

“Adani Ports and Special Economic Zone Limited
Q4 FY '26 Conference Call”

April 30, 2026

MANAGEMENT: **MR. ASHWANI GUPTA – CHIEF EXECUTIVE OFFICER & WHOLE-TIME DIRECTOR**
MR. KRISHNA MENON – CHIEF FINANCIAL OFFICER
MR. PRANAV CHOUDHARY – HEAD PORTS
MR. DIVIJ TANEJA -- HEAD LOGISTICS
MR. RAHUL AGARWAL -- HEAD INVESTOR RELATIONS AND ESG

MODERATOR: **MR. PRIYANKAR BISWAS – JM FINANCIAL INSTITUTIONAL SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to Adani Ports Limited Q4 FY '26 Earnings Conference Call hosted by JM Financial Institutional Securities Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference

call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Priyankar Biswas from JM Financial Institutional Securities. Thank you, and over to you.

Priyankar Biswas: Thank you. So, good evening, ladies and gentlemen. We have the management of Adani Ports and SEZ represented by Mr. Ashwani Gupta, Whole-Time Director and CEO; Mr. Krishna Menon, the CFO; Pranav Choudhary, Head of Ports; Divij Taneja, Head of Logistics; and Mr. Rahul Agarwal, the Head of Investor Relations and ESG.

So, we are here to discuss the 4Q as well as FY '26 results and the outlook going ahead. So, without any ado, I will hand over to Mr. Rahul Agarwal, the Head of Investor Relations and ESG. So over to you, Rahul.

Rahul Agarwal: Thank you, Priyankar. Good evening, and hello, and welcome, everyone, to APSEZ's fourth quarter earnings call. We will begin with Mr. Ashwani Gupta's opening remarks and then open the floor for Q&A.

Ashwani Gupta: Thank you. Good morning, good afternoon, good evening, everyone. Thank you for giving this opportunity to us to share with you our financial announcement. To start with, we said 500 million metric tons, and we delivered it, as we said. Obviously, this is not an operational statistic. It marks an India's infrastructure moment.

Now coming to the financial announcement. Once again, we have exceeded the guidance. APSEZ outperformed the upper end of revenue, EBITDA and capex, while closing with net debt to EBITDA at 1.9x and return on capital employed of 16%, another evidence of our healthy business growth with financial discipline. FY '26 revenue grew by 25%, EBITDA grew by 20% and PAT grew by 16%.

During the year, we faced challenges and disruption, starting with Operation Sindoor, various geopolitical issues and West Asia crisis. Still, we delivered serving the nation by handling LPG vessels, managing transshipment overflow from Middle East, providing free storage to containers and helping the country to continue with the trade. Despite that, we overdelivered what we promised.

Every year, we set a guidance and every year, we exceeded. This is not by luck. This is integrated in our culture. Domestic ports handled 451 million metric tons. Revenue and EBITDA grew by 13% and 14%, respectively, and the market share at 27.1%. The return on capital employed increased to 23% from 21%.

The international ports revenue grew 34% and EBITDA increased 180%, led by ramp-up at CWIT Colombo terminal and completion of NQXT Australia acquisition. But in the annual announcements, we counted only the quarter 4 of the Australia.

The second business, Logistics revenue grew by 55% in FY '26. The return on capital employed increased to 10% from 6%. So in our Ambition 2030 plan, we said that we will take 3 to 4 years

to bring the return on capital employed on Logistics to double digit, but I think in FY '26 itself, we hit 10%. And this was possible with the strong momentum in asset light and asset zero services, along with the utilization of the asset heavy, which are mainly the ICDs.

The Marine revenue, which is the third business pillar, revenue and EBITDA increased by 134% and 125%. It was led by highest ever fleet of 136 vessels. So, I would really like to say, thank you for keeping the confidence in APSEZ and having this support. So, we look forward to hear from you, feedback, questions, and thank you. Thank you very much.

Rahul Agarwal: Thank you, Ashwani. We will now open the floor for questions.

Moderator: Yes. Thank you very much. We will now begin the question-and-answer session. We'll take our first question from the line of Alok Deora from Motilal Oswal.

Alok Deora: Congratulations on a decent set of numbers. So, first question was on the performance. I mean, if I look at the absolute numbers, you have still done pretty okay, but the margins have come off. So, I mean, we are -- typically, we see 59% to 60% sort of EBITDA margins. Now it's come at around 56%. So, is it like a one-off there? Or if you could just elaborate on that?

Ashwani Gupta: I think -- thank you for that question. When we talk about margins, you always have a seasonality. But the fundamentals are there, and we are delivering the fundamentals that as you saw that overall port margins remain consistent.

Now, you may see a drop in the individual ports. But if you look at -- I, think you will have more time to go into the details. But if you look at, they are mainly the cargoes where we have the dry cargo. And you may see a little bit drop in Gangavaram, you may see a drop in Hazira, you may see a drop in Dhamra, but you may see a drop in Krishnapatnam.

So, this is the combination of -- on one side, we are investing on the expansions, like in Gangavaram port to capture the agriculture cargo, which we believe -- fertilizer and agriculture cargo. We are building warehouses. So, I think there is a -- because of all these disturbances, which we have seen, we have seen the change in the business mix. And to adapt to the business mix, we have to reschedule our operational processes.

Of course, it takes time. For example, as I said before, you would have read in our public advisory that we gave the extended free storage for the containers in Mundra. We used 100 acres of land extra to keep the containers because this is for the country. This is for the community. This is for the world.

So, if I'm giving a free storage to a shipping line, they are bringing the containers, which they could not -- cannot take it to Middle East, because of the crisis. They are keeping 100 containers with us, but then they want to take 20 containers back because the 20 containers have got necessities, food and so on, which are only allowed to be berth in the Middle East. So, we have to see that we exist to serve the community, to serve the nation, to serve the maritime industry. So definitely, this has impacted.

But as you know, these are all short term and our fundamentals are still there, and that's why you would have seen that overall port margins exist and continuing where we didn't have these kind of disruptions like international ones, Colombo and so on, you would have seen that we have delivered a significant improvement in the EBITDA margins.

But yes, in the dry cargo ports, because we are resetting the operational processes, the imported coal was less. So, we shifted to coastal coal. So definitely, we are talking about aligning the processes. So, this is what I can say.

But yes, there are four ports where you will see a drop in the margin, but you will also see many ports where we have increased the margin. But at the end, what we want to deliver is return on capital employed, right? That's what is the indicator which our shareholders, our investors are looking for. If you look at overall return on capital employed on the domestic ports, we have delivered 2% more which is 23%.

Alok Deora:

Sure. So just on return on capital, I mean, in the Logistics business, actually, it has shot up quite a lot in FY '26 from 6% to 10%. So just some colour on that. And in your guidance of FY '31, your revenue in Logistics is growing by a whopping 34% and EBITDA is growing by 27%.

So that means, there will be some sort of a margin consolidation there. So when the size is becoming almost a INR20,000 crores Logistics business by FY '31, would the margins be slightly higher than the current levels or it would be -- there will be some sort of consolidation there? Just if you could highlight on that.

Ashwani Gupta:

I think, the result of 10% is not by luck. I mean, we have a strategy. I think 1.5 years before, we explained the strategy of a combination of addressing this business by asset heavy, asset light and asset zero. And this is what we delivered. Obviously, if you look at the mix -- you will see that the mix of asset zero and asset light has increased as compared to asset heavy because we are doing really well on our freight forwarding business, on our trucking business. So definitely, that has given a boost.

But once again, on one side, we have to see independent businesses, because that's where I think we are transparent in sharing with you each and everything. But on the other side, we have to do -- we have to also see that freight forwarding business at the end, brings the volume to the asset heavy business. So both are interlinked and both are complementary to each other.

Now moving forward, once again, our objective is to give you 20% return on capital employed as APSEZ level. Now how the business mix will change, how we will move forward, we wanted to give you a hypothesis so that you have in your mind. But for sure, when we talk about the Logistics business, and there is no surprise in it, that EBITDA which we earn is not in direct proportion with the revenue. And as a consequence, there is a business mix impact.

Having said that, what is important for us is to give absolute amount of growth and the return on capital. So that's why FY '31 and we launched this plan in 2024. We delivered in 2024. We delivered in 2025. We delivered in 2026. Now it was right time for us to give you 1 year more, but with a better forecast.

So, if you look at our deck, which we have uploaded already Ambition 2031, we have taken all the feedback you guys have given to me in last 2 years, especially the capital allocation. We have said very clearly what is domestic ports, what is international ports.

In Logistics also, we have reestimated our assumption. We have given you the allocation for the Marine, and we have also given the allocation for the decarbonization and the technology, which is driving our efficiency and the productivity moving forward. You may see other things also, but I think we can discuss it after you have gone through it in one-on-one calls.

But to answer to your question, our commitment, our promise is to deliver twice the growth in 5 years with a 20% return on capital at consolidated level. But then, of course, domestic ports are really doing well, touchwood and it will do well. And international ports have picked up, and Logistics and Marine will be the booster to contribute to the APSEZ overall growth.

Alok Deora: Sure. Just one last question, if I can. So you have given a very detailed breakup on the capacity addition of December 2030 where capacity goes from 653 million to 1 billion ton, right?

Ashwani Gupta: Yes.

Alok Deora: Now we have given a guidance of 1 billion ton of cargo volume handled, which includes 850 million tons of domestic. Now, if we do the math, then out of the 1 billion capacity, is it really possible to kind of handle 850 million tons because typically, the utilization stands at around 80% or so and plus entire capacity might not be fully functional during this -- during 2030. Some of it might come near the end of that period. So just any guidance on the volume, if any changes there or -- yes, please.

Ashwani Gupta: You're right. At first, we have to know that when we do the theoretical capacity planning, we always consider 20%, right? Always capacity planning is done at 80%. So if I'm saying that, I have 1 billion, you can see it is at 80% of the total capacity. And then you would have seen another thing, which is the last -- is we are investing in technology to improve the efficiency.

So, you may be wondering why in 1 month, Mundra is doing 770,000. If you try to calculate the capacity what we have in Mundra and what we are delivering, which is 770,000 in a given month, you will hit 94% utilization.

Alok Deora: But within that 1 billion, you would be able to handle 850. The volume guidance does not change.

Ashwani Gupta: Yes, 1 billion is a theoretical capacity in that 80%. So you can go up to 1.1 billion, 1.2 billion with the same percent.

Alok Deora: Sure. So our volume numbers -- the longer-term volume number, volume guidance does not -- has not changed.

Ashwani Gupta: No, no, no, we are not changing. And you will definitely ask that question. So before you ask that question, I can tell you that, this volume does not include the merger and acquisition.

Alok Deora: Yes, yes, this is all...

Ashwani Gupta: So any headwind which may come like it came last year with Operation Sindoor and West Asia crisis, definitely, we have a buffer, which we will do in next 5 to 6 years, the acquisitions to cover up. And we have the money to do that, but we have not incorporated in our top line and bottom line and also in the capex front.

Moderator: Next question is from the line of Manish Somaiya from Cantor.

Manish Somaiya: Of course, Ashwani, congrats again on a fiscal -- on a strong fiscal '26. Since we were just talking about your long-term plans pertaining to fiscal '31, maybe if you can just talk about some of the important milestones over the next 12 months that we should keep track of.

Ashwani Gupta: Thank you, Manish. I said after listening to your congratulations message, we were so excited. So, thank you. Thank you, Manish. I think what is very important, not even the 12 months, I think the quarter 1 is very important, because in quarter 1, we expect to get the business mix change. I think that all the free storages and everything and the business mix change between the containers and so on may be improved in the next 3 months. So, you may see a change in the container.

But the second biggest change which you should track is the coal. As you know that, Indian government has given the direction to all the power plants to run at the peak, including the imported coal, and the reason being that anticipation is there will be a competitively weaker monsoon.

Anticipation is heat is high, which we are already seeing now. Even Ahmedabad is running at 43. And I don't think that renewal capacity even if India did a record in setting up 50 gigawatt last year, I don't think the renewal capacity and the conversion of the electron into the transmission and transmission below distribution will fulfil that demand. That's the second.

The third, I think the challenge on LPG will remain. And I think people are shifting from LPG to electric stoves and so on and so on. So it does not change a lot of bricks for us because LPG is not a big mix for us.

But on the other side, definitely when the power plant will run at peak, you will see the uplift in the coal and that's why you would have seen that last year Tata Power was almost closed for the whole year and now Tata Power is fully fired and running at its full capacity. So that's the second trend.

The third trend which we should see that you have seen that after UAE is out of OPEC, the pipeline, which is there, which bypasses the Strait of Hormuz, there should be a free flow of the crude. And that's why we may not see any challenge on the crude oil, which means what, Manish, which means, we kept our guidance conservative considering that, if the oil prices do not come down, India as a country may not see that much of optimistic growth, and we may see a gap between supply and demand, which may rise the inflation .

But if this routes work and if what everybody is planning works, I think we should see a positive side. And I think quarter one will tell us what is positive. So that's what I would say, Manish, I think quarter 1, we will come to know many, many tailwinds, which will come, but we want to

be very conservative because we don't know what will happen tomorrow. Nobody knows, nobody has a crystal ball. But still, we have made some assumptions. And based on those robust, but conservative assumptions, we will maximize the opportunity and minimize the risk.

Manish Somaiya: Okay. That super helpful, Ashwani. I just had 2 other quick questions. One is on international ports. Obviously, very strong margin performance. Clearly, NQXT and the acquisitions that you made earlier contributed. But how should we think about sustainable margin for international ports going out?

Ashwani Gupta: See, that's a great question, Manish. I think last time, I think since 2 or 3 or 4 quarters, I have been sharing a couple of things. The first thing is the governance of all the international ports are now in Ahmedabad, which means we control it from Ahmedabad, that's first thing. The second thing is the CEO and the CFO, we have put it with Adani's DNA, so which means these 2 guys are running with the DNA which we have, and that result is, as you can see -- you can see the results now.

And now moving forward, our focus will be more on the market share. So for example, Colombo, in the phase 1, we focus on transshipment terminal, that's why our mix is 100% transshipment whereas the whole country mix is 85% transshipment and 15% EXIM. We have not touched the EXIM potential.

Now when we are building up the Phase 2 capacity, which we will be finishing very soon, and so we are getting into the EXIM trade. So, keeping the profitability margins, growing the market share and then introducing the culture of partnership and the leaner organization, which I have talked about this morning in the Ambition 2031 Day will help international operations to deliver more margins than their competitors in that region. Obviously, they cannot match the margins which we make in India. But definitely over there, they will be definitely best-in-class as compared to their competitors in those regions.

Rahul Agarwal: And Manish, just wanted to take a look at the Q4 international ports exit rate on EBITDA. So that will be a decent indication for you.

Manish Somaiya: And then just lastly on capex. I saw capex was a bit higher than guidance. Maybe if you can just elaborate on that?

Ashwani Gupta: Yes. Thank you. I think you have spot on. We have accelerated the capex on. If you see Ambition 2031, Slide number which one -- where we have done the for India growth story. Slide number 20, because this is -- thank you to everyone's feedback, we have really introduced logic rational, why and where we are investing. So we have estimated our capex, A, in Mudra because we are fully full and now, we have CT5 which is coming up, but we have accelerated the future expansion.

Then we have accelerated our capex in Dhamra, because of the shoot volume, which is coming up especially because of the RSR, Rail-Sea-Rail, Postal Cargo Movement. We have accelerated our capex in Hazira because of the liquid.

So in line with the integral story, in line with the growth pillars which are investing accordingly, so that's what I can say, and spending more capex means will be providing more growth, but we have a logic where we are accelerating our capex, and Vizhinjam.

Because Vizhinjam already we are at 100% capacity. And in the West Asia crisis, we had many vessels waiting outside. So we are not waiting for the Phase 2, and we have kicked off already the Phase 2. And Phase 2, we are ahead doing it with automated terminal and that's where we want to go.

And in addition, we have already started a lot of automation investments to improve the productivity at each of the existing ports. To answer your question, we have accelerated the capex because we want to have more than 1 billion capacity investment by 2030.

Moderator: Thank you. Next question is from the line of Bharat Shah from BCS Capital Ideas. Please go ahead.

Bharat Shah: Hearty, hearty Congratulations. I mean, in a fast-moving world with a lot of unpredictable challenges in a complicated multidimensional business like ours to manage it so well really requires depth and labor of the management and the planning. So I fully appreciate your comment that the results have not come by chance. But by good planning efforts, risk mitigation and intelligent anticipation of what all many issues can come?

I just have to -- I don't have really a question to raise, not because no question arises in my head, but simply because I think the transparency with which so many details have been laid down in the presentation, especially about future is really, really remarkable. I mean, the granular level of details which have been given year-by-year spell out each asset by asset, whether it is about ROC, whether it is about debt, whether it is about the cash flows and all many, many arenas involved in that, I think it is remarkable.

Secondly, I was really delighted and surprised how quickly Logistics business has reached a double-digit return on capital employed because that is waterloo for many, many enterprises. I mean, Logistics is something I must admit I was a little worried when it was embarked upon. But how quickly that has come by is remarkable, I must say that. So hearty congratulations, Ashwani Ji. And Rahul Agarwal, you have got a fantastic deputy. The way he handles all the business questions, not nearly financial ones, I must compliment. So just wanted to put that broadly.

Ashwani Gupta: Thank you very much for your appreciation. And I think last 2 years, the quality of questions you all have asked has really helped us in redrafting our disclosures.

I know only one thing that you are our ambassadors in front of investors. So we put ourselves in your shoes, that you are in front of investor and trying to convince investors that they should invest and keep the confidence in it. So if I have in your shoes, what all information I need to convince the investors.

So that's how it is the mindset and the cultural change we have done. And we talked about Rahul. He is originally an ESG guy. He was living in New York, and we got him from New York to

India and made him the IR specialist and he is supported by a good team. And now we have Mr. Menon, who is the CFO with internal experience. So I think we have a good team.

And answering to your question of Logistics, maybe I look at Divij bhai to -- Divij to explain. But nothing has changed. I think 1.5 years before the strategy which we talked about are just executing a little bit fine-tuning it. You would have seen that we have reduced the capex in Logistics because we do believe that we can give much more profitable growth with less capex.

We are mindful and thoughtful of the capex. But one thing which has not changed, we said before that we will do better than our peers. Why? Because we know how to maximize the utilization of the assets and that can be only done by talent and technology. We invested in technology. We made our own digital platform.

We are running it efficiently and effectively. We use the same truck which can do 1 trip and now we are getting 3 trips with the same truck. Definitely, the margins are getting tripled. So we are not perfect now. I think there are a lot of opportunities. We want to grow and keep delivering what we promised.

Bharat Shah:

Delighted to hear all of that. I was just kind of supplementing the broad observation that such multi-geography, complicated multipart day-to-day operations to be done across so many different business lines, it can't be easy. And obviously, a lot of efforts and a lot of intelligent planning and execution is at work to make it appear so smooth. So we are truly delighted.

Just wanted to leave one indirect, but in my opinion, pertinent observation. You might be aware of these AI software. And I think a lot of legacy technology systems are really vulnerable in terms of being exploited by the software, especially energy, infrastructure assets, banks, many of these assets are really vulnerable because these were developed on open source software code development.

And most of these systems have been discovered with huge amount of lacunae and bugs. So I would -- given the scale and the depth and the complexity of our operations, I think our technology, internal technology needs to be going through all over again very carefully.

Ashwani Gupta:

Sure, sir. So I think we will consider that. Thank you for your feedback, and I will personally study and thank you. Next time, when we are meeting, we can have more discussion, sir. Thank you so much for your comment.

Bharat Shah:

Thank you.

Moderator:

Thank you. We'll take our next question from the line of Koundinya Nimmagadda from Jefferies. Please go ahead.

Koundinya Nimmagadda:

Decent set of numbers in a challenging environment, especially in the month of March. Two quick questions. So first one a bit on near-term and second one on the Ambition 2031 plan, which may take a little longer, but starting with the near-term plans, right? So you did guide for about 11% to 16% kind of revenue growth for FY27. So can you help us understand what are the kind of assumptions that are built in here?

Obviously, you briefly touched upon certain assumptions as an answer to one of the previous participants. So within that, if you can also help us understand how is the current scenario on the ground because we understand that part of March was also supported by transshipment volume. So how is the scenario shaping up currently? If you can throw some color on that, please?

Ashwani Gupta:

Thank you. And same as you, we also don't have the crystal ball, but our business has continued. I think the main thing which we are doing today is resilience is at the core business and agility is driving it because every day, we have a new thing. More than 93% of the vessels are coming out of the window.

So if I keep the same process, I will not be able to entertain any vessel at port, right? I can't complain, right? I have to continue to deliver the volume and I have to adjust and I have to be effective, adaptable to the changing environment, right. We have to choose the crisis before the crisis chooses us. So I think that's what is the new normal and that's what we are working.

Now if an LPG vessel comes even after U turn from another country, we have to be ready at 1 o'clock in the morning to get it faster and faster. So that's what I would say. So having said that, I will give you a very, because you guys are more expert on economics. But what we have done is the minimum range if that we grow exactly as India is growing in optimistic way.

If India growth goes down because of fuel and so on, we do 1.5x of India growth. That's our minimum. That we do believe whatever happens, we will deliver you 1.5x of India growth. But if India is optimistic, which you would have seen today, we have this news of crude, we have news of imported coal and many other tailwinds, then India growth will be normal and we can go up to 1.7x, 1.8x without any acquisition.

So that's the most optimistic scenario which we don't want to commit to you today because nobody has a crystal ball. So what we have considered in our guidance is the flat. For us, flat is 1.5x India growth. Now we can see how the India is growing. But that's how we have taken the guidance.

Koundinya Nimmagadda: Okay. Got it, sir. I was trying to understand the kind of volume change that you walked around with, but anyways. Sir, my second question is on the Ambition 2031 or 850 million ton 2030 guidance, right? So if I were to look at it, the implied on the domestic port side, the volume growth rate is anywhere closer to 14%-odd CAGR.

In comparison, if I were to look at FY21 to '26 on growth, that was about 13%-odd. Again, there, you had some benefits of acquisitions, something like Krishnapatnam Port and Gopalpur and a few other additions as well. And if -- I mean in this context, I'm just trying to understand how do you intend to achieve this 14%-odd CAGR.

Ashwani Gupta:

No, no. I think you will agree that we can grow 1.5x without inorganic. So if India is growing at 7%, we can easily do 10% or 11%. Then let's not forget the fact that we have 5 years where we have the merger and acquisitions. You also know that many of the concessions are for renewal at the other ports before 2031. You should also keep that in mind, it's not a question of greenfield, but many of the concessions in our competitive ports will be available. So we will not disappoint you. That's what we say.

Koundinya Nimmagadda: Understood. Sir, if I may ask a smaller question, in the past, you did mention that a large part of domestic growth will only be organic. And we do understand that brownfield capex expansions, the capex intensity is usually lower. And I can also see that from 650 to 1 billion ton when you mentioned a significant part of that is also coming from technology upgradation.

So can you just help us tie this up with the ROCE growth part that you gave? Maybe if you can put some numbers like what is the current gross block to capacity and what is the incremental capex per gross block? Maybe if you can help us understand these details a bit better, please?

Krishna Menon: So Koundinya, as we have highlighted in our Ambition deck, essentially, we are looking at almost about 1 percentage point or 100 basis point increase in our ROCE every year all through the next 5-year time frame. Given how the business is structured, we do anticipate a significant chunk of that coming from domestic ports.

And to your earlier point, yes, a bulk of it will happen through organic, where the capex intensity is actually likely to be in our favour given, these are expansion of existing ports. In a scenario like this, you should ideally see a continuous increase in domestic ports ROCE going forward. Just as what you have seen in this particular financial year, we expect to maintain the same trend going forward as well. So that's the trajectory that we anticipate will pan out over the next half decade.

Koundinya Nimmagadda: Sure. Thanks Rahul. Thanks for the opportunity, sir. I'll fall back in the queue.

Ashwani Gupta: Yes. No, thank you. I think this is also a comment for everyone. It's very important for us to give you our ambition for next 2031 but these are very perfect mathematics, because every business is built based on the hypothesis and hypothesis keeps on evolving. I mean, the importance for us is to adapt and align ourselves with the evolving hypothesis and the speed with which we adapt is the expertise of our APSEZ side.

So we have made an hypothesis, I think in January when we had in February before the war started, we never anticipated that this kind of business mix will change. We were talking about imported coal will be gone forever. But now imported coal is back. We call out some other reason. So what I'm trying to say here is it's important to have a playground, but then we have to just adjust based on whether it is raining or it is a sunny day or it is something else.

Krishna Menon: And just to add to that, if you look at the current base assets, we are about INR1 lakh crores against which we get a return on capital in third, about 23%. What we are discussing is an accretion of INR15,000 crores next year. And through this journey of 5 years, it's going to be another INR1 lakh crores. So coming to your point, therefore, if we do the decision at the right time in terms of capacity expansion and acquisition, we will still land the number. I hope that makes sense.

Moderator: Thank you. Next question is from the line of Nikhil Nigania from Bernstein. Please go ahead.

Nikhil Nigania: My first question is on the point you mentioned on other ports seeing concession closing before 2031. Similarly, I mean, our largest port as well, concession is due at that time. So I wanted to

check if there's some clarity on the modality on the extension of the concession agreements for ports in Gujarat or otherwise?

Ashwani Gupta: Yes. I think the talks are going on and the talks are positive. We have to just wait for the conclusion. You will come to know because before us Pipavav will be there.

Nikhil Nigania: Before us, Pipavav will be due, right? So in terms of timing, would you expect this year sometime we should have clarity?

Ashwani Gupta: We control the content of the discussion, but we don't control the timing. So we are actively engaged in the discussion, but we don't control the timing and the decision.

Nikhil Nigania: Understood, understood. So no view on that. The second question I had was on the domestic volumes. I understand your perspective on coal. And as you rightly said, I mean, we also expect coal to come back this year. But even on containers, if you could give us some clarity on why - I mean, the growth has been a bit more modest even in Mundra for that part. Is it largely Middle East? Or what are the reasons for that?

Ashwani Gupta: See, first of all, you should see Morbi is all gone is zero because of LPG. So the scrap is zero from Middle East. The paper is zero. So the impact of Middle east is not zero. There is an impact. Then there is an indirect impact which means that 86, or I don't know, 85% or 90% of the Morbi closed.

So the export from India. And what is happening is, look at the freight cost. So one is the Middle East impact, which is not much, right? Which is I don't know We can't measure it. But it is definitely the impact which is scrap and the paper and limestone and other windows. But the more impact is the indirect impact. Like Morbi, there is also indirect impact on the exporters delaying their decision to export because of the high freight cost. So this has to reset someday, and this they cannot keep on delaying the delay.

Look at the inventories of the manufacturers. They are running at the minimum inventory because they have been pushing their decisions forward because they are waiting when these things will be gone away and the freight cost will be back to normal. So that's why we want to see the quarter 1 and we want to see how it goes. And then that's why we have kept it very conservative for the next year.

Moderator: Thank you. We'll take our next question from the line of Achal Lohade from Nuvama Institutional Equities. Please go ahead.

Achal Lohade: I must congratulate on the exhaustive deck on the giving out lot of information. The question I had though was, if you could just clarify. Sorry, kind of a repetitive question. But 2026 to 2031, you're talking about touching billion tons of cargo. What kind of capex we should work with? You spent INR15,000 crores in FY26, INR12,000 crores to INR14,000 crores is the guidance. But how do we see from a 5-year?

Ashwani Gupta: Slide number 20 in the Ambition Plan 2031, you will find all the details. And then in subsequent slide, you will see which commodity and which port.

- Krishna Menon:** Achal, this is on Slide number 22 of our Ambition '31 deck.
- Achal Lohade:** I think it was mentioned for domestic, if I am not wrong, domestic capacity?
- Krishna Menon:** Yes.
- Ashwani Gupta:** Yes, yes. We will...
- Achal Lohade:** I was looking more from the full -- I mean from a capex perspective at a consolidated level, how should we look at?
- Krishna Menon:** So Achal, that slide has the information at the consolidated level.
- Achal Lohade:** Okay. The second question I had was with respect to Marine margins. If you could clarify, is there any one-off out here? Are these new normal margins we should work with?
- Ashwani Gupta:** Yes. This is a business which is driven by the customer contracts. And definitely, we should not conclude this business depending on just one quarter. I think it is just a combination of renewal of the contracts and getting the new vessels in the fleet and the dry docking, which is the maintenance.
- So there is nothing to worry about, especially with this situation in West Asia. We have absolutely no, there has been no force majeure, which we have seen. And as you would have seen that refineries are working, our vessels are there. So we don't anticipate. It's just a question of maybe February or March seasonality, which you would have seen.
- Achal Lohade:** So the annual margin is more sustainable margin. Is that what we should work with, sir?
- Ashwani Gupta:** Yes, yes.
- Achal Lohade:** Over the 40%, okay.
- Ashwani Gupta:** Yes, yes.
- Achal Lohade:** Second, just a quick clarification on the SEZ port development income, INR891 crores. If you could clarify what is this? How sustainable is this, and the Mundra port number in one of the slides, does that include this INR890 crores because the revenue number of INR2,700 crores looks actually pretty significant increase on a Y-o-Y basis or a Q-o-Q basis?
- Rahul Agarwal:** So, Achal, if you look at our investor deck, Page number 19, where we have given the port-wise breakdown, right? So there you have Mundra. Typically, SEZ is clubbed under that Mundra line. And we have carved it out this time around. So you can see the separate margin profile of the Mundra Port, right. So that's there on Page 19 of the investor deck.
- The SEZ income, as you have seen in the past also, right, there is no set pattern to the SEZ income. It tends to be volatile. It really is a function of the underlying transaction activity that we have at our SEZ parcels. And this is what has happened this quarter. But it does not necessarily mean that the same Q4 volume will drop in the next quarter, right? So it has

historically been episodic and historically been transactional for us, and it will continue to be the same going forward. So I am not sure extrapolating Q4 will be the best idea.

Moderator: Next question is from line of Luke from Pictet Asset Management Limited.

Luke: Congratulations to Ashwani and also please send my regards to an old colleague, not of mine, but yours is Robbie as well. I've been following your shares for more than 10 years. So, well done on improvement. Can I just ask something very specific, I'm on the debt slide, I will declare that. Thank you for optimizing our capital structure. Now, I see that in the report, the main report, the net debt EBITDA is down to 1.8 or 1.9, depending how you put the numbers. Agree with that.

Are you then looking to optimize it further? Because I'm thinking that, what would be that's the first question. But it's the same similar question because your answer might encompass what do you think is an optimal structure right now of debt? And now that you bought back a bit here and there, you've got some small lines in the front. And if you want to do something in the market in the future? Just another two questions.

Ashwani Gupta: Yes, thank you very much. And if you please see our Slide in Ambition 2031. We have tried to answer that question. Slide number 36. So first objective for us is to invest in the organic capex, which is between 60% to 70% of our annual operating cash. Slide 26, sorry. I have a different version. 60% to 70%. So that's what we have done. We have found the opportunity.

So that's why we have accelerated the capex, and we have to know capex has got two things, number 1 is money but second is the people who will execute the project. And we are lucky to have a great team who executes the project like Vizhinjam, Mundra and so on. So that's our first priority.

The second priority is the strategic M&A which brings the top line growth and the bottom line growth. Now I let Krishna to speak on this, but to keep net debt to EBITDA is our first objective before we start talking about growth step because we want to use net debt to EBITDA ratio to push our profitable growth. Reducing the gross debt, you would have seen that we have been doing it systematically, but this is after we go through the allocation for the profitable growth.

You would have seen that we have done the dollar buyback because you would have seen that the exchange rate impact is on one side positive for the revenue but not positive for the gross debt. So that's why we want to keep a balance between mid to long term and slowly and slowly, we will of course optimizing the mix of our debt, right? So maybe Krishna.

Krishna Menon: So just to build on what Ashwani said. So very specifically, it is capacity expansion in our existing assets. Second thing is acquisitions and therefore any strategic M&A. And from a guidance perspective, we stay with 2.5x. And while we do that, we will also continue to look for options where we can optimize the debt and the cost profile. Like Ashwani shared, we did a bond buyback, which we concluded in the month of March, about 199 million, previous year about 100 million. So we will look for opportunities both ways, but we will hold our guidance. So which means 2.5, we will hold it better than that. That's our plan for the next 5 years.

Ashwani Gupta: At the same time, it should give us benefit in terms of financial cost, right? So if today somebody asked me to buy back bonds, I will not go back even if I have rupee cash with me because I may not get the same piece because of the West Asia prices. So it's not that I decide, because I have decided I will do the dollar buyback, so I will do it.

I will see the market situation, I will see how much rupee I can put it in front of dollar buyback, how much yield, how much premium. You saw in February, which we did the buyback, 50% of our bond buyers kept with them because they believe that APSEZ will do much better than today's ease. So it's in our roadmap. I think you talked about Robbie. So we have a capital management plan as a playground, but we keep on fine-tuning it.

Moderator: We'll take our next question from the line of Parash Jain from HSBC.

Parash Jain: I have 2 questions. Maybe first is a follow-on from the previous gentlemen. If you can help us understand, I mean, is the 2.5x target, is it a ceiling? Or is it something that you aspire to be to like optimally to gear your balance sheet? And in that context, over the next 5 years span, is the buyback will be one of the tools that you will use to lever your balance sheet?

And secondly, with what we have seen with respect to currency depreciation and Indian and U.S. treasury spreads narrowing, how do you see by the end of this decade, your debt mix in terms of currency exposure will look like? And then I'll ask the second question after that.

Ashwani Gupta: That's great. The point is we will keep on optimizing and redefining our P&L in a more healthy way the world is evolving. Having said that, our priority will not change. Our priority number 1 is to invest in the capacity expansion and creating new capacities. Our priority for strategic M&A.

And last, but not the least, we do believe in creation of wealth in mid to long term for our shareholders. So that's why for us, return on capital employed is much more important than a short-term benefit. That's why buyback would be the last option, but I don't think we will talk about it, because we do see a lot of opportunities in front of us which we can maximize and execute.

Krishna Menon: And just to add to that 2.5x is our guidance. That's the framework that we work with, and that's the best way we feel we can optimize in this journey. I hope that just answers your question.

Parash Jain: Yes. I mean, I just wanted to get the feel that 2.5x like is something up to which you are comfortable, or you will actively work to lever your balance sheet. But I hear what has to be decided.

Krishna Menon: Let me rephrase the answer. See, 2.5x is the ceiling but even if I go 3, with the quality respect has said, I will not have any issue with the rating agency.

Parash Jain: Absolutely.

Krishna Menon: Our business is so healthy. I mean 2.5 is just the ceiling which we have put. But for example, if tomorrow I get a \$9 billion merger and acquisition I will go for it, because it will change the

game of APSEZ. But then maybe the net debt to EBITDA like it go to 3.2,3.3 for 2, 3 days it's fine as far as I have means to fund it and I have means to provide return on the acquisition, which I'm doing.

So today I would say, we finished with 1.9, but if you see the next year, if we don't visit capex, we will go 1.3. So imagine with the gap between 2.5 and 1.3 is 1.2 -- so I can go easily for a billion dollar of how many acquisitions. So 2.5 is just the ceiling but it may change, that's what I wanted to share with you.

Parash Jain: And in terms of currency exposure with respect to your debt, are you trying to drive more towards INR versus dollar or are you happy with the current exposure?

Krishna Menon: See, we don't have any issues with that, to be honest with you because we have a natural hedge, we take the low matrix see if it gets consolidated, we give it below in our subsidiaries at the end when we consolidate it gets knocked off. But also then we get benefit of the revenue.

Having said that, I think if we are getting a better finance in Indian rupee in a longer term, as we did with the local institutions last year, definitely, we would like to replace it step by step, but we are not in hurry. At the end it should bring a better financial cost. That is what we want to emphasize.

Parash Jain: Okay. That's very, very clear. And my second question is that, if you can let us know your thinking, how should we think about underlying operating leverage in your businesses? Because when you look at your 5-year target, it seems like probably logistics business will grow much faster. And that's why on a headline number, the operating leverage is not very visible. So if you can talk about that?

And how should we think about yield given the more that your businesses have, given the currency depreciation is it mid-single digit yield improvement on an underlying basis is a reasonable number? What has been there or what has been the track record over the past few years on an underlying basis, if you can just share some colour?

Ashwani Gupta: So, I think so very good question, thank you so much. As you have seen last 5 years, right? I'm saying very broad. I'm not giving you the accounting statistics. But cost per ton for us is almost flat. And revenue for that is increasing, you can include the rupee depreciation in it and the difference you will see that it our pricing power and the services we are providing in addition to the only handling charges.

So there are three factors in revenue per ton increasing, number one they're adding services, number two the exchange rate and the number three is pricing, exchange rate and there's one more thing. I will come back over this there's three things which are improving the revenue per ton and cost per ton is almost flat. When I say almost flat, I'm talking about absolute inflation, right? So this is all offset by productivity. And our target is to keep exactly flat for the next 5 to 6 years. How will we do that? By investing in the automation.

So if Vizhinjam is doing 40 the automated trains is doing 30 moves per hour, Mundra is doing 26 to 27 per hour. We will keep on improving the productivity if my -- I have diesel trucks, I

have GSUs which are diesel replace it by electric they are 24/7 put it by charging stations at our port. As you know, within 1.5 year, 100% of our ports will be by reserve energy, if we make our own reserve energy, our reserve energy is competitive.

So there are a lot of things which we have planned to keep our cost per ton flat and keep on increasing the revenue per ton. And that's why we are saying that we are very comfortable even with the inflation that we will keep 70% and above the EBITDA margin and the end goal is to give better return on capital. That we can only do that, if we have a healthy operational margin supported by utilization of the fixed assets.

Moderator: Next question is from the line of Sumit Kishore from Axis Capital.

Sumit Kishore: I will add my compliments to the long list already. I have a couple of questions. The first one, is that it's been over 3 weeks since the cease fire announcement, but the vessel crossovers in the state of Hormuz are still constrained. If we can crystal ball gaze here -- I believe that, if the situation remains, like this for perhaps another month or two.

What would the high charter rates for SM container volumes or the crude and LNG volumes that are going through that Strait? And what has been your experience in April? And how does this graduate if we have another few weeks of this disruption? That's the first question.

Ashwani Gupta: I think I am on Twitter, so I look at Twitter to know what will happen in next 1 hour. So I can't say, what will happen. But what we are doing at our end is to make sure that we have adaptability and flexibility. I think what India has seen is absolutely no impact on the crude. There is a coastal shipment, which is coming on the crude, there is now this new route which is open so crude will continue to grow, continue to grow or continue to be supplied.

LPG is something which is a question, LPG will soon slowly will be replaced by PNG and the electricity. Electricity is again coal. So I would say that imported coal or coastal coal everything will be replacing in terms of cargo drop in LPG. Anyhow LNG for us was still 6 to 7 metric ton out of 500. It doesn't change our needle whether LNG is zero or LNG is double.

And then I would say, definitely the impact which I would say on the commodities like scrap which comes to Nhava Sheva and Nhava Sheva to Tumb so that's why you would have seen in the month of March, we had a drop in Tumb. That was mainly because of scrap and petrol, which is imported. These are the commodities, which are not, to be honest, sorry for that. These are not very strategic mid- to long-term businesses, right? They are very seasonal like iron ore. So we must not be dependent on that. So that's why we have opened up the new businesses.

You would have seen that typically iron ore is growing, which has the reach impact of these commodities because we have more industrial goods. So I think slowly and slowly, we have to adjust to the new normal and let's not keep waiting that situation will be better tomorrow. That's what I can say today.

Sumit Kishore: And every container volume will also find another route longer route and ultimately, the volumes will stabilize.

- Ashwani Gupta:** And this is what is happening even today also. So that's why the freight cost has increased because they're not following the normal route or they have more waiting time or they have something else or they have a shorter route. Shorter route vessels, but more vessels. So definitely, our efficiency is getting impacted, but that's life, that just our life is the new normal.
- Sumit Kishore:** Very clear. The second question is on cash flow from operations. I couldn't find any comment in the presentation or the press release. So I think you are targeting around \$180 billion plus. Now we have done our EBITDA of about \$228 billion plus, how has this year's growth behaved and with the growth numbers that we are seeing or which we are targeting for the next financial year, does that follow suit in terms of the CFO? The EBITDA to CFO conversion.
- Krishna Menon:** So if you see almost 85%, 90% of our cash flow comes through from EBITDA. So I think that won't change. That profile remains the same and it will continue.
- Sumit Kishore:** Okay. So this time around also in the full financial year, it would have been 85% of the EBITDA number.
- Krishna Menon:** Absolutely.
- Ashwani Gupta:** We have INR20,300 crores, Sumit, this year.
- Krishna Menon:** Yes.
- Sumit Kishore:** INR20,300 crores.
- Krishna Menon:** Right number. Others will also see. So it's on -- so if you look at -- we have it on FY '26. So Slide 22, the ambition plan has the --has that information.
- Sumit Kishore:** Okay, okay. Just one clarification now that.
- Ashwani Gupta:** We made it very simple so that you don't have to go through our line by line P&L. So you can see the transition from revenue till it ends.
- Sumit Kishore:** Perfect. Just one clarification I mean because the trial runs have happened and now at both JNPT both upstream and downstream for the DFC, so what is holding back the final commissioning or in case you have any sense now?
- Ashwani Gupta:** I'm not the spokesperson. But only thing I know that it has not started. And even if it starts, as CONCOR MD Mr. Sanjay Swarup has said officially last time, in the Analyst call, that still they have two choking points. So let's see that when and how it will be effective. Or even if it is effective the catchment area of JNPT and catchment area of ours are totally different.
- Second, we still have the advantage of two slabs on the rail cost. So definitely, I think JNPT, I think JNPT connected with DFT will improve the delivery to their customers, but we will have no impact on all of this, that's what we said last time.
- Sumit Kishore:** Very clear, thank you and wish you all the very best.

- Moderator:** Next question is from the line of from Ketan Jain from Avendus.
- Ketan Jain:** First question is are our ports in Mundra and Vizhinjam benefitting from realignment from shipping line services due to the West Asia conflict -- and if yes, then by how much?
- Ashwani Gupta:** So we cannot -- it's difficult to quantify it but for sure they are getting benefitted, but at least Mundra is getting benefitted but Mundra is also getting impacted. But also Vizhinjam is getting benefitted in terms of volume that's why we are accelerating the Vizhinjam space too, and soon we will also start working on the exit cargo from Vizhinjam because there's a huge potential in the catchment area for Vizhinjam for exit.
- You already have approval for the main connection and the highway connection I don't know how many years it will take, but at least there are approvals. So there's a huge potential, so we are accelerating the investment in Vizhinjam for phase II and Colombo. So these two will really be great. Mundra, it is a bit complex because it's a mix of everything, so Mundra is benefiting but Mundra is also impacted.
- Ketan Jain:** Understood. So Mundra continues to grow at around 4% and JNPT at 12% so as you mentioned the primary reason is because of Mormugao?
- Ashwani Gupta:** See, I will give you -- see I don't want to be optimistic. Let me tell you and I think it's very important to understand how the JNPT works right? They have the capacity the capacity more than they require. We have the capacity what we require. Now what happens? After this disturbance, more than 90% of the vessels are coming out of the window. I will try to be flexible. I will try to be adaptable, but they have a empty playground -- and with the warm welcome they are accepting every vessel. So definitely, they will have a better advantage in terms of that.
- So now the question is growing at what cost and what profit, I think that is also the second question which we should ask. And as I said before, we are waiting for our CT5 to be open. But again, we will do only the meaningful cargo, which is bringing high realization, of course we can do this service which we are doing because that is for the country. But at the end, I would say that in addition to the percentage growth of volume, it's also important to see what is the realization, what is the margin each port is creating.
- Ketan Jain:** Understood, understood. That answers the question. In our international volume of around 22 million tons, how much is NQXT contributed in this?
- Rahul Agarwal:** Roughly about 11 million tons.
- Ashwani Gupta:** 11 million.
- Ketan Jain:** 11, and also sir, also if you could split the rest in Colombo, Haifa and Tanzania how much volume.
- Ashwani Gupta:** Maximum growth is coming from Tanzania -- from Colombo.

- Rahul Agarwal:** So Tanzania roughly about 1 go 1.1 MMT a month. Israel is running a number of about between 0.7 to 0.9 a month. And Colombo does about 120,000 to 125,000 TEUs a month. That's the rate at this point.
- Ketan Jain:** Sir, if you can give us the number for the fourth quarter. You shared this in the last quarter as well?
- Rahul Agarwal:** 11 nowadays your NQXT you will have a little over your 3 million coming from Tanzania, approximately 2.5 to 2.6 coming from Israel and the balance is Colombo.
- Ketan Jain:** Understood. Just a last question on the ROCE of logistics. What would be the capital employed in logistics for this ROCE?
- Rahul Agarwal:** Sorry, you're asking for.
- Ketan Jain:** Logistics capital employed in the next 5 years. As in the current capital employed, the current...
- Rahul Agarwal:** Current, okay, close to 6000 output.
- Moderator:** We'll take our next question from the line of from Pulkit Patni from Goldman Sachs.
- Pulkit Patni:** Sir, my first question is in your estimation of the 850 million domestic cargo, what is the rough estimate on what you will be doing in terms of coastal shipping by then? If you could share any breakdown there?
- Ashwani Gupta:** Yes. I mean it's difficult to estimate because as I said before, all of a sudden, we have growth in imported coal and coastal. But today, I would say that all India coastal is increasing roughly at 5% when EXIM went down by 3.5%. So if I look at the energy growth, I would say that still coal will keep on increasing between 6% to 7%.
- Pulkit Patni:** Okay. That's useful, sir. Sir, my second question is, over the next 5 years, we are estimating about \$1.2 billion, \$1.3 billion of capex in marine. Again, if you could outline what is the medium-term plan there? Are we looking at doing more in other countries globally? Like just some thought process on how we look at our marine business outside of what we are doing for our captive usage.
- Rahul Agarwal:** Pulkit, I'll just clarify one point before Ashwani responds. Our marine business or our marine vertical does not include the captive ports, okay? The ports, the trucks that work in our own ports for customers are consolidated under domestic ports. Marine is entirely a third-party business for us. So all vessels under marine verticals are deployed exclusively for third-party customers. So just one quick hygiene point.
- Ashwani Gupta:** So, I think building on that, this is what we did. Now we finished roughly 8% of our business, which is marine now in terms of revenue roughly. And this is a consequence of the strategy which we did. In India, we have 77% market share on the near terms-- then we acquired Astro with more than 20 vessels at that time.

Those vessels are offshore tugs -- sorry, offshore vessels used as anchor handlers, barges, but mainly the work boats. Work boats have an advantage of having mid- to long-term customer contracts, but also not as much cyclic to the trade as compared to the shipping business, right? So very sustainable, robust, consistent business, right?

Because if our offshore vessel is deployed in oil and gas refinery in Abu Dhabi, it has a mid- to long-term contract, nothing to do with the shipping trade going up, going down, right? So that is the reason we got into the offshore business. Now when we brought Astro, we have more than 20 vessels we have more than 50 vessels.

We have Middle East, we have North Africa, we have West Africa, and now we are getting into Europe. So very soon you will hear that our vessels are deployed in Europe which means learning from West Asia crisis. We are redefining our offshore marine strategy to also include the Mediterranean sea in our offshore vessel deployment. And this is part of corporate risk management.

Pulkit Patni:

Sure, sir. Sir, since you've got like the business is significantly larger now, and obviously, there's already so much disclosure, but would love to get more colour on our marine plans and how the revenue profile there moves. So my last question is again on capex for others. We're looking at INR6,000 crores to INR8,000 crores in technology decarbonization and others, which also is pretty significant. Any, again, rough cut breakdown of what this would entail like in terms of decarbonization and other capex, what exactly are we looking at over the next 5 years?

Rahul Agarwal:

Pulkit, it's a combination of multiple items. So let's say, as you know, we have a public commitment for net zero 2040 and we recently signed up for TNF as a biodiversity reporting framework. where we have a guidance for 2050 net positive biodiversity. So these initiatives typically entail capex, which is in the nature of higher renewable and electricity.

It could be in the nature of higher sequestration activity, more plantation roads, et cetera. It will also typically entail active reduction of our emission footprint, which means that we will have substantially higher volume of battery-operated trucks within our premises. We will have a very large part of our equipment running on electricity as opposed to diesel and things like that, right?

So all of that is going to contribute to -- significantly to the decarbonization plan and the biodiversity plan that we have over the next half a decade or so. In addition technology is an ongoing initiative you have seen various agenda items like strategic command centre that we demonstrated at our last Investor Day.

And on the same line, there are multiple number of internal initiatives that are being taken from a technology standpoint to be able to step up efficiency level, right? So that's also going to be a very significant component. But it's a healthy mix between tech upgrades, new technology adoption, AI adoption and the fairly extensive decarbonization plans that we have.

Ashwani Gupta:

So sustainability is at our core, right, core of the business. And sustainability for us is not cost plus. It's not regulation, it's not compliance, it's not disclosure. If you look at Slide number 31 of our Ambition 2031, you will see all the investments which we are doing in sustainability, that's

got our economical benefit, so if I am investing in the electrical trucks in Mundra that is not only for environment that is not only for ESG.

It is bringing me economical benefit that's why I am investing and also in addition it is contributing to the environment. The second, if I'm investing on the automation, it is bringing a better productivity of the train, better productivity of the yard, better productivity of blah, blah, blah. At the end it is bringing.

So for me, technology is not a future lift of equipment. Technology for me is a technology which brings the economical benefit, not only the decarbonization but also the green port revenues, we know that as per maritime world regulation in globally, container vessels will have to adapt to the alternative shape.

Now in India do we have the facility for the shore power for example. And we are now making the provisions for the shore power because we know after 2.5 years, international vessels will come to Mundra they will need the shore power and that will become our competitiveness as compared to our competition.

Now why we will be cooperative A is because we are thinking and investing in advance, and B our shore power will be powered by the renewed energy which is affordable than the positive energy and therefore it will bring the economical benefit. So for us investment in decarbonization and technology is to bring better productivity and to create new revenue opportunities.

Pulkit Patni: So can I take the liberty of asking one last question? There was news flow around the group possibly looking at shipbuilding opportunity. If anything happens there on Mundra, is it fair to assume it will happen under Adani Ports in our case or would it be a separate?

Ashwani Gupta: You ask us shipbuilding, and then in next quarter, you will ask me what is the return on capital employed. What I will answer you, man?

Pulkit Patni: No, sir, every business requires seeding time, so we would not ask you that initially. I just want to understand?

Ashwani Gupta: , I don't think that's our competency. Our competency is to build the infrastructure ecosystem and to run it efficiently and effectively that's our competency. Our competency is not shipbuilding. If a company comes and wants to build a ship at our Mundra port we have the easy approval, we will give it. We are helpful because it is good for country. But do we really want to ourselves get into the shipbuilding I don't think so, that's not our competency.

Moderator: Next question is from the line of Vivek from Emkay Global.

Vivek: Congratulations on a good set of results. I just have a couple of questions on the resumption of Tata Power's operations. So with respect to that, what can we expect in terms of volume growth at the Mundra plant?

Ashwani Gupta: Where are you located Bombay?

Vivek: Yes.

- Ashwani Gupta:** Yes, so you see the heat, right? They have to run at peak capacity. They have to run at maximum capacity. And I don't think -- I think we have a weaker monsoon this year. So last year, we faced the issue because there was a delayed monsoon. There was a heavy monsoon and there was excessive renewable energy available because of hydro.
- If you remember, we had that discussion. But this year, I think we have this West Asia crisis where LPG is replaced -- trying to be replaced by electricity. Then, we have this peak summer, and we also have a weaker monsoon. So we must have a tailwind over there. I don't know how much, but Tata Power has been asked to run full fledge.
- Vivek:** Sure. So just to understand in terms of volumes, like what percentage of volumes from Tata Power can we expect to flow through our ports?
- Rahul Agarwal:** So Vivek, look, in our previous transcripts, we have identified the volume loss that we've had in FY '26 on account of CGPL. So you might just want to refer to that. I would refrain from commenting on a specific volume from one particular customer on this call. But in the past, we have given references to the volume losses that we've had in coal in Mundra on this account.
- Vivek:** Secondly, in terms of Vizhinjam expansion, so what we see is we have a plan in place to expand the capacity from 1.6 million TEUs to 5.7 million by FY '29. Will we expect the expanded capacity to be operational on a staggered basis? Or will it be all at once as of FY '29?
- Ashwani Gupta:** Step by step. We call it Phase 2, but even inside Phase 2, we have 4 steps. But don't ask when we can't do -- we can't disclose the detailed master schedule to the external world but that's our competitiveness.
- Moderator:** Next question is from the line of Nidhi Shah from ICICI Securities please go ahead.
- Nidhi Shah:** I wanted to ask what was the volume revenue EBITDA for the NQXT terminal that was recently added in our console?
- Rahul Agarwal:** So we have not separately disclosed that. But I suggest you please take a look at the presentation we uploaded when we made the announcement last year in April that has the detailed financials of Australia. So that will give you a good sense of what numbers have populated into this particular quarter.
- Nidhi Shah:** And secondly, in Mundra, you mentioned earlier in the year because of Tata, we had faced that issue. But specifically this quarter as well, we are seeing that coal at Mundra is slightly lower and all across the board as well. So do we expect this to resolve in Q1? Or do you think this will take some more time for the volumes to come back up?
- Ashwani Gupta:** Where you are seeing, April is not yet finished.
- Krishna Menon:** Sorry, we did not completely get your question. If you can just repeat.
- Nidhi Shah:** So in the Annexure for this -- for Q4 presentation, it is mentioned that the coal in port, basically the coal at Mundra is lower than Q4 FY '25, significantly lower. So -- and coal volumes across

all ports in Q4 FY '26 have been lower than the base year. So do we expect that the coal volumes will come up in Q1.

Ashwani Gupta: Sorry, your question is great. I think Rahul will make a separate call with you because I don't think we should look at coal as a coal. You have 3 kinds of coal. You have coking coal where we have increased more than 7.5% then we have the coastal coal where we have increased 5.1%.

And obviously, there is imported coal, which is reduced, but that is in line with the country's strategic direction. So I think please have offline discussion with Rahul, we will give you all the data. But at the end, coal is increasing. The coal which is increasing is in the strategic direction of the country, which is more coastal coal and coking coal because to support the steel production.

Nidhi Shah: And lastly, logistics volumes are not up significantly, but we are seeing that the EBITDA and the revenue per ton on that is growing significantly. So what is the strategy behind that?

Ashwani Gupta: That strategy is very simple. We wanted to demonstrate that we can give you double-digit return on capital employed. So we adjusted our business mix to give you maximum return and build the confidence in you and now we will push the volume.

Nidhi Shah: All right. Thank you so much.

Moderator: Thank you. That was the last question, sir. Over to you for closing comments.

Rahul Agarwal: Yes. So we'll just take one, Rajarshi. So moderator, if you can just allow Rajarshi. He has one last question and then he will close.

Moderator: Sure. Rajarshi please go ahead.

Rajarshi: Yes. Thank you for this opportunity. So my question is, so if I see your India port EBITDA performance, that's a good growth of about 10%, whereas volumes have been kind of flat on India port volumes. So is that because a part of your revenue is in dollars and you are getting a currency benefit here? Or the other way to think of it, if we didn't have this currency movement, what would your EBITDA per ton improvement have been in this quarter?

Krishna Menon: So Rajarshi, you're right in that the realization is ahead of -- the revenue growth is ahead of the volume growth emulation is correct. It's not just currency right. There's a combination of factors. It includes currency. There is also the component of the pricing changes that we take when permits gets revised and it is also a function of product mix.

Container being the fastest growing commodity and marine growing alongside it because these are dollar-linked cargoes naturally benefit us, as the rupee depreciates vis-a-vis the dollar, right? So these are -- it's not just one item, but it's a combination of all of these 3 that is working to our advantage in this particular.

Rajarshi: So how much of your revenue a broad number is in dollars? Is it like 30%, 20%? How much would be in dollars?

Rahul Agarwal: So if you look at our cargo, roughly about 40%, 45% of our cargo is containers. So that's dollar-linked and our harbour income is dollar linked. Adani harbour income is dollar-linked.

Moderator: Thank you, any closing comments, sir?

Ashwani Gupta: No, I think, first of all, I really want to say thank you for your continued confidence in APSEZ. I want to thank you for very thoughtful questions and the feedback and the advices, which help us in improving quarter-on-quarter in terms of our communication, in terms of our engagement, in terms of our disclosure. That has helped us in preparing this very comprehensive, very detailed and very simple ambition 2031.

Though we see uncertainties. But as I said before, our fundamentals are in place, and our strength, which is scale, but and which is integrated, right, makes us different than others. whether it is port or logistics or marine, even the port across 11,000 kilometres, even the 12 ICDS, trucking, rail, warehousing, everything is integrated.

So we have that advantage of having scale plus integration. And scale plus integration is run by capability and the capacity to run it in the most efficient way, and that is demonstrated in our very strong top line and bottom line growth. And this all is coupled with the India growth story and as well as the international growth story, which is coming from IMEC and China Plus One and so on and so on.

So with that story in mind, we keep the target of growing at CAGR of 18% to 19%. In good time like last year, we could grow up to 25%, but still we want to keep our foot on the ground and keep delivering between 18% to 19% CAGR, moving forward for next 5 years. And every quarter, we meet and we demonstrate that our execution of the strategy is working in the perfect way. So thank you once again, and look forward to see you next time.

Moderator: Thank you. On behalf of JM Financial Institution Securities Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.