.

Falguni Dutta - Analyst, Mansarovar Financials
No, I am asking for FY '26, year gone back, the solar EBITDA.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Last year?

Falguni Dutta - Analyst, Mansarovar Financials
Last year.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
For '25-'26?

Falguni Dutta - Analyst, Mansarovar Financials
Yeah, for '25-'26.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It was only INR332 crores.

Falguni Dutta - Analyst, Mansarovar Financials
Okay, which will go to INR600 crores this year.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Falguni Dutta - Analyst, Mansarovar Financials
And sir, what was the PBT for the solar division last year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
PBT for solar division was INR62 [Phonetic] crores.

Falguni Dutta - Analyst, Mansarovar Financials
INR62 crores. And another question is sir, how much of the interest depreciation increase do you expect next year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Next year means '26-'27?

Falguni Dutta - Analyst, Mansarovar Financials
Yeah.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Right now it is INR107 crores to INR110 crores. It will go double fold, INR225 crores to INR250 crores because of addition of the rate of 500 plus 600, both will be there in the book. And since last year, 600 was commissioned in December, so only one quarter interest is being booked in the current financial year. This year it will be total 600 plus the existing, so it will go double fold, around INR250 crores.

Falguni Dutta - Analyst, Mansarovar Financials
Both interest and depreciation.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Depreciation would be from INR187 crores to INR345 crores to INR350 crores it will go.

Falguni Dutta - Analyst, Mansarovar Financials
It will go to INR350 crores depreciation?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Falguni Dutta - Analyst, Mansarovar Financials
Okay. And sir, at the peak, so the revenue from this Khavda area where we have done the infrastructure work, the revenue for us -- the additional revenue which will flow from the other operators will be only O&M which will come into P&L?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Because other operators are going to sell power to GUNL as per the PTA, we will be getting only the O&M part as per the terms of the MNRE terms and conditions as a park developer.

Falguni Dutta - Analyst, Mansarovar Financials
And the subsidy from the government and user development charge will not be a part of the P&L -- the subsidy portion and the user development charge?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
These are all capex items. It is being captured in the books of accounts as per the terms of the Ind As and amortization -- through amortization.

Falguni Dutta - Analyst, Mansarovar Financials
Okay. So they will not come in P&L?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
P&L, definitely it will come, but it will be amortization. It is just like depreciation.

Falguni Dutta - Analyst, Mansarovar Financials
Okay. Understood. And O&M revenue, how much do you expect at the peak?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
The O&M revenue would be around INR55 crores to INR60 crores.

Falguni Dutta - Analyst, Mansarovar Financials
Okay, at the peak?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Falguni Dutta - Analyst, Mansarovar Financials
Okay, sir. Thank you. That's all from my side as of now. And sir, one more question. What was the PAT for the solar park in -- for last year, FY '26?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, we are not having any tax expense as such in any of the divisions. Tax is being taken as a company, as a whole. And we are in -- so that question of PAT at the division level doesn't arise.

Falguni Dutta - Analyst, Mansarovar Financials
Okay, okay, sir. Okay, thank you, sir. That's all from my side.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
Thank you. The next question comes from the line of Vipul Shah with Sumangal Investments. Please go ahead.

Vipul Shah - Analyst, Sumangal Investments
Hi, thanks for the opportunity, sir. So my first question is capital work in progress, that is INR2,065 crores, that pertains entirely to the 500 megawatt project, which will be commissioned this year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Vipul Shah - Analyst, Sumangal Investments
Okay, and sir, in reply to your one earlier question, you said, solar division EBITDA last year was INR330 crores, and you are expecting EBITDA from 600-megawatt project of another INR350 crores, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Vipul Shah - Analyst, Sumangal Investments
And what will be the revenue? We are given 2375 megawatt park, and we are developing only 1,100, so this 1,275 will be developed by other developers. But what is the revenue model here? And what type of annual revenue we can expect? If you can explain the revenue model, it will be really helpful.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, as a park developer, our role is to maintain the park entirely, wherein the revenue will be generated from the park by way of O&M from the project developer. It would be around INR50 crores to INR60 crores as per the terms of MNRE -- finalized the O&M to be recovered from the park developer by MNRE. So that income is around INR50 crores to INR60 crores from the park.

Vipul Shah - Analyst, Sumangal Investments
But we will be incurring expenses to maintain the park also, no?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes.

Vipul Shah - Analyst, Sumangal Investments
So net-net, what should be our earnings from this activity, where we just act as a facilitator?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, it is -- basically, as of now, we are expecting around INR20 crores to INR25 crores revenue generation, net of the expenditure from the park.

Vipul Shah - Analyst, Sumangal Investments
And that will be for how many years, sir?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It will be for 25 years, till the time of PTA signed with GUNL.

Vipul Shah - Analyst, Sumangal Investments
And sir, what is our average coupon rate on these borrowings?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
7.8.

Vipul Shah - Analyst, Sumangal Investments
7.8 And regarding the expansion of 750 megawatts of thermal capacity, what type of capex will be required?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Around INR6,500 crores to INR7,000 crores would be required for thermal capex. Capacity of 750 would be around -- yes, we are expecting INR6,000 crores capex towards the thermal of 750.

Vipul Shah - Analyst, Sumangal Investments
So we will start growing that from which year? So again that will go up, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, definitely that will go up. But it will be in phased manner because the gestation period for the lignite-based thermal station to come up is nearing three to four -- minimum four years. So we need to have the capex in phased manner. In next -- starting from 2027, it will be -- till 2032, '33, capex will be there towards 750.

Vipul Shah - Analyst, Sumangal Investments
So considering this current date and this date which we propose to take for expansion of thermal capacity, what should be our peak debt?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
What should be our?

Vipul Shah - Analyst, Sumangal Investments
Peak debt.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Peak debt would be around INR4,500 crores roughly.

Vipul Shah - Analyst, Sumangal Investments
Including thermal?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Including thermal, so see, when the thermal will come up, again it will go down. Some repayment will be there towards the existing debt. So again that -- we have to work out. INR4,500 crore debt will be added in phased manner, but repayment will be there of this INR4,500-odd crores. So the odd figure would be around INR6,000 crores to INR6,500 crores at one point of time you can add. You can say it would be there in the peak debt.

Vipul Shah - Analyst, Sumangal Investments
And lastly, are we covered for full fuel for this expansion of thermal capacity, all 750 megawatts? Do we have the lignite supply covered?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, we have the available lignite in the region to cater the requirement of the total 750 plus 500 for the entire PTA life period.

Vipul Shah - Analyst, Sumangal Investments
Okay sir, thank you very much. And I hope you continue this practice of holding con calls regularly. And another suggestion, if you can give a presentation of all the figures which you have maintained so that we don't have to ask.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
That, we will give it too.

Vipul Shah - Analyst, Sumangal Investments
Yeah, so like all other generation companies, if you can give in tabular form, it will be really very helpful, sir. Thank you so much. Thank you very much, sir.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thanks.

Operator
The next question comes from the line of Jugal Shah, an individual investor. Please go ahead.

Jugal Shah - Analyst, Private Investor
Thank you. So I just have a quick question. Our FY '26 number is approximately INR1,500 crores as your top line. Can you just give us the breakdown? I know the Khavda is just towards the end. So ex-Khavda for solar, ex-Khavda for wind, the thermal, and whatever we have contributed towards INR1,500 crores for Khavda, can you give the breakdown for the revenue numbers?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
You are talking about '26-'27?

Jugal Shah - Analyst, Private Investor
'25-'26.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
'25-'26, you want the revenue breakup -- revenue addition from Khavda?

Jugal Shah - Analyst, Private Investor
Outside of Khavda. Khavda, you mentioned that we were -- 600 megawatt is not 100%, right? So if you can break up into ex-Khavda for solar, ex-Khavda for wind, and Khavda and thermal, if you can give us the breakdown for four of these.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, the solar -- this is -- revenue is INR152 crores. Then wind is INR86 crores. 75 megawatt solar is INR38 crores. Solar [Phonetic] is INR111 crores. So this is the revenue from the RE division. Revenue from SLPP-1 and 2, it is around INR1,030 crores -- INR1,103 crores.

Jugal Shah - Analyst, Private Investor
INR1,103 crores?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Jugal Shah - Analyst, Private Investor
Okay. And sir, what is the top line growth, if we need to understand? Because 600 would be fully operational for this FY '26, FY '27, and again 500 megawatt would be partially. So can we expect a growth of at least 20%, 25%?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, the revenue addition on the top line would be around -- between INR400 crores to INR425 crores, INR430 crores on the top line from 600 megawatt Khavda. And roughly INR30 crores to INR40 crores will be the top line addition towards the RE park. So you can say INR450 crores revenue top line will be added in the existing top line.

Jugal Shah - Analyst, Private Investor
Okay. As a blended margin, can we -- because I know for solar, it is higher and thermal it would be lower, but as a blended, can we expect at least 40% margin? Because we will have more of solar into lines.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Margin means?

Jugal Shah - Analyst, Private Investor
The EBITDA margin.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
EBITDA, I have already given the calculation. You can work. For example, it would be the full

capacity, 600 capex -- 600 commissioning, '26-'27. EBITDA would be around INR950 crores, INR940 crores roughly hovering. So you can work out the percentage.

Jugal Shah - Analyst, Private Investor
Okay. Okay, sir. Thank you. I'll queue back in the line.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
Thank you. The next question comes from the line of Kiran Kothari with Summit [Phonetic] Enterprises. Please go ahead.

Kiran Kothari - Analyst, Summit Enterprises
Sir, my question regarding Khavda power station, [Indecipherable] megawatt? Because came back, CUF will be 28%, but in March quarter, actually it is working for three full months, and according to your website, the CUF was 23%. Why is this so?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
That is last year's figure. I'm talking about the current year, what has been asked by someone. That is -- I'm talking about the CUF of the current year. That is in December, we have commissioned in phase. And that CUF represents the last year's CUF.

Kiran Kothari - Analyst, Summit Enterprises
So this quarter, CU will be 33%, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, we have -- last year, it was in the teething phase, and we have solved all the teething issues, and now we are on full swing.

Kiran Kothari - Analyst, Summit Enterprises
So this quarter, it is going up, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, this quarter, second quarter, again it will go down because of the monsoon. And third quarter again it will...

Kiran Kothari - Analyst, Summit Enterprises
But I just want to confirm, it is 33% in this quarter, and 23% in March quarter, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Kiran Kothari - Analyst, Summit Enterprises
And the second thing about -- all the companies give their production numbers post-March, March

end -- after end of the quarter, and your website gives only after results. Why don't you update as soon as the quarter ends?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically, after the quarter ends, there are certain data which is getting validated by WRLDC and SLDC, which takes around one, one and half months. Roughly, they lag behind, and that data is being validated. And then the actual power which we have sold, that is getting confirmed. That's why we are not declaring earlier before the results. That is the reason.

Kiran Kothari - Analyst, Summit Enterprises
So, my question about that solar power plant in Khavda, so what will be your expecting CUF of this plant?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, I have already said 33%, but during the monsoon, it will go down, but roughly, yearly, if you see, we are expecting 30% plus.

Kiran Kothari - Analyst, Summit Enterprises
30% plus?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Kiran Kothari - Analyst, Summit Enterprises
Okay. And what about Baroda gas station? It is idle right now. What is your plan for that?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
I have already replied. Baroda station, other than plant facility, we are using towards the BESS, and we are already putting up two BESS stations.

Kiran Kothari - Analyst, Summit Enterprises
Gas stations?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
BESS means battery storage.

Kiran Kothari - Analyst, Summit Enterprises
Battery storage. Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, battery storage.

Kiran Kothari - Analyst, Summit Enterprises
Okay, and regarding the 75 megawatt that is remaining, 1,100 and 75 you are supposed to develop,

you are developing right now 1,100. What about the 75 megawatt that is remaining?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, the 75 megawatt capacity, which is being available, as per the MNRE and the park capacity, which has been allotted to GIPCL, but we have more than 75 megawatt available land because we have used the land in very best manner, so we can have the available land to put 200 megawatt over there, and we are planning to have the 200 megawatt capacity with that, and it will be coming in the next couple of months. That project will be achieved there.

Kiran Kothari - Analyst, Summit Enterprises
Okay, and one question more about your group power plant. You have commissioned one group power plant last year of 75 megawatts with your promoters. So what is the revenue model of that plant? How much revenue you get from that plant?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Last year we have -- what we have commissioned in the month of May, and we have the revenue of around -- from that station -- just a minute, INR38 crores.

Kiran Kothari - Analyst, Summit Enterprises
INR38 crores?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
That was the first...

Kiran Kothari - Analyst, Summit Enterprises
For nine months?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Kiran Kothari - Analyst, Summit Enterprises
Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, it was nine months.

Kiran Kothari - Analyst, Summit Enterprises
Okay, thank you. Thank you, folks.

Operator
Thank you. The next question comes from the line of Preet Nagarsheth, with Wealth Finvisor. Please go ahead.

Preet Nagarsheth - Analyst, Wealth Finvisor
Yes, so a couple of other questions. One is, would it be possible to publish the PLF data on the

BSE-NSE sites? I mean, so that all the investors at large would have access to that information?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
We will look into it, and we will see that how -- next quarter onwards, if possible, we will publish.

Preet Nagarsheth - Analyst, Wealth Finvisor
Thanks. So the other question I wanted to ask is that, will you be needing to raise further equity for the additional INR6,000 crore thermal capacity that you are putting up? Is that something that GIPCL...

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
[Indecipherable]. But if required, we will raise the equity, or we may go to our promoters also for getting the infusion of equity, as may be required because [Indecipherable].

Preet Nagarsheth - Analyst, Wealth Finvisor
Right. The reason I'm asking that is, sir, any project will have a 70-30 financing, right? So, of INR6,000 crores, if you're getting debt, or that's the cost of the project, then there will be a certain large component of equity needed, even if the promoter has to put in, right? So that number will have to come in.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
We will see, because INR4,800 crores would be 80-20 debt, and the rest INR1,200 crores would be the equity. We will see how it is to be funded, whether through internal accrual over a period of five years, or through promoter's infusion, or some equity dilution, or in the market -- from the market. We will see how we can manage those equity requirements.

Preet Nagarsheth - Analyst, Wealth Finvisor
Wonderful. Thank you, sir.

Operator
Thank you. The next question comes from the line of Vikram Damani with Damani Family Office. Please go ahead.

Vikram Damani - Analyst, Damani Family Office
Hi, good afternoon. Am I audible?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Vikram Damani - Analyst, Damani Family Office
So, a few questions. Starting with the lignite new plant that we're proposing to build, will that be covered under the PTA with our promoters?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

Yes. Not the promoters, that -- there will be a PTA with the power offtaker, GUVNL [Phonetic].

Vikram Damani - Analyst, Damani Family Office
Okay, for the entire capacity?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Vikram Damani - Analyst, Damani Family Office
Okay. And for the next year, FY '28, once 500 megawatts is also operational, what will our interest cost and depreciation be for next year?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Depreciation would be roughly -- I mean, it will go up, INR500 crores addition. The depreciation would be around INR600 crores -- INR550 crores to INR600 crores.

Vikram Damani - Analyst, Damani Family Office
Okay. And interest?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Interest would be INR400 crores to INR450 crores.

Vikram Damani - Analyst, Damani Family Office
Great. Another question, sir, you're speaking about converting the Baroda gas location into BESS stations. Could you throw some light on the kind of capex, revenue, customer, how the economics of that would work for us?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
That is basically -- we have already got the approval from GUNL. That capacity is basically a storage type of mechanism. Certain fixed revenue will be given by GUNL towards the -- putting the power and the battery storage and then off-peak hours, it will be transmitted to the grid as may be required by GUNL.

Vikram Damani - Analyst, Damani Family Office
Okay. Would there be any capex towards this from us?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Capex would be around INR250 crores to INR300 crores.

Vikram Damani - Analyst, Damani Family Office
INR250 crores to INR300 crores. Okay. And over the next, say, 12 months -- and like, any idea of time lines and what revenue can we expect from this?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

It is one year. It will take around one year down the line to add the capex phase fully operational.

Vikram Damani - Analyst, Damani Family Office
And revenue? What can we expect on an annualized basis?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Revenue would be -- I have to check. There is a model, but it is basically -- we want to understand the whole mechanism of BESS. That is why we have given that customer to GUNL. And per unit, it would be around INR6, the revenue model is there.

Vikram Damani - Analyst, Damani Family Office
Okay. INR6 per unit. And sir, last thing, you mentioned that we have land available in Khavda and we are speaking about going from 75 to additional 200 megawatts. How -- is that a firm plan?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes. We have firm plans that the land allocated was 4,750 hectares. That is for 2,375 megawatts. But with the optimization of the land, we have the available pocket of land which can take -- wherein we can put 200 megawatts capacity at that location.

Vikram Damani - Analyst, Damani Family Office
And if at all, then we start that process in FY '27, so our INR4,500 crores peak debt, not counting the lignite plant, so those numbers could change conceivably?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes. When the capacity of this new 200 megawatts add, it will again change. Then BESS, it will slightly impact on the INR4,500 crores, but BESS will not have much impact. 200 also will not have much impact on this debt portion because it is a very -- if you see, it is around INR800 crores to INR1,000 crores if we take the 200 megawatts capex at the Khavda. So that amount of debt would be very minimal on the overall INR4,500 crores.

Vikram Damani - Analyst, Damani Family Office
Got it.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
We'll add more, to INR300 crores.

Vikram Damani - Analyst, Damani Family Office
So very, very useful, sir. As a lot of my peers have mentioned, if you could have these calls more frequently, it would be very useful for us, along with some presentations. Thank you so much. All the best.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
The next question comes from the line of Saket Kapoor with Kapoor & Company. Please go ahead.

Saket Kapoor - Analyst, Kapoor and Company
Yes, sir. Just a small understanding. So what will be our repayment schedule in terms of the INR4,500 crore debt repayment coming four, five...

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Saketji, this I have already mentioned. I don't remember. You have to come down. I have to show you the schedule. Initially, it is on lower side, initial five years, because I know we have this project. Then again, it will top up. Then again, next five years, it will top up. So like that, it is -- step-up repayment is there, but I don't remember the figures and percentage right now.

Saket Kapoor - Analyst, Kapoor and Company
And sir, as you have mentioned that the buyer for us is GUNL so that is assurance from them. But as we have seen that ours is a state that is surplus in electricity. So going ahead, do we have the STU and the ITU also signed going ahead or what happens in case of the supply exceeding the demand for the state? How will then our utilization, especially for the RE assets, play out?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, it is your assumption, but since last 10 years, there is no supply and demand mismatch. Demand is always more than the supply. So industrial growth will be there as per the GDP grows. And Gujarat is a growing state. There is a demand capacity requirement that is already in this state as per the development being taken place. So I don't think there will be any surplus like that. And even if surplus happens, we are on top of the merit order. So as per the merit order, those who are costly power suppliers, they will be curtailed down. But GIPCL will not be impacted.

Saket Kapoor - Analyst, Kapoor and Company
Right, sir. So just to the earlier participant, you mentioned the depreciation number for '27-'28 in the vicinity of INR550 crores to INR600 crores and the finance costs trending between INR400 crores to INR450 crores. That is what the number for '27-'28 is currently modeled out?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Saket Kapoor - Analyst, Kapoor and Company
And what is the corresponding number for '26-'27, sir? That also you mention, just if you could, for the sake of repetition?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
'26-'27, it is per se assumption that depreciation would be around INR425 crores to INR450 crores and interest costs would be around INR270 crores figure we are expecting.

Saket Kapoor - Analyst, Kapoor and Company
Okay. And the incremental revenue would be to the tune of INR400 crores only?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
INR400 crores to INR600 crores. And if you -- like that, pro rata, INR500 crores also at the same 2.73. Pro rata, you have to work out for INR500 crores also.

Saket Kapoor - Analyst, Kapoor and Company
Okay. INR400 crores is for the entire year for 600 megawatt and INR500 crores we have to work out pro rata basis of the commissioning and the ramp-up.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Correct.

Saket Kapoor - Analyst, Kapoor and Company
Okay. Thank you to all the participants and to you also, sir, for elaborating to us and giving us the color on the same. And as my friends have also mentioned, we hope that -- we look for the continuity. And also, sir, the press release part and presentation should be a part of our numbers also going ahead. Kindly look for the same, and all the best to the team.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you. That we will take care and we will do that.

Operator
Thank you. The next question comes from the line of Nilesh Doshi with Prospero Tree AMC. Please go ahead.

Nilesh Doshi - Analyst, Prospero Tree AMC
Hello? Hello, am I audible?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes, you are audible.

Nilesh Doshi - Analyst, Prospero Tree AMC
Thank you. Thank you, sir. Sir, you have mentioned that the 500 megawatt solar project is not commenced because of the evacuation problem. But do the company have incurred the full capex for the 500 megawatt, or still something is pending?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Not yet, not yet.

Nilesh Doshi - Analyst, Prospero Tree AMC
Got it. So it means our power project is also not ready to start. It is not the evacuation problem, but our project is not also installed fully?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

You cannot say fully because in the solar it is not like that. The total capacity has to be commissioned at one go. You can add 50 megawatt, 100 megawatt, 200 megawatt based on what capacity of evacuation is ready from your side. So we are ready with certain capacity. But there is some issue. So we are waiting and working and going ahead with the rest of the capacity addition according to that case.

Nilesh Doshi - Analyst, Prospero Tree AMC
Okay, okay, sir. And sir, under PPA, is the power purchaser under obligation to take whatever the energy we generate, whatever number of units we generate, or are we -- suppose if the output is less than the estimated, are we responsible for the lower output, or in case we generate the higher output, then are we allowed to sell in the open market?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically there is no upper limit. Upper limit, whatever you are generating, you can push power and you will get the tariff. But lower side, there is a benchmark. Every PPA -- as per the terms and conditions of the location and your project capex, how you have done it, according to that, every PPA, there is a benchmark. If you are generating below those percentages, there is a penalty being imposed by GUNL in case of any lower side generation.

Nilesh Doshi - Analyst, Prospero Tree AMC
So what assumption you have taken for the CUF while signing the PPA? Because in the last quarter, just one of the analysts had asked about the CUF generation in the -- it is around 20.5%. And you mentioned that in the current quarter, it is around 30-plus percentage. So what is our estimate of CUF for all plants?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically every plant is unique. Every plant's generation CUF depends on the location, radiation, what kind of panels are there, what kind of cleaning facility, roboting, tilting, all those things have to be seen. According to that, CUF is being estimated. For Khavda, we are estimating 30% plus. For Raghanesda, we are estimating around 28%, 29%. Another thing is that, how much is the DC addition is there, that also matters. So every project and every location has different CUF percentage.

Nilesh Doshi - Analyst, Prospero Tree AMC
So this year, we may reach up to the 29%, 30% on a blended because of the -- including the Raghanesda and everything -- all plants.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
[Indecipherable] we will definitely hit 29%.

Nilesh Doshi - Analyst, Prospero Tree AMC
And sir, the -- our finance cost is -- you mentioned that 7.8% is the interest rate. Is it fixed or is it linked with the NCLR or anything?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It is floating.

Nilesh Doshi - Analyst, Prospero Tree AMC
It is floating. Floating. Okay, sir. And our method of depreciation is on a straight line method or WDV?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It is straight line.

Nilesh Doshi - Analyst, Prospero Tree AMC
Straight line method? Okay, sir. In such case, when our PPA is signed and our tariff is fixed, how the revenue will grow? Suppose if there is some shortfall of unit generation, then in that year, particularly if there Is a long period of the monsoon or winter season, our revenue may be low because of the lower CUF. In that case, how the -- what is the -- any remedy for that?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, basically, we keep certain margin in the [Indecipherable] percentage, getting the profitability from the station. Then only we put the tariff for the purpose of competitiveness. So according to that, we have the enough margin to take care of this kind of situation.

Nilesh Doshi - Analyst, Prospero Tree AMC
Okay. Okay, sir. Thank you and all the best, sir.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
The next question comes from the line of Udit Sehgal with PinPoint X Capital. Please go ahead.

Udit Sehgal - Analyst, PinPoint X Capital
Am I audible, sir?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, yes.

Udit Sehgal - Analyst, PinPoint X Capital
Sir, looking beyond this 1,100 capacity that we are going to do and maybe another 200 addition to it, what is our like medium and long-term plan? I mean, do we plan to be an RE developer? And -- because I mean, getting the connectivity and the land takes a long time. So what is our pipeline like that for it after these projects are commissioned?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

See, basically, we are not the -- we are always into the generation. Of course, what I have mentioned, we are in the process and certain pockets of land under acquisition are also in pipeline. So once that land, pockets and all those things are made available to GIPCL, we will definitely look for certain capacity addition in the [Technical Issues] solar also is coming here. So that work is already going on. But exact number I cannot let you know. Once all the land availability gets crystallized, evacuation gets crystallized, then we can have those numbers in place.

Udit Sehgal - Analyst, PinPoint X Capital
But what would be like the medium term vision? Would be planning to add like 500 or 1,000 per year, or I mean, something you must have made, right? Some kind of vision?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Vision is one thing and actual reality is another thing. So we are thinking to add certain capacity of solar in next couple of years, around 200 to 300 megawatts. We will see how we are going to get the land and where we are going to get the land.

Udit Sehgal - Analyst, PinPoint X Capital
And on the BESS transfer, if I got it right, first, basically, we are going to do -- convert that gas plant, the land there and the connectivity will be used to connect it to BESS. That is the only BESS project we are doing.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, as of now, that only we are doing. But we are open for any future BESS requirement comes into picture through GUNL for our existing stations, we will be happily ready to do those projects also.

Udit Sehgal - Analyst, PinPoint X Capital
Okay, great sir. And with regards to pump storage, sir, how exactly are we moving with that? Because I think we were planning for something along those lines also.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
We are into certain pockets of pump storage getting from the government and we are in the process of getting those locations. Once those locations are made available from the GoG, we will definitely go ahead in the pump storage also.

Udit Sehgal - Analyst, PinPoint X Capital
Great. And, sir, regarding the connectivity to Khavda, when do you -- would there be a time line like maybe after monsoon, so maybe in September, October, we could start getting the connectivity?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
I think most probably by the end of this month. The connectivity will be no issue from the PGCIL.

Udit Sehgal - Analyst, PinPoint X Capital
Okay, so we could start our installation in phases from August itself, you mean to say.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes, correct.

Udit Sehgal - Analyst, PinPoint X Capital
Okay, excellent, sir. Thank you so much, sir. And great initiative to connect with investors.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
The next question comes from the line of Suryansh Raval, Shah Investor's Home Limited. Please go ahead.

Suryansh Raval - Analyst, Shah Investor's Home Limited
Hello, am I audible?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Suryansh Raval - Analyst, Shah Investor's Home Limited
Okay, my question is do you have any advance PPA for that Khavda project?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
PPA is already in place for Khavda.

Suryansh Raval - Analyst, Shah Investor's Home Limited
And what percentage of PPA and what is the tenure of the PPA?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
25 years.

Suryansh Raval - Analyst, Shah Investor's Home Limited
Okay, I understand. My another question is on, like, right now, any renewable curtailment impact on your revenue, or, if yes, then what percent of impact...

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
For 600, there is no curtailment. It is a firm allocation. So we are pushing 600 full. That is why our CUF is 33%.

Suryansh Raval - Analyst, Shah Investor's Home Limited
I understand. Okay. Thank you very much.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

Thank you.

Operator
The next question comes in the line of Ramakrishnan with Equity Intelligence. Please go ahead.

Ramakrishnan V - Analyst, Equity Intelligence
Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Ramakrishnan V - Analyst, Equity Intelligence
Good evening, sir. Sir, my question is, see, this year, our EBITDA was around -- our PBT was around INR244 crores. So next year, suppose we are going to make an EBITDA of around INR950 crores and if we have depreciation and interest to the tune of INR1,000 crores, then the PBT will be very negligible. And this year, because of the transition to a new regime, we got a credit of around INR260 crores. So how do you plan to -- so next year, what about the dividend and all that?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Dividend, we are committed. We will pay what we are paying because we have certain obligations to the investors also. But let us see how the figures are coming around post-commissioning 500. PBT is all dependent on the how commissioning takes place for 500.

Ramakrishnan V - Analyst, Equity Intelligence
Even if you -- so you are mentioning around depreciation of INR550 crores and the interest of INR450 crores, no?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Ramakrishnan V - Analyst, Equity Intelligence
So if you make a INR750 crores -- INR950 crores EBITDA, then the EBITDA will not cover both this interest and depreciation.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
EBITDA -- see, you are, I think, mixing the figures of '25-'26 and '26-'27.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. So that...

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Profit will be there, PBT post-commissioning 500, we have to see when it is getting commissioned. Without 500, the profitability -- PBT is very good. And if 500 is get commissioned, there will be certain hit on the PBT because of initial teething problem. Some initial loss, like 600, which we have

booked around INR220 crores in the current year, that will be there. So all the figures, specialization will take place once the 500 gets commissioned.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. So the thing is that '26-'27, you will not have much issue. Only '27, by that time, you will have -- some other income also will be coming in.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
'26-'27, we don't have issue, '27-'28, when 500 will also start pushing the full power, so the top line and below line, both -- PBT would be better as of now as compared to the current year.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. Sir, another thing is -- so we have around 310 megawatt of gas power plant. So approximately at INR10 crore, we must have invested around INR2,000 crores to INR3,000 crores on that. So now that is not giving us any return.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
When 310 commissioning of 145 was way back in 1993, project cost was around INR150 crores. And another 165 was also INR250 crores to INR300 crores. So all the figures of capex has already been recovered through PPA, through tariff, and we have recovered everything. So there is as such only book size or log size. As such, nothing is on the books as a lot.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. So if the gas prices comes down, I think -- see, because last two years, we were not operating gas power plant because your cost of production was around INR10. So do we have any plan to restart that gas-based power plant if the gas prices comes down?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, usually I have plans, but all this depends on the geopolitical situation and how the gas prices moves in the next couple of years. That only will determine the availability of my station.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. But in case of Torrent gas-based power plant, during the summer they operate because the peak power demand, I think they are trying to supply. But we are not doing anything like that, no?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Basically they have certain gas committed available from the -- some sources at a very reasonable rate. That's why they were in a position to supply. Otherwise, they would not have been in a position to supply power.

Ramakrishnan V - Analyst, Equity Intelligence
Okay. Thank you, sir.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.

Thank you.

Operator
The next question comes from the line of Sumeet [Phonetic] Kothari with Kothari Investments. Please go ahead.

Sumeet Kothari - Analyst, Kothari Investments
Hello. Good afternoon, sir. I was hearing all this. Actually, what is happening, it is a lot of confusion there because of your projected depreciation number, interest number, [Indecipherable]. That should not be there. So, I think '26-'27, only part of the 500 megawatt is coming in the stream, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Correct. Correct.

Sumeet Kothari - Analyst, Kothari Investments
So, depreciation and -- interest and depreciation will be also on the lower side this year, '26-'27.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, '26-'27, 500...

Sumeet Kothari - Analyst, Kothari Investments
What is getting confusing is that everybody is thinking that depreciation and interest will be around INR900 crores against [Indecipherable] of INR950 crores. That is confusing because there is no -- I think 500 megawatt -- the revenue generated by 500 -- revenue is not adding into this.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
See, you are confusing. See, what figure you are telling is for '27-'28. One of the investors has requested, once the 500 gets fully commissioned, what would be the figure? This is the figure post-commissioning of the 500 in the book. For the current '26-'27, it would be, on pro rata basis, based on the commissioning date, it will be...

Sumeet Kothari - Analyst, Kothari Investments
So, I think there is substantial profit after tax in this year also.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
But it will substantially -- the figure which you are referring will go down based on the commissioning take place. Because already half a year will go away. So, 500 megawatt commissioning, interest and depreciation both will get halved. And that figure which we are talking about, it will get also reduced by INR200 crores roughly in both the sectors, depreciation as well as interest.

Sumeet Kothari - Analyst, Kothari Investments
But -- so, at the same time, we are also getting some revenues, no? That will get adjusted against the depreciation and interest. Hello?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes?

Sumeet Kothari - Analyst, Kothari Investments
I just want to ask about '26-'27. What will be the finance cost and the depreciation? And what will be[Indecipherable]?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
'26-'27, there is a projected figure. I cannot give you the exact numbers. But roughly interest would be around INR250 crores to INR260 crores. And depreciation would be around INR425 crores to INR450 crores. This is a rough, I am telling you.

Sumeet Kothari - Analyst, Kothari Investments
INR700 crores.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It will vary based on the commissioning of 500 megawatts.

Sumeet Kothari - Analyst, Kothari Investments
Okay. So, against -- we are talking INR950 crores, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Sumeet Kothari - Analyst, Kothari Investments
Okay. Thanks.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thanks.

Operator
Thank you. The next question comes from the line of Janak Shah with Wealth Finvisor. Please go ahead.

Janak Shah - Analyst, Wealth Finvisor
Am I audible?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yes.

Janak Shah - Analyst, Wealth Finvisor
Yes. Sir, I had a -- see, most of the questions are answered. But my question was that, like, there have been several delays in commissioning the renewables. And the ROE is also quite low. And we are the only company -- like, we have done so many expansions, but we are the only company

which is available at, like, low -- like, the book value is far higher than the current market price. When can we expect the ROE to cross the 14% mark? And any plans -- further plans of adding a con call every three months from your side as the results are declared?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Basically, in ROE, you have to exclude this gas-based station. So, you will get the ROE of more than 13% to 14%.

Janak Shah - Analyst, Wealth Finvisor
But the gas-based station still exists, right?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
It exists in the books, but technically, they are -- basically, we are thinking to have a very -- in the next couple of months, a decision will be taken because nothing is going to happen on the gas front. So, there is no point in continuing with the gas-based station in the books.

Janak Shah - Analyst, Wealth Finvisor
Right. Sir, today was a very good initiative of adding a con call. Would it be possible to have a con call every three months when the results are declared?

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Yeah, yeah. Definitely. Definitely.

Janak Shah - Analyst, Wealth Finvisor
Great. Okay. Okay, sir. Thank you so much.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you.

Operator
Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Mr. K.K. Bhatt for any closing comments.

K.K. Bhatt - Executive Director, Finance and Chief Financial Officer, Gujarat Industries Power Company Limited.
Thank you, all the investors, for joining and having a good interaction with all the investors. And definitely, we will take all your suggestions into cognizance. And whatever is the best possible from our side, we will take care and we will do that. So, if you feel any of the queries, you can mail it to cs@gipcl.com. We will definitely reply those queries even if you have forgotten any question. Thank you.

Operator
[Operator Closing Remarks]