Management Discussion

Sabri Hazarika - Analyst, Emkay Global Financial Services Ltd
Yeah. T hanks. Good evening, everyone. On behalf of Emkay Global, I welcome you all to the Q1 FY '27 post-earnings conference call of Adani Enterprises Limited. We have with us the senior management from the company led by Mr. Robbie Singh, Chief Financial Officer, Adani Enterprises Ltd; Mr. Arun Bansal, Chief Executive Officer, Adani Airport Holdings; Mr. Rajesh Poddar, Chief Financial Officer, Adani Airport Holdings ; Mr. Muralee Krishnan , Chief Executive Officer, Adani New Industries, Solar Manufacturing; Mr. Manan Vakharia, Head of Finance, Adani Enterprises; a nd Mr. Jitendra Khyalia , Investor Relations, Adani Enterprises . So today's session would be an update on the results and outlook by the management, followed by the question- and- answer round. So now I request Mr. Robbie Singh to -- Robbie Singh for the opening remarks. Over to you, sir.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Hi. Good evening, everyone. Thank you for joining us today for Adani Enterprise Earnings call. As you know, AES portfolio comprises primarily of core infrastructure-focused businesses spanning energy, utilities, transport, logistics, and primary industry. For the current quarter, our results are reflecting the discussions that we've had over the last one year on value unlock and various interactions over the year. The investments made over the last few years are now progressively moving from build-out phase to value realization phase.

Over the next few quarters, there will be a clear pathway visible for accelerated value creation from our diversified portfolio of assets, primarily led by airports and roads. The focus has now shifted from establishing capabilities to maximizing returns, continuing ramp-up in operational performance, and increasing overall asset utilization. With the caveat in all of this being that we will continue to report historic capex numbers and the one of the highest capex years of our business this year. We are well on track to achieving that.

Moving to quarterly financial performance, a ll on consolidated basis. Total income increased to INR33,546 crore. This was an increase of 50%. This is primarily driven by a reset that is happening in the business as our copper smelter is coming online. Highest quarterly EBITDA at INR5,642 crore is an increase of 49%, again reflecting the businesses coming online plus specific price realization. Continuing profit before tax stands at INR1,295. The establishing businesses EBITDA on Rajvi [Phonetic] rising on account of capacity ramp-up of our copper business.

Certain project updates. W e have signed a new contract in data centers for 400 megawatt, taking our total capacity to rough -- signed capacity roughly 1 gigawatt. In the road business, the largest greenfield project of Ko-- Ganga Expressway has been inaugurated and toll collections have begun i n the middle of the quarter gone by. And we expect the wrap-up to complete over the six to nine months for the road to be operating at full capacity. We've added another BOT road project of 620-odd lane kilometers.

Capital market, and we also like to thank all of you plus investors on this aspect, which is we did the largest QIP of 5,000 -- INR15,000 crore of any non-financial corporate. This was about four times oversubscribed. Again, I take the opportunity to thank you and all investors who participated. This was very well received and we are pleased to see the continued diversity in our shareholder register. I'm pleased to introduce some of our business CEOs and we'll continue this trend of progressively bringing our CEOs who run our businesses on basis of which all these results are possible.

Today we have Arun Bansal, CEO of Adani Airports. A nd for the first time, Murlee, who is CEO of Adani Solar, and they will take you through their respective businesses.

First, I hand over the call to Arun, CEO of Adani Airports . Over to you, Arun.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Thank you, Robbie. Good evening, everyone, and very welcome to this investor call. Adani Enterprises i s one of India's largest private airport platforms, operating a portfolio of eight operating airports contributing approximately 23% of India's passenger traffic and 29% of country's air cargo volumes, underpinning our scale and strategic importance in India's aviation ecosystem.

Adani Airport current quarter results demonstrate continued growth with resilience. Despite geopolitical headwinds, the international travel operations at our Navi Mumbai Airport have started from July 15, 2026, and will continue to accelerate during the year. These results were led by tariff revisions at our Mumbai Airport, the start of Navi Mumbai operations, and continued momentum in our non-aeronautical revenues. Our non-aero revenues are supported by expansion of non-aero activities across all our airports.

If I move to financial and operational performance during Q1 financial year '27. P assenger traffic was 24.2 million passengers. Total income was INR3,763 crore, which was up 39% year- over- year. EBITDA increased by 49% year- over- year to INR1,633 crores. Aero and non-aero revenue delivered robust year- over- year growth of 16% and 53%, respectively, in Q1 financial year '27. We also operationally added seven new routes and one additional flight during Q1 '27.

With that, I hand over to my colleague Muralee.

Murlee Krishnan - Adani Solar
Thank you, Arun, and good evening, ladies and gentlemen. Adani new energy ecosystem is developing an end-to-end integrated ecosystem for manufacturing solar panels and wind equipments. As all of you already know, Adani Solar h as featured in the elite list of top 10 global solar panel manufacturers, and Adani Wind became only Indian company in the top 15 global wind turbine manufacturers.

I'm happy to inform you that out of our expansion plan of 6 gigawatts, we have commissioned module line of 1.7 gigawatt in the month of June 26. With this, we have now total operational capacity of 5.7 gigawatt of module line and 4 gigawatt of cell line. We are on schedule to commission both module and cell lines to 10 gigawatt by end of this financial year. During this quarter, the domestic module sales have increased 1,340 megawatts, up by 107% year-on-year basis. This demonstrates strong demand of Adani S olar modules in the domestic market, also which has fully absorbed the export intake. Reflecting on this strong domestic demand, we have decided to close advance authorizations in imports taken or also making payment of applicable duties during the quarter.

Moving on to the financials and operational performance of Q1 FY '27, m odule sales to 1,340 megawatts, wind turbine sales to 64 sets, which is up by 83% year- on- year. Total income at INR3,937 crores and EBITDA INR972 crores.

With this, I hand over back to Mr. Robbie. Thank you.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Thanks, Murlee, and thanks, Arun. I'll quickly take you through the remaining segments. O n the mining services portfolio, we have 18 mining services agreements with a peak capacity of 145 million

tons per annum. We are operating at currently at 55 million tons, which is approximately 38% of the total contracts we have. More importantly, as we continue to bring on new contracts for an operational stage, we will -- we have taken the total available operating capacity in contracts operational to 93 million tons, thus giving us a good ramp-up over the next coming two to three years. But during the quarter, dispatch volumes stood at approximately 11.8 million tons, revenue at INR1,174 cr and EBITDA at INR421 cr.

In the integrated resource management business portfolio, trading volumes was at 8.3 million tons, revenue at INR7,000 cr and EBITDA increased to INR894 cr. This is largely due to price realization and the impact of geopolitics. F or the first time, we are introducing copper portfolio into our numbers. I will lay out the plan for this. We will have much more detailed presentation on this in our December quarter results, and we will formally do a proper showcase of the copper business post the annual results in March. But as we stand today, our copper sale volume of is at 64.7 million tons with the capacity utilization now at 52%. Revenue at INR10,922 cr, giving us an EBITDA of INR749 crore for the quarter.

With this, we are open for Q&A. Thank you.

Questions & Answers

Operator
Thank you very much. We will now begin the question- and- answer session. [Operator Instructions] Ladies and gentlemen, we will wait for a moment while the question queue assembles. We take the first question from the line of Mohit Kumar from ICICI Securities. Please proceed.

Mohit Kumar - Analyst, ICICI Securities
Hi. Good evening, sir, and congratulations on successful raise of money through the QIP. My first question is, has there been change in the capex plan for FY '27 and FY '28 after this raise of capital?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
As I said in the opening comment, absolutely no. We are committed to the capex that we outlined at the start of the year, and we are actually tracking to that number very closely, and we will stick to that guideline.

Mohit Kumar - Analyst, ICICI Securities
Understood. My second question is, can you help us with expected commissioning of -- I think -- broadly, I think we have now 1 gigawatt of data center. How do you think this ramp-up will happen over the next couple of years?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
So, again, we covered this in our investor deck also. It is on Page Number 15. So we are expecting the capacity ramp-up to the -- to hit about 500 megawatts over the next three years. And then because most of -- the post that most will be large, and then every tweo or three years a large addition will occur. The first large addition will occur in the next two to three years will take us from current about 65 megawatt to over 470 megawatt operational.

Mohit Kumar - Analyst, ICICI Securities
Understood. I think you're talking about the Navi Mumbai Phase 2. Is it -- are you planning the construction to start in F '27, or you think it is slightly longer term?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I'll let Arun answer that question. Arun, please.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Sorry. C an you repeat the question?

Mohit Kumar - Analyst, ICICI Securities
My question was on Navi Mumbai Phase 2. Yeah. Wh ere are we right now? Is it -- will the construction start in F '27 or F '28, or it is a longer -- it is something that will happen in the long term?

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
No. T he construction will start in this financial year itself. We are in very advanced stage of design work, and excavation work will start as soon as the monsoon is over this year -- this financial year itself.

Mohit Kumar - Analyst, ICICI Securities
Understood. My last question, is it possible to share the difference EBITDA in the quarter and the last year? Is it possible?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
No. W e are not currently going through that. It's not material at the moment, and we will go through that once we have set up the entire ecosystem, and we'll at appropriate time showcase that difference.

Mohit Kumar - Analyst, ICICI Securities
Understood, sir. And thank you and all the best.

Operator
Thank you. We take the next question from the line of Prateek Kumar from Jefferies . Please proceed.

Prateek Kumar - Analyst, Jefferies
Yeah. G ood evening, sir. Congrats for good results. My first question is a bit top-down. So where do you see your current large businesses as airport, tunnel, for sure data center is going to be a big business in a few years. So where do you see these businesses going in five years' time in terms of size, maybe in case of airport passenger, or size of the overall business from the overall company perspective?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think five years is difficult because we don't outline -- we have outlined an overall capex plan for the portfolio all the way to 2030, '31. We can share that specifically for AEL, which we have done on the road show during the QIP. W e can note your question and reshare that for the benefit of everyone, and we can put it up on the website again. But we are at a point where specifically with the airport, with Arun and team, we are at a point where, increasingly, the business is on a standalone basis going exceedingly well.

And as we have maintained, that we will have -- we will come to a decision point in relation to rewarding the shareholder of AEL with somewhere around in 2028 in terms of this business being

demerged. And but other than that, to directly to your question, we will actually point you to the AEL offering circular and the roadshow presentation. But we take your question on note and the team will update and upload the question for -- so that it's available to everyone.

Prateek Kumar - Analyst, Jefferies
Sure. Okay.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Okay.

Prateek Kumar - Analyst, Jefferies
Certain bookkeeping questions. What drove the interest expense sharply during this quarter, sequentially?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
No. T hat's largely because of the capitalization of large assets, Ganga Expressway, airports. But no, no specific large-scale change has occurred. If you see the data, I'll point you to the page on our -- in our presentation. If you go to Page Number 25 of the presentation, it will give you the full detail of the current debt stack of the business and the ratios attached to that. So there's no material significant change that has occurred in anyone, on to -- unless I'm missing your question and we have some follow-up question detail on this that I'm not able to ascertain from your question.

Prateek Kumar - Analyst, Jefferies
My question was like, particularly because you commercialized Navi Mumbai like prior quarter, copper was already commercialized. I also thought that Ganga Expressway was also partly commercialized earlier, but INR700 crore on a Q-on-Q basis, there is a swing. So that was my question. Also now are you looking at upwards of INR9,000 crore interest expense for the year?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
That's largely because as the assets are capitalizing, so the interest payment is coming onto our books. But that is a change of the -- on a consolidated basis, the INR1,905 crore becoming INR2,004 crore, that's directly linked to the asset capitalization.

Prateek Kumar - Analyst, Jefferies
Sure. T here's a couple of other questions. So on -- your mining services performance was a bit muted in terms of volumes, while trading IRM business EBITDA was very strong. So how are you looking in terms of volumes in these two businesses as per FY '27?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Mining services will continue as it is. Like I said, we are currently at about 40 -- just 149 million tons dispatched. We expect that the -- with the new mine coming online, we expect somewhere between the range of 16% to 20% growth in the mining services in relation to simply because one new contract's now operational. And in the IRM, I would -- we like to caution a little bit in the sense that it's more important to look at the -- of the volume. The volume is consistent. The swing that has occurred is largely due to the geopolitics, and it can -- that can sustain for a period of time, but that's a volatility-induced increase.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Sure. I'll get back to the queue for questions later in the call. Thank you. Thanks.

Operator
Thank you. [Operator Instructions] We take the next question from the line of Girish from MS . Please proceed.

Girish Achhipalia - Analyst, Morgan Stanley
Yeah. T hanks for the opportunity. I had -- first question was on airports. So congrats on very strong non-aero growth. Almost 53% for a passenger growth of 4%. Wanted to understand what part of this growth is driven by Navi Mumbai. I understand even strip off that, the organic portfolio has done well. If you can highlight some of the key strategies that you guys are focusing on. I understand the digital app is a key part of that strategy. Should we look at similar growth rates continuing for the full year or how we should think about the full- year non-aero revenue growth? Thanks. That's my first question.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Arun?

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Should I take...

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yeah.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
N o, thanks, Robbie. So you are absolutely right, the non-aero growth to a very large extent is driven by increase in our IPP and also the ATV per passenger, not so much by Navi Mumbai because Navi Mumbai is scaling up. As I said, the international flight only started post the closure of Q1 by 15th of July. But we see growth across all non-aero verticals; duty-free, F&B, lease and rentals. And we also started one new line of business which has started to give meaningful financials in terms of ground-handling business from this year, and which will be a recurring business for every quarter for us.

Girish Achhipalia - Analyst, Morgan Stanley
And should -- how should we think about the annual number? A ny estimate on how the growth could be for the balance part of the year? Particularly non-aero? So

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Yeah. So non-aero, I mean, of course it depends on the current geopolitical issue where it is hampered the passenger growth significantly, especially the international passenger. So if the growth comes back in the international passenger too as planned, you should see the similar growth continuing during the year.

Girish Achhipalia - Analyst, Morgan Stanley
Okay. Secondly, just on the roads portfolio, I don't see the EBITDA. Maybe I missed it. If you can quantify what's been the EBITDA for the quarter, given that Ganga Expressway has also started.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
The roads EBITDA is INR288 cr, and we expect it to continue to ramp- up because Ganga Expressway is nowhere near close to its capacity at the moment. It's ramping up. We expect the ramp-up to continue and stabilize over the next nine months, 12 months.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Thank you. And my last question was on copper. So very strong and sharp improvement. Any one-offs here, or should we expect this run rate of, let's say, between INR750 crore to INR800 crore per quarter going into the balance three quarters of the year as well?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think I would just like to -- whilst we are very happy with the result, but I think, as you understand, in the -- it's basically a specific business in relation to its process. So w e expect the -- that the EBITDA margin on sales, which currently we -- this year -- this quarter has been about 7%. L ong run, we expect that to be about closer to the 5% range. And we are currently at 52% utilization. So you expect the utilization to head towards 75%.

A nd consequently with that kind of utilization increase, with the stable quarter-on-quarter EBITDA, yes, we expect that to remain in this INR 800 crore range. But as the capacity ramps up, the -- mathematically, the EBITDA will go up, but please be mindful that currently on INR10,900 crore, our EBITDA is INR749 crore, which is roughly 7%. But in the longer run, we'd expect that number to be about 5%, although the revenue number will be lifting significantly from here as the lines and the ramp-up matures.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Thanks, Robbie. I'll call back in queue.

Operator
Thank you. We take the next question from the line of Manish Somaiya from Cantor. Please proceed. I would...

Manish Somaiya - Analyst, Cantor Fitzgerald
Good afternoon -- good evening.

Operator
...request Mr. Manish to unmute and then speak.

Manish Somaiya - Analyst, Cantor Fitzgerald
Yes. Can you hear me? Hello?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yes. W e can hear you.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Please go ahead.

Manish Somaiya - Analyst, Cantor Fitzgerald
Okay. A wesome. My apologies. I always have this issue with my phone. Maybe a question for Arun. Obviously, the airport business is growing nicely, very impressive business overall. Is that a milestone that we should be thinking about in terms of breakeven for earnings before taxes type metric. O bviously, we see EBITDA moving much, much higher, obviously, at the depreciation associated with the growth, the startup cost, etcetera. But how should we think about the profit before taxes on a breakeven basis for that business?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I'll take this largely in terms of the technical finance part, and obviously on the business side Arun can comment. Arun, please feel free to comment when you want to.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Sure.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
But just on the -- Manish, the way we look at the structure of the airport business is that it's a RAB-based business. So the more important thing is what is our RAB, regulatory asset base, changes, and consequently what is the RAB income that will occur from the increasing regulatory asset base. So Mumbai has added a lot of regulatory asset base, and we expect our regulatory asset base to rise actually from current INR37,000 odf crore, cr, to close to INR70,000 cr.

So it's a RAB growth, and then consequently the regulatory return permitted. The metrics that we would -- and we will introduce that as we go through over the next 18 months, which are the gross spend rate of the consumer We report that number. Arun mentioned in his opening comment as well. Gross spend rate of people visiting at the airport, and we will continue to, as Arun also indicated, that we will introduce a new business segment. So we'll continue to add and provide clarity on that aspect.

On the P&L side, that is your question in relation to P&L side, we will still remain a heavy depreciation business because we are adding so much asset base. So the -- we will start reporting as -- over the next 12 months, a cash earnings on the asset base. And consequently, you'll be able to track a number called cash per share of the business. And we will provide that visibility to the market on that. But for the foreseeable future, just given the rapid rollout of the asset base, we will still remain a heavy depreciation business in relation to post-depreciation and PAT number growth and the conversion of that. But on the cash flow conversion to cash per share, we will be -- we will bring that out over the next 12 months in a much more clear manner.

Manish Somaiya - Analyst, Cantor Fitzgerald
Okay.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Arun, do you have...

Manish Somaiya - Analyst, Cantor Fitzgerald
T hat's super helpful.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
...business side perspective. Arun, would you wish to add anything on the business side if I may have forgotten?

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
No, Robbie, you covered it very well on the business side. I think the biggest milestone for us in next three quarters is to get Navi Mumbai at operating per quarter of 20 million passengers. So that's what our immediate focus is.

Manish Somaiya - Analyst, Cantor Fitzgerald
Okay. T hanks, Arun, for that. I did want to touch on Ganga Expressway as well. I was hoping to see

more of a profit boost as far as Q1 and also surprised to see revenues at least weaker than what we would have expected even vis-a-vis year-over-year. So I'm just trying to find a path to how we can see an improvement going forward. Are we being too optimistic on our side versus what's happening on the ground? Maybe if you can kinda reconcile that for us, that would be helpful.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
No. A ctually, no, we are not being -- we're certainly not being optimistic, I can tell you that much. And we are being very cautious in what we are saying. And the reason is that when an asset of that scale, which is actually a trunk asset, is coming online in a major state in India, which is UP, the procedures that they have to go through to approve. So they actually -- the toll collection only began on 15th of May.

Manish Somaiya - Analyst, Cantor Fitzgerald
I see.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
And...

Manish Somaiya - Analyst, Cantor Fitzgerald
So...

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yeah. S orry.

Manish Somaiya - Analyst, Cantor Fitzgerald
Go ahead . I'm sorry.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
No. S o then we -- so that's why, as I said in my opening comment, we expect this to be a massively successful toll road just based on the initial indication. We have ground indications. So I was there actually in Lucknow as well myself. So we've gone through this. We are extremely confident that this will be a massively valuable asset, not just for us, but actually for the state's economic architecture also. This is a trunk road. I would compare this to what the cross Malaysia Highway did for Malaysia. This is going to do that for UP. It is that critical an infrastructure for Uttar Pradesh.

And when you're on the ground, you actually see -- already start seeing the impact of this. You're certainly going to get a massive uplift in SME, MSME manufacturing clusters around the defense ecosystem in this area, largely driven by now the connectivity of this road. So we are extremely confident. We -- if you wish to have some specific answers that you believe we are not -- or you think we should clarify more, we are happy to take advisement and we will try to make sure that at least in the next results we lay it out in more detail so it clarifies. If any suggestion is there, please do so. We'll happy to clarify. But we are extremely positive about the business overall, and on -- based on the ground reality that we are going to -- there will be an upside surprise rather than anything else.

Manish Somaiya - Analyst, Cantor Fitzgerald
No. I think the clarity you offered is helpful. I didn't realize that the toll collection only began May 15. I had the full quarter in my estimates, so maybe where it now is off. And of course, I've seen pictures of the highway and it's super impressive. I -- congratulations to the team on doing that. It's just

absolutely fabulous. And hopefully it works out the way you anticipate. On the data center side...

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
When you visit, actually even better than pictures, Manish. It's actually in -- the contrast is even more stark when you are there because you see surrounding and then you see this highway.

Manish Somaiya - Analyst, Cantor Fitzgerald
Right.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
You certainly think you are in first world country when you're on the highway. Obviously, within a second you back in developing country, but nevertheless, once on the highway, you feel like you're in the first- world country.

Manish Somaiya - Analyst, Cantor Fitzgerald
Right. No. I mean, the pictures have been amazing. Just one last question on the data center. I think you talked about the 960 megawatt o f tied-up capacity, but I guess only a small portion is operational. So how should we think about the capex per megawatt or customer funding or prepayments when it comes to developing that?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think just on the capex side of the data center -- w e will specifically come back to you, if you don't mind, on the question. But we do expect that we are -- if we have to give you a per megawatt today, I can give you the range, but we can obviously clarify that in more precise detail because we do have the information. So we are roughly around, say, about INR70 cr to INR75 cr per megawatt in terms of construction, and a run rate return which is U.S. dollar equivalent of approximately 12%.

And the ramp-up structure, now that hypers-- now the ramp-up, the construction is now moving to the hyperscaler format. So the next construction periods will add bigger chunks to the business. So it's just going through -- currently it's going through the sort of 50 megawatt, 100 megawatt type additions, but it'll move to few hundred megawatt of additions at each construction cycle, which is roughly about 2.5 years. So in the next three years, we expect to add -- we'll take this capacity closer to 500 megawatt. So five times what it is today. More than five times, about seven times to eight times what it is operationally today.

Manish Somaiya - Analyst, Cantor Fitzgerald
Right. S uper helpful. T hank you so much. G ood luck . And hopefully we'll catch up soon. Thank you.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Absolutely. Thank you.

Operator
Thank you. We take the next question from the line of Aditya from Kotak Securities . Please proceed.

Aditya Mongia - Analyst, Kotak Securities
T hank you for the opportunity, and congratulations on the strong set of results. I have two questions from my side. The first one on airports. W e've been possibly surprised with you doing much better non-aero PAT for this quarter at about INR880 odd crore. So wanted to check whether

there is more headroom available to go beyond the INR880 crore for PAT that you reported, which is meaningfully higher than the other listed peers.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Arun, please.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
So I will take this. So as I explained, one part of the growth this quarter was ground handling business, which we only started last year post Q2. The second part is, yes, there is still a lot of headroom left for growth in non-aero with three different initiatives. One is, as I said before, the digital initiative. We have started to engage with passenger much before they have come to the airport. Second is engaging with the non-passenger with meeters and greeters, which is two times, 2.5 times the passenger. And the third is the city-side development, which we have started to do and will go live from financial year '29-'30. Then within the non-aero business, inside the terminal also, we are doing lot of premiumization with the GDP growth and the aspiration of India.

So we believe there is a headroom to increase the ATV for us for transacting passengers inside the airport by giving them better offering. So we are upgrading lounge experience, we are upgrading F&B experience, we are upgrading retail experience to meet the aspiration of young India.

Aditya Mongia - Analyst, Kotak Securities
Understood. A related question. T he big update that is happening in lease and rentals, is it linked to more retail space getting deployed at your airports? Or is it primarily to do with higher footfalls happening?

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
No. So as, I think, in the beginning Robbie said that this quarter, because of unfortunate Middle East crisis and the higher retail price, the passenger increase was only 4%. But primarily the growth is coming from higher ATV, but also us monetizing what we used to call dark space. So we have increased significantly the retail and F&B space over last 18 months at our airports.

Aditya Mongia - Analyst, Kotak Securities
Great. That clarifies, sir. The second question I had was more on the data center front. C ould you give us more color on the 400-megawatt order that you have recently won and whether with the same customer there is scope to do more work or whether there is any kind of framework agreement t hat you may be working towards?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yeah. I mean, this is -- we can't really add anything more to this because we already publicly shared with you. This is part of the Google contract at Vizag. What we are supporting is what is the part of that contract actually executed. There are other parts which will get executed as we go along, but overall contract is available publicly and available on our website.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
No, that clarifies, sir. Thank you. Those are my questions, sir.

Operator
Thank you. We take the next question from the line of Biplab Debbarma from Emkay Global . Please proceed.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Hi. Thank you for taking my questions and good evening to everyone. Sir, my question is on the -- first question is on the city-side development. Our understanding is they have a huge land parcel in Mumbai as well as Navi Mumbai. And Mumbai being in the city center, it would be more lucrative. So what would be the total in terms of square footage or development potential in this city-side? And what do you think would be the capex requirement for this city-side development for the next five years?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Arun, please.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Shall I take, Robbie? Yeah.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yes. Thanks. Go ahead.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
So Phase 1 -- so total land available for us across all eight airports is 660 acres. Phase 1, we are only doing 22 million of construction -- 22 million square feet of construction, 14.4 million of super built-up area across Mumbai, Navi Mumbai, Lucknow, Jaipur, and Ahmedabad. That will go live '29-'30, and the Phase 1 capex we have committed is around INR20,000 crore for that.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
That INR20,000 crore will be for how many years? That will be ...

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
For Phase 1 of this 22 million super built-up area, 14 million construction area, and 14.4 million retail space available.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Sir, I mean, in how many years this capex?

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
This Phase 1 will be completed by '29-'30.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Okay. ' 29-'30. Okay. And this entire development you -- would you give -- I mean, how do it work? You will give it to some real estate player, or you -- your airport, AAHL, would itself develop it? I mean, or you would -- you give it to some developer, you will, say, just take the lease center? How does...

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
So phase 1, we are doing it within the integrated development. This is a mixed-use integrated development which will consist of hotel, retail, F&B, entertainment zone, high-end offices, and this will be done under AAHL. But of course, the construction will be done by the D&C partners.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Okay. And what kind of rental or EBITDA do you think this development expected to generate? A

ballpark would be fine.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
That -- sorry. T hat -- we will cover that once we are ready to disclose as we start moving with the rental retail mix contracts, because we don't want to be highlighting that level of work that would become very difficult for us to maintain...

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Yes.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
...particular disclosure standards.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Yes, sir. And just one final question, have you commenced the work for this city-side development?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Arun, please.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
So I didn't get it fully. S orry. Can you please repeat?

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Have -- do you know...

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Have we started the work on city-side development?

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Yeah. We know that...

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Yes. W e have started

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Sorry. I...

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
...Mumbai, Navi Mumbai, Lucknow, Jaipur, Guwahati, and Ahmedabad. Four places active construction going on; Ahmedabad, Mumbai, Navi Mumbai, and Lucknow. Jaipur and Guwahati we will start post-monsoon.

Biplab Debbarma - Analyst, Emkay Global Financial Services Ltd
Okay. T hank you, sir, and all the best.

Arun Bansal - Chief Executive Officer (Airports), Adani Airport
Thank you.

Operator
Thank you. We take the next question from the line of Kartik Kohli from Kotak Securities. P lease proceed.

Kartik Kohli - Analyst, Kotak Securities
Hi, sir. T hanks for taking my question. J ust wanted to -- just one quick question, and I wanted to understand, so when we look at your segmental breakup that you've given versus the reported numbers on BSE, there's a EBITDA including other income that is left is about INR972 crores f or this quarter. A nd this number was about INR560 crores in the base quarter. So can you talk more about what is driving this change? What are the key businesses? W e understand this is a lot to do with defense, bunkering, all of those things. What is driving this uptake? Because now the other segment itself is bigger than copper and mining services. So just wanted to understand how this is panning out, what is the key business drivers here, and can we get to see disclosures on these accounts over the next few quarters? And that'll be my only question.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think -- where are you getting the Others EBITDA that you're saying? Because we don't see that numbers.

Kartik Kohli - Analyst, Kotak Securities
So I was just comparing the numbers that is given in the presentation for each of the segments. A irports, and then IRM, mining services, and copper, and comparing those with the overall numbers that are given on BSE for the consolidated AEL. So there I get the overall EBITDA including other income at INR5,641 crores -- sorry, INR5,642 crores.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
No. I can answer. I'll just -- I get the question. So what we In the others is included commercial mining, which is INR372 crore of the number; roads, which is INR288 crores of the number. So the INR600 of that number is just these two businesses, and then a chunk of that is also -- a significant chunk of that is -- other, is defense business as well. So the majority of it, the number is covered by these two businesses, commercial mining and roads itself.

Kartik Kohli - Analyst, Kotak Securities
Got it, sir. Thank you so much.

Operator
Thank you. [Operator Instructions] We take the next question from the line of Girish from MS. Please proceed.

Girish Achhipalia - Analyst, Morgan Stanley
Thanks for the follow-up. A couple of questions. Firstly, on defense, the subsidiary had, I think, last year done revenues of INR2,500, INR2,600 crores. I wanted to understand how should we think about the order book right now that the company has? A nd in terms of growth outlook for the year or for the next few years, how should we think about the growth in that business and capex for that business?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think we -- you -- numbers you're referring to, Grish, which we mentioned out in the QIP and QIP Roadshow and presentations. What we are planning to do, Grish, is that sometimes about September next year, we'll be in a position to lay out the proper strategy and the business update. And we are planning that in post-September next year, in November, we have the overall defense strategy showcase. So, to provide the clear visibility, but what I can say to you is that this -- that the growth

that we have exhibited, we are tracking to that, and we expect this to be a business of sufficient importance that it will come into our segmental reporting over the next 18 months.

Girish Achhipalia - Analyst, Morgan Stanley
Okay. J ust a follow up on data centers. So obviously at INR70 crore capex per megawatt, how should we think about funding on the debt side? T ypically, infra projects go up to 70%, 80%, so should we assume that? And what could be the typical interest coupon and financing? Will it be like a debt funding with long tenure, i f you can talk a little bit on that? And with hyperscalers being your customers, is there a possibility of some dollar funds also being spoken about? Because you spoke about dollar return.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yeah .

Girish Achhipalia - Analyst, Morgan Stanley
Yeah.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
So, to this, Girish, we -- the way we set this up, we were one of the first ones to -- in India at least, or in Asia as well, to look at it not as property finance but as project finance. So we got this originally set up in the manner that more consistent with infra projects, given that we wanted to have a service and energy model locked in together with our final users of the data center. So we are looking at a more traditional infra-type funding, and we are looking that this business will track close to investment grade.

So the coupon expectations will be in line with the investment- grade debt. The tenor and terms of this, we will be -- once we reach a point where we're looking to put the long-dated paper out, you are looking closer to -- we'd like to maintain a duration in this business of, say, around seven years, which is about, from an underlying contract life perspective, say, the -- which is -- we have reasonable visibility over 10 years. So we will -- in that -- for -- from that point of view, track the duration in line with our overall portfolio duration, but could be slightly less. So you -- the benchmark would be a sort of, say, a long five investment-grade bond on a sustainable basis.

Girish Achhipalia - Analyst, Morgan Stanley
Understood. And just in terms of data centers, again, Adani Group h as been able to scale up this portfolio in terms of contracted capacity quite meaningfully i n the last 12 months, probably regionally in the region, Asia region also, you will be among the fastest growing. Wanted to understand what do you think is very different in terms of the offerings that Adani b rings to the table or is it also a little bit on the pricing side which allows Google to kind of take or any hyperscaler to take a decision.

And just a risk, because I was getting a lot of questions on this, on execution. When we're thinking three to five years, a lot of the equipment could also be import-dependent. How are you planning right now as you keep scaling up this business from a three-year to five-year perspective, c ertain import equipment requirements that could come through?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think, yeah, this is an excellent question. I think I'm glad that you brought this up. It will just clarify a couple of things. A nd I'm -- actually, we should have addressed this ourselves, but nevertheless,

now you have the question, so we'll answer. I think the way you will see that we made announcement that we've agreed the JV with Jabil, so that addresses the question of us being able to provide the stack capability t o the final client. So to that -- to eliminate that risk. So which -- so we will be able to provide the -- some, at least the physical -- build out of physical stack. Now there's -- within the stack you'll have the GPUs, which is the -- which the final client already has. So that's that part. And we'll continue to embed ourselves deeper in this infrastructure chain of this area. But that's not from data center point of view, but there's overall -- the overall stack that is required for the AI world that is coming. So that's being done from that basis. It helps the business.

Second part is that why we are able to grow faster is that we have very large utility platform that can accept some level of merchant risk. And because we can provide the energy solution, because what's something -- the thing that is stopping the fast ramp-up is the -- being able to tie up the energy equation. In the U.S., obviously, the data center and hyperscales have gone on the method of building it out themselves, but here we can offer them that facility, and that is what is more attractive to them than anything else. So our pricing and everything is broadly the same as general market in the region. But the unique defining feature is we are in the private sector India's largest utility platform.

And end to end, we are the only utility platform of that including the government. So, consequently, we are able to offer a utility level solution in relation to their energy requirement. And that part is the defining difference. And we are -- as we are adding services like JV with Jabil and our capacity to bring in the ecosystem, which is common in the U.S.. and common in Europe, common in China, we are able to bring -- we will bring that ecosystem in India also. And that helps us to de-risk some of the construction and development activity.

Girish Achhipalia - Analyst, Morgan Stanley
Understood. Just one small typo, I think, in the presentation, you have written 2 gigawatt by 2030. I believe the Chairman in the AGM spoke about the portfolio being now 3 gigawatt. I know it's an evolving number, but just wanted to highlight that. Thanks.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Thank you for that. We will clarify. Actually, it's a good figure. But it's a -- the number is 3 gigawatt.

Girish Achhipalia - Analyst, Morgan Stanley
Thank you.

Operator
Thank you. We take the next question from the line of Alok Deora from Motilal Oswal. Please proceed.

Alok Deora - Analyst, Motilal Oswal
Good evening, and thanks for the opportunity. Just had one question specifically on data center. So when we say operational capacity and when we also giving tied up capacity, so typically how much time it should take for some of those tied up capacity to get operational? That is question one. And second question is related to that, that would we see a case where our realization per megawatt would also increase as we -- as the mix improves to more of hyperscalers? So yeah, this would be the questions. Thank you.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I think the second question first. These are discrete steps driven by business case. So the scale itself or hyperscalers don't change the yield metric because it's driven by the specific business cases they have for the requirement they have. So from their point of view also, they want to go through specific set. So there's no that, okay, we are -- we got hyperscaler and scaling up and the yields going. No. I t will depend on business case. Overall, the economics are very good, so we are confident of that. To your first question, roughly speaking, construction and development is about 2.5 years, then -- two and a half years, t hen you have the take-up of the stacks by the scalers themselves, which is also, say, another 18 months. So, roughly speaking, from the capacity contracting to fully ramping up at that contract, you can say about 40 months to 48 months.

Alok Deora - Analyst, Motilal Oswal
Got it. So when we are giving 2030 target, that's for the tied-up capacity mainly?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Correct .

Alok Deora - Analyst, Motilal Oswal
Okay. S o any sense or indication that by that time what would be the kind of the operational capacity, or any ballpark number there? Because the revenue and EBITDA will be more linked to the operational capacity from that perspective.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Absolutely.

Alok Deora - Analyst, Motilal Oswal
Yeah.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
So we expect that we will add in the next 2.5 years roughly about 400 megawatts or slightly higher than that.

Alok Deora - Analyst, Motilal Oswal
Got it . Just one last thing on the roads portfolio. What would be the invested equity as of the end of the first quarter, if you can highlight on that number?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Do you mind if we come back on that? We check some the question and...

Alok Deora - Analyst, Motilal Oswal
Sure.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
...put...

Alok Deora - Analyst, Motilal Oswal
N o problem.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
...you back so that's...

Alok Deora - Analyst, Motilal Oswal
No problem. Thank you so much. Thank you. That's all from my side. Thank you and all the best.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Thank you.

Operator
Thank you. We take the next question from the line of Aditya from Kotak Securities. Please proceed.

Aditya Mongia - Analyst, Kotak Securities
Yeah. Thanks for the follow-up opportunity. Just a clarification over here, as in, while the company has clarified that on airlines there is no plan of theirs, there are news flows that are still coming about suggesting that Adani Group h ad asked for the permission to launch an airline in June. Could you just clarify how to read these statements here for investor in general?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Chief, I will answer that for you. I think more than airlines, we should get into newspaper business because, so many newspapers make money from us. Okay. N ow it's almost like watching a poor version of Dhurandhar again and again. S o it's just rumors. We always evaluate. See, when the next round of airports comes, there'll be regional airports, okay? We -- the current ability to support an airline business is up to 5% equity, okay? We put a letter to -- in which you have seen, and that is to we want to see as owners of airports and regional airports, hopefully in the future, that India's regional airline system also develops and develops properly.

So, in that context, it's not starting an airline or where, but be able to support a development of an airline for the regional connectivity is our interest.

Aditya Mongia - Analyst, Kotak Securities
Okay.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Now -- so, and that's what we have clarified. So AEL has no interest in airlines, and we clarified that. We are focused on our airports business and build rollout of that infrastructure. That's a separate thing that we want to be participant in. We want to be able to advocate in an industry as an interested actor in that industry to see the development of regional India.

And I think we should see it in that context, not in the rumor mill and desktop type analysis that go on, or lack of analysis that goes on in our newspapers and TV channels, because just our name sells, s o they just attach our name and just run with absolute rubbish. And I cannot be more clear with these words. It is that it -- Arun runs a business which is one of the leading businesses in the country in airports. We will likely have regional airports. We already have some of the regional airports.

It's our interest to see the development of the regional transportation infrastructure. And if we try to advocate for something that we'd like to support that infrastructure in some way, doesn't mean that we start running an airline. And people just read that as some sort of an immediate action. It's not an immediate action. It is our interest as an actor in transport and logisticsports, roads, airportsto make sure that the regional connectivity, regional economy develops properly. And it's really sad reflection on the state of our media that rather than looking at the positive of what we are trying to do for regional India, they come up with this cockamamie scheme of airlines, this, that, other.

We are doing the same thing for road networks, we are doing the same thing at ports, we are doing things for internal logistics. I n all of that, we are start -- we are -- tomorrow we'll become Zomato? No. W e are interested in internal logistics. And it's just -- it's unfortunate, but that's the reality.

Aditya Mongia - Analyst, Kotak Securities
So here on that count, this is interesting question. If you could give us the WTG business' revenue and EBITDA for the quarter?

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
I just...

Murlee Krishnan - Adani Solar
Yeah.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Murlee will take this question. Murlee?

Murlee Krishnan - Adani Solar
Yeah. So WTG, the revenue was INR866 crores and the EBITDA was INR185 crores for the quarter.

Aditya Mongia - Analyst, Kotak Securities
Understood, sir. Thank you for your responses. A nd that'll be all from my side.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Thank you.

Operator
Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing comments.

Over to you, sir.

Jugeshinder Singh - Chief Financial Officer, Adani Enterprises Limited
Yeah. Thank you very much to Emkay Global team for organizing this call for us. I also like to take this opportunity to thank our fellow -- my colleagues Arun, CEO of Airports b usiness, Muralee, CEO of our Solar and New Industries business, and Manan and team. And once again, thank you very much for your participation and thank you for the questions.

Operator
Thank you. [Operator Closing Remarks]