

Adani Power Announces Q4 FY24 Results

Q4 FY24 continuing revenue grows 29% y-o-y to Rs. 13,787 Crore

Q4 FY24 continuing EBITDA more than doubles y-o-y to Rs. 5,273 Crore

FY24 continuing revenue grows 37% y-o-y to Rs. 50,960 Crore

FY24 continuing EBITDA more than doubles y-o-y to Rs. 18,789 Crore

Editor's Synopsis

- Consolidated power sale volume at 22.1 Billion Units (BU) in Q4 FY24, up by 55% from 14.3 BU in Q4 FY23 due to improved power demand, lower import coal prices, and larger installed capacity.
- Consolidated continuing total revenue for Q4 FY24 higher by 29% at Rs. 13,787 Crore vs Rs. 10,664 Crore in Q4 FY23; mainly due to higher sales volumes.
- Consolidated continuing EBITDA for Q4 FY24 more than doubles to Rs. 5,273 Crore vs Rs. 2,329 Crore for Q4 FY23; due to greater revenues and lower import fuel prices.
- Consolidated Profit Before Tax for Q4 FY24 grows to nearly four times at Rs. 3,558 Crore vs Rs. 898 Crore for Q4 FY23 due to higher reported EBITDA and lower leverage.
- Consolidated power sale volume at 79.3 BU in FY24, up by 48% from 53.4 BU in FY23 due to improved power demand, lower import coal prices, and larger installed capacity.
- Consolidated continuing total revenues higher by 37% at Rs. 50,960 Crore in FY24 vs Rs. 37,268 Crore in FY23; due to higher sales volumes.
- Consolidated continuing EBITDA for FY24 more than doubled to Rs. 18,789 Crore vs Rs. 8,540 Crore in FY23; driven by higher revenues and lower import fuel prices.
- Higher one-time income recognition of Rs. 9,322 Crore for FY24 vs Rs. 5,772 Crore for FY23; driven by higher collection of late payment surcharges.
- Consolidated Profit Before Tax for FY24 more than doubles to Rs. 20,792 Crore vs Rs. 7,675 Crore in FY23; due to higher reported EBITDA and lower leverage.

Ahmedabad, May 1st, 2024: Adani Power Ltd. ["APL"], a part of Adani portfolio companies, today announced the financial results for the fourth quarter ended 31st March 2024.

Commenting on the quarterly results, Mr. Gautam Adani, Chairman, Adani Group said, "As India transitions to a more sustainable energy future, the Adani Portfolio of companies will continue to provide innovative, reliable, and scalable solutions to support the nation's economic growth and help realise the aspirations of its billion plus citizens. Adani Power is a key

Mr. S B Khyalia, CEO, Adani Power Limited, said, "Adani Power has posted yet another outstanding quarter demonstrating its core strengths, capping a year of exceptional operational and financial performance in a fitting testimony to its sound strategy and operational excellence. On our journey to achieve the Company's vision, we are focusing on tech-enabled reliability enhancement, reduction in cost of generation, and improvement in plant efficiency. Adani Power is committed to empowering lives and contributing to India's energy security by anticipating the need for sustainable, affordable, and reliable power supply and serving it by building capacities in a timely and cost-effective manner."

Operating Performance

Parameter	Q4 FY24	Q4 FY23	FY24	FY23
Installed Capacity	15,250 MW	13,650 MW	15,250 MW	13,650 MW
Plant Load Factor	71.5%	52.0%	64.7%	47.9%
Units Sold	22.1 BU	14.3 BU	79.3 BU	53.4 BU

MW: Mega Watts; BU: Billion Units

The operating performance for Q4 FY 2023-24 includes the 1600 MW Godda Ultra-supercritical Thermal Power Plant ("USCTPP") of APL's subsidiary Adani Power (Jharkhand) Limited (APJL), which was commissioned in Q1 FY 2023-24. During the fourth quarter as well as the Financial Year 2023-24, higher volumes were contributed by almost all plants led by Mundra, the newly commissioned Godda plant, Udupi, and Mahan. Domestic power sales volumes continued to be driven by growing power demand across India, and offtake under Power Purchase Agreements ("PPAs") was further supported by falling prices of imported coal and alternate fuel.

Financial Performance

Particulars (Rs. in Crore)	Q4 FY24	Q4 FY23	Change +/-	FY24	FY23	Change +/-
Continuing Revenue from Operations(1)	13,288	10,436	27.3%	49,668	36,396	36.5%
Continuing Other Income(2)	499	229	118.4%	1,292	872	48.1%
Total Continuing Income	13,787	10,664	29.3%	50,960	37,268	36.7%
Total Reported Income	13,882	10,795	28.6%	60,281	43,041	40.1%
Continuing EBITDA	5,273	2,329	126.4%	18,789	8,540	120.0%
Reported EBITDA	5,368	2,461	118.1%	28,111	14,312	96.4%
Profit Before Tax	3,558	898	296.3%	20,792	7,675	170.9%
Tax expenses / (Credit)	821	(4,345)*	--	(37)	(3,052)*	--
Profit After Tax	2,737	5,242	(47.8)%	20,829	10,727	94.2%

(1), (2): Continuing Operating Revenues and Continuing Other Income exclude prior period income recognition on account of coal shortfall claims and late payment surcharge.

* Includes certain reversals consequent to the Scheme of Amalgamation becoming effective

Key financial highlights for Q4 FY 2023-24

- Post satisfactory resolution of all major regulatory matters, tariffs under PPAs now have adequate fuel cost recovery, leading to reduction in one-time prior period revenue recognition. Reported revenues of Rs. 13,882 Crore for the quarter include prior period items of Rs. 94 Crore pertaining to regulatory orders, as compared to Rs. 131 Crores included in Q4 FY 2022-23 reported revenues of Rs. 10,795 Crore.
- Continuing EBITDA for the quarter grew strongly by 126% to Rs. 5,273 Crore as compared to Rs. 2,329 Crore for Q4 FY 2022-23 due to lower import fuel prices, higher merchant sales contribution, and addition of Godda operating profit.
- Depreciation Charge and Finance Cost for the quarter increased to Rs. 990 Crore and Rs. 820 Crore respectively due to the commissioning of the Godda project. However, increase in Finance Costs was moderated due to reduction borrowings as well as a reduction in interest rates after credit rating upgrades.
- This enduring improvement in operating profitability has resulted in a sharp growth in Profit Before Tax to Rs. 3,558 Crore for the quarter, as compared to Rs. 898 Crore for Q4 FY 2022-23.

Key financial highlights for FY 2023-24

- Continuing EBITDA for the year grew to Rs. 18,789 Crore as compared to Rs. 8,540 Crore for FY 2022-23 on account of higher volumes, lower import fuel prices, higher merchant contribution, and inclusion of operating margins of the Godda plant. Reported EBITDA for the year also grew strongly to Rs. 28,111 Crore as compared to Rs. 14,312 Crore for FY 2022-23.
- Strong improvement in operating profitability, along with higher recovery of one-time regulatory income and control over Finance Costs has helped boost Profit Before Tax during FY 2023-24 to Rs. 20,792 Crore as compared to Rs. 7,675 Crore for FY 2022-23.
- APL reported Consolidated Profit After Tax of Rs. 20,829 Crore for FY 2023-24, which is nearly double the PAT of Rs. 10,727 Crore for FY 2022-23, owing to both improved recurring profitability and higher one-time income.

APL ended FY 2023-24 with a stronger balance sheet and sound liquidity following stellar performance during the year. As of 31st March 2024, Total Shareholders' Funds grew to Rs. 43,145 Crore while Net Total Debt came down to Rs. 26,545 Crore, as compared to Rs. 29,876 Crore and Rs. 39,434 Crore respectively as on 31st March 2023.

ESG Updates

- APL maintained its score of B given by the Carbon Disclosure Project (CDP) for 2024, for Fulfilling Climate Change and Water Security Commitments.
- APL scored 48/100 in Corporate Sustainability Assessment (CSA) by S&P Global, which is better than World Electric Utilities' average score of 34/100.
- APL scored 88% in CSR HUB ESG Rating in January 2024, which is better than the global industry average.
- APL's water intensity performance for FY 2023-24 is 2.35 m³/MWh, which is significantly lower than the statutory limit for hinterland plants.

Other Updates

- Advancing its vision to fulfil India's need for stable and reliable power supply, APL has bid successfully for the acquisition of Lanco Amarkantak Power Limited ("LAPL"), which is undergoing Corporate Insolvency Resolution Process ("CIRP") under the Insolvency and Bankruptcy Code 2016 ("IBC"). The Committee of Creditors LAPL has approved the Resolution Plan submitted by APL, following which the Resolution Professional has issued it a Letter of Intent ("LOI").

LAPL owns and operates a 2x300 MW (600 MW) thermal power plant (Phase-I) in Korba District of Chhattisgarh. The Phase-I capacity is tied up with Haryana and Madhya Pradesh DISCOMs under long term Power Purchase Agreements. It is also setting up 2x660 MW (1320 MW) expansion capacity under Phase-II at this site.

Previously, the Resolution Professional of Coastal Energen Private Limited ("CEPL"), which is also undergoing CIRP under the IBC, had issued an LOI to a Consortium of which APL is a part. CEPL owns and operates a 2x600 MW (1200 MW) thermal power plant in Tamil Nadu.

The implementation of both the resolution plans is subject to the terms of the LOI and requisite approvals from respective benches of the National Company Law Tribunal and any other competent authority.

- APL has initiated development of a 2x800 MW (1600 MW) USCTPP expansion project at its existing 600 MW plant at Raigarh, Chhattisgarh. The Company's wholly owned subsidiary Mahan Energen Limited is already executing a 2x800 MW (1600 MW) USCTPP expansion project at Singrauli, Madhya Pradesh.
- Apart from the above, looking at the strong demand outlook for thermal power in the coming years, the Company is evaluating options for further organic expansion by 1600 MW at one of its existing plant locations as well as evaluating various other inorganic acquisition opportunities.

The addition of these capacities will augment APL's generation capacity to beyond 24 GW by 2029 from 15.25 GW currently, further cementing its position as a sector leader.

- Following a strong improvement in the business and financial risk profile of the Company, CRISIL Ratings and India Ratings have upgraded the standalone credit rating of APL to AA-/Stable.

