



Petronet LNG Limited

Regd. Office: Fourth Floor, Tower-I, World Trade Centre, Nauroji Nagar, New Delhi – 110029
Phone: 011-71233525 **CIN:** L74899DL1998PLC093073
Email: investors@petronetlng.in, **Company's website:** www.petronetlng.in

CS/PLL/LISTING/Reg-30/2026

Date: 20th February 2026

The Manager
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai – 400 051

Subject: Transcript of post-results Conference Call held on 13th February 2026

Dear Sirs/Madam,

This is with reference to our intimation dated 10th February 2026 and 13th February 2026 intimating holding Conference Call of the Company scheduled on Friday, 13th February 2026 at 1100 Hrs (IST) for unaudited financial results of the Company for the quarter and nine-month ended 31st December 2025 and uploading audio recording post Conference Call respectively.

In terms of provisions of Regulations 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of above conference call as Annex-1.

This is for your kind information and record please.

Yours faithfully,

Rajan Kapur
GGM & President - Company Secretary

Encl: as above

Dahej LNG Terminal:
GIDC Industrial Estate, Plot No. 7/A, Dahej
Taluka Vagra, Distt. Bharuch - 392130 (Gujarat)
Tel.: 02641-257249

Kochi LNG Terminal:
Survey No. 347, Puthuvypu
P.O. 682508, Kochi
Tel.: 0484-2502268



“Petronet LNG Limited
Q3 FY ‘26 Earnings Conference Call”
February 13, 2026



MANAGEMENT: **MR. SAURAV MITRA – DIRECTOR, FINANCE & CHIEF FINANCIAL OFFICER – PETRONET LNG LIMITED**
MR. RAKESH CHAWLA – EXECUTIVE DIRECTOR, FINANCE & ACCOUNTS – PETRONET LNG LIMITED
MR. VIVEK MITTAL – GROUP GENERAL MANAGER AND PRESIDENT, MARKETING – PETRONET LNG LIMITED
MR. GYANENDRA KUMAR SHARMA – GROUP GENERAL MANAGER AND PRESIDENT, MARKETING – PETRONET LNG LIMITED
MR. DEBABRATA SATPATHY – GENERAL MANAGER, FINANCE & ACCOUNTS – PETRONET LNG LIMITED
MR. VIKASH MAHESWARI -- DEPUTY GENERAL MANAGER, FINANCE & ACCOUNTS -- PETRONET LNG LIMITED

MODERATOR: **MR. NITIN TIWARI – PHILLIPCAPITAL INDIA LIMITED**



Moderator:

Ladies and gentlemen, good day, and welcome to Petronet LNG Limited Q3 FY '26 Earnings Call. As a reminder, all participants 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. Nitin Tiwari. Thank you, and over to you.

Nitin Tiwari:

Thanks, Nina. Good day, ladies and gentlemen. On behalf of PhillipCapital India Limited, I welcome everyone to today's earnings call. From the management team of Petronet LNG, we have the pleasure of having with us today, Shri Saurav Mitra, Director of Finance and CFO; Shri Rakesh Chawla, Executive Director, Finance and Accounts; Shri Gyanendra Kumar Sharma, GGM and President, Marketing; Shri Vivek Mittal, GGM and President, Marketing; Shri Debabrata Satpathy, General Manager, F&A; Shri Vikash Maheshwari, Deputy General Manager, F&A.

I will now hand over the floor to the management for their opening remarks, which shall be followed by a question-and-answer session. Over to you, sir.

Saurav Mitra:

Good morning. I am Saurav Mitra. Thank you for joining us for the earnings call for the quarter ended 31st December 2025. I'm pleased to share that the company has delivered a strong operational and financial performance during the current quarter, supported by improved capacity utilization and operational efficiencies.

During the quarter, the overall LNG volume processed by the company stood at 233 TBTU, reflecting a growth of 2% over both the previous quarter and the corresponding quarter where volumes stood at 228 TBTU each. At the Dahej terminal, volume throughput during the current quarter was 214 TBTU compared to 211 TBTU in the previous quarter and 213 TBTU in the corresponding quarter. Capacity utilization at Dahej improved to 94%, up from 92% in the previous quarter and 93% in the corresponding quarter.

At Kochi Terminal, PLL achieved the highest ever capacity utilization of 29% during the current quarter.

On the financial front, the company reported PBT of INR1,144 crores for the quarter, registering a 6% growth of PBT over the previous quarter, which stood at INR1,083 crores. The PBT of the corresponding quarter stood at INR1,169 crores. Profit after tax for the quarter stood at INR848 crores, reflecting a 5% growth over PAT of INR806 crores in the previous quarter. The PAT in the corresponding quarter was INR 867 crores.

For the 9 months ended 31st December 2025, Dahej processed 632 TBTU as compared to 686 TBTU during the corresponding 9 months. The overall LNG volume processed by the company during the current 9 months stood at 682 TBTU as against 729 TBTU in the corresponding period. During the current 9 months, the company reported a PBT of INR3,363 crores compared to INR3,829 crores in the corresponding 9 months. Profit after tax for the current 9 months stood at INR2,505 crores as against INR2,856 crores in the corresponding period.

With this, we open the house for the Q&A session. Thank you.

Moderator: Thank you very much. The first question comes from the line of Puneet from HSBC. Please go ahead.

Puneet: My first question is if you can talk a bit about your contracts that you signed with ONGC for ethane, etcetera. What are the broad terms of those? It will be very helpful?

Saurav Mitra: Okay. So first of all, I won't be able to share the commercial terms because that is -- that those are sensitive information, which I cannot disclose in the public. And so far as the broad contours of the agreement, I would request Mr. Vivek Mittal, Group General Manager, to speak about it.

Vivek Mittal: So I presume you're referring to the regasification agreement, which we signed recently. So it's a master regas agreement, which is a framework agreement, wherein if ONGC brings cargo, then the terms and conditions, which includes the storage period, what would be the regas charges, what would be the penal provisions for the use of a provision. So all those contours are covered under that agreement.

It is a standard agreement like any other regas agreement, which we have signed with the long-term capacity holders. Aim is also that we convert this into a long-term capacity agreement with ONGC. So in that direction, we have signed this framework agreement.

Puneet: Second question is on the UOP charges. Is it fair -- am I understanding correct that another INR48.9 crores were due -- still stand due end of CY '25?

Debabrata Satpathy: Yes. It is INR49 crores as you said. That has arisen in CY '25.

Puneet: And what is the update on the liquidation of the balance dues? Any progress?

Debabrata Satpathy: See, as you know that the CY '21 has already been paid up. For the CY '22 dues, the due date was 31st December. However, the bank guarantees are valid till 31st of March. So yes, so the receipts can be done before 31st of March, endeavor is being done for that. And CY '23, it is -- the sunset has not arrived yet as per the settlement agreement.

Puneet: So there's no bank guarantee for '23, you said?

Debabrata Satpathy: '23 also, most of the customers, we have received the bank guarantees and the contract.

Puneet: So by March, the '22 liability should be settled, right?

Debabrata Satpathy: Yes.

Puneet: And lastly, just if you can give that number for service income and any capex project that you want to talk about?

Debabrata Satpathy: Service income has been INR 865 crores in the quarter.

Moderator: Next question comes from the line of Anchal Shah from AMBIT Capital.

Anchal Shah: Sir, am I audible?

Moderator: Yes, sir, you are.

Anchal Shah: Sir, latest and long-term data shows that the rival terminals in the similar vicinity to Dahej are not able to ramp up volumes versus PLL Dahej. So sir, is it because of PLL Dahej having long-term contracts due to better network connectivity? Or is it the pricing power? So if you can give a sense of this dynamics and if any customer wants gas in that area, why the incremental volumes come to Dahej versus the rival terminals? This is question number one, sir.

Saurav Mitra: Okay. So shall we go question by question?

Achal Shah: Yes, sir.

Saurav Mitra: Okay. So you have already answered the question that you have raised. PLL Dahej terminal enjoys some critical advantages in terms of evacuation because any terminal, simply having the regas capacity doesn't -- cannot function to its fullest capacity and efficiency. So Dahej terminal, the present capacity is 17.5 MMTPA, and we are ramping it up to 22.5 MMTPA by the end of this financial year. But it already has evacuation capacity of 35 million metric tons. So this gives an added advantage to Dahej over other competitor terminals, number one.

Number two, as we have already said, the pricing, we are one of the lowest cost operator and our charges are also one of the lowest in the industry. So the third factor is the storage factor. Dahej gives a unique facility to all its customers of not only regasification at a very low rate, but also provides them with huge storage capacity. So we have 8 tanks over there. And none of the terminals in India are having so much of storage capacity, which gives flexibility to the offtakers in its operations.

Achal Shah: Got it, sir. Sir, can you give a sense of how much time it would take for this incremental 5 MMT ramp-up utilization?

Saurav Mitra: I've already told we will be mechanically completing the construction by end of this financial year. So 31st March is our target to complete its -- mechanical completion.

Achal Shah: So sir, what I meant by that is like how much time it would take for that 5 MMT to get utilized like at, let's say, 80% or 90% or 100%?

Saurav Mitra: Okay. So see, LNG business, it's a mix of long-term agreement as well as spot agreements. And it is neither good for any consumer or a country to 100% depend on the long-term agreements or the spot contracts. So we have kept our facilities for both spot cargoes as well as long-term cargoes. So in this regard, we are already talking to many of the customers, and these are all at advanced stages.

And we have already experienced that in the last IEW, we have signed agreements with MGL for servicing their cargoes, and buying cargoes on their behalf. So slowly and slowly, we will try to match the ramp-up capacity with our customer -- lining up customers for better utilization of the terminal.

Achal Shah: Sir, just one follow-up here. So is it safe to understand or assume that whatever this 5 MMT capacity utilization would come from incremental import in India versus taking market from rival terminals in the similar vicinity?

Saurav Mitra: You are correct. You're correct. There is an increasing gas demand, which is evident from the performance of our -- both the terminals at Dahej and Kochi. So with favorable gas prices, which we are expecting in the coming years because of a lot of liquefaction facilities coming up in Middle East, U.S., Mozambique. So there will be affordable LNG in the market and it will definitely increase the gas consumption in the country. And we are actually sprucing up our facilities to cater to the demand of the -- cater to the incremental demand.

Achal Shah: Got it, sir. Sir, my second question is on the EBITDA or, let's say, the PBT contribution from these new investments in petchem, Gopalpur and the third jetty. So could you give a sense of what could be broad line numbers for these with respect to financials? Like we all know the investment and the time lines, but how much contribution at EBITDA level or at the gross margin level are we expecting from these new investments?

Debabrata Satpathy: Yes. See, we have maintained that for this petrochemical, we are yet to finalize the commercial contracts. You have seen in the past that we have done a 600 KTPA contract with ONGC. Now these contracts are being made. So these details are sensitive, and we are not sharing it in any of the forums. That is the reason why it is not being shared. But as and when all the commercial contracts will be done in due course of time, we will come out with the numbers.

Moderator: Mr. Shah, you may rejoin the queue for the follow-up question. The next question comes from the line of Yogesh Patil from Dolat Capital.

Yogesh Patil: Sir, a couple of questions. INR49 crores use or pay will become a part of receivable or it will be treated separately? Need small clarification on this, sir.

Debabrata Satpathy: As on 31st December, it is not part of receivable. It is -- as you know that the user pay charges are charged as a penalty or LD, and we recognize the revenue. So the revenue has been recognized right now, and it has been -- and the due date has not arrived yet because we have just issued the invoice, etcetera, communication, etcetera.

Yogesh Patil: Okay, sir. Fair enough. Second question on the capital expenditure. How much capex we have done in the 9 months? And what is the plan for FY '26, '27 and '28, if you could throw some light on the numbers?

Rakesh Chawla: See, we are expecting to have the approximate capex of till -- by March around INR3,000 crores in this year. We have targeted slightly more than that, but due to petchem orders in process, we will be restricting our capex during the year around INR3,000 crores. So next year, we are targeting to spend around INR9,000 crores. Main outflow will be on account of petchem and then followed by jetty. So others are very small, small items. The total capex outflow will be around INR9,000 crores.

Yogesh Patil: In FY '28, it would be the same in the range of INR9,000 crores?

Rakesh Chawla: No. See, by FY '28, the additional item will be Gopalpur. So we are expecting by that time, Gopalpur construction will also start. And right now, it will be difficult to estimate the correct number because most of the capex will be -- cash outflow will be over in case of petchem and the addition will be Gopalpur. So as of today, I can tell you only about the next financial year, but overall capex should not be more than this in next year.

Yogesh Patil: Last one from my side. Any discussion or updates on the 7.5 MMTPA capacity for the regas type negotiations with the offtakers? And when can we expect the final conclusion on this matter? Any time line, if you could provide?

Vivek Mittal: We are working on various business models for it. So as of now, I cannot give you a firm time line, but we are hoping that next 6 to 8 months, we'll have a better clarity and probably -- hopefully, we could have done some agreements as part of the 7.5 million tons.

Yogesh Patil: But there are a number of offtakers. Any one of you have started negotiations and the things are...

Vivek Mittal: It is not separate individual negotiations. So we are already in discussions with all of them, and they're not multiple. They are only 3; GAIL, IOCL and BPCL, which is the existing agreement also. So in line with that, we are having some discussions. Certain commercial arrangements have already been frozen, certain agreements are yet to be executed.

Debabrata Satpathy: And on the -- just to add on the INR49 crores user pay dues, that is -- the revenue has been recognized. The cash is yet to be received.

Moderator: The next question comes from the line of Pranitha Shetty from Morgan Stanley. .

Pranitha Shetty: I just wanted to understand, is there a bit of discussions when you're -- on the expanded capacity when you're having discussions with the potential clientele, is there discussions on -- they are looking for a longer-term contracts or are they looking for something more spot in the near term? Or is there any discussions on the regas charge what you put in? Like I wanted to understand the impact of competition there specifically? That's my first question.

Vivek Mittal: Dahej has always been offering competitive tariffs. So our aim and endeavor will always continue to be that. And in this regard, yes, we are having discussions both on spot, short-term, midterm and long-term basis with the existing capacity holders as well as new capacity holders. And in that direction only, we recently signed agreement with ONGC, which was currently for spot short term, but eventually, we aim to convert it into a long-term capacity agreement. And regas charges, we have standard regas charges, but there could be certain incentives if they do additional volumes. So we are still working on that agreement.

Pranitha Shetty: Right, sir. And I just wanted to understand any updates on the Gopalpur terminal, what you're setting up? Any updated time lines on those? I'm sorry, I missed the earlier part of your call.

Saurav Mitra: It's okay. No problem. Gopalpur, we are actually in discussion with the Ministry of Environment for environment clearance, and we expect -- they have sought certain more clarifications, which we have already submitted, and we expect the results -- positive results to come out very soon.

Pranitha Shetty: I just wanted an update on petrochemical capex as well. I know that you're doing a bulk of the capex next year. Is this time lines what we had discussed earlier still stand?

Saurav Mitra: Sorry. Can you please come up with a question once again.

Pranitha Shetty: One minute. Am I clearer right now?

Saurav Mitra: Yes.

Pranitha Shetty: So in regard to the petrochemical capex, the PDH PP plant, any update on the commissioning of those projects?

Saurav Mitra: Well, the plant construction is on track. And we expect bulk of the capex during the financial year 26-27.

Pranitha Shetty: And commissioning, sir, like what is the target right now?

Moderator: Ms. Pranitha Shetty, you may rejoin the queue for the follow-up question. The next question comes from the line of Somaiah from Avendus Spark.

Somaiah: Sir, first question on the annual escalation that we taken Dahej, so for this year, Jan, that's been taken, if you can confirm on that?

Debabrata Satpathy: Yes, it has been taken.

Somaiah: Got it, sir. Sir, also on the utilization front, Kochi, we have been seeing improvement. It has moved almost to 30% now. So if you could just help us with details in terms of increased -- reasons for the increased offtake and also the Kochi Bangalore pipeline, the status and what is your expectation for next year?

Vivek Mittal: Kochi terminal, you rightly mentioned that there has been increase in offtake, primarily as the prices softened. So there was incremental offtake from the existing customers, which primarily include MRPL, OMPL and Kochi refinery. So primarily on that account, this incremental offtake was there. And as far as pipeline connectivity is concerned, GAIL has been still maintaining March 2026, but we believe by June 2026, we should be connected to natural gas to Kochi, Kuttanad, Bangalore, Mangalore pipeline.

Somaiah: Got it, sir. The last question is on this 5 MMT expanded capacity. Based on whatever contracts or discussions that we had so far, what is our expectation in FY '27 in terms of utilization of this capacity?

Vivek Mittal: We don't give that at this point of time. As and when the contract is firmed up, we'll, of course, declare -- send the notification to SEBI and the NSE and BSE. But at this point of time, we cannot.

Somaiah: Okay. So trading gain and inventory -- gain or loss in this quarter?

Debabrata Satpathy: There has been no trading gains and inventory gain is INR 27 crores.

Moderator:

The next question comes from the line of Mayur Patel from 360 ONE Asset.

Mayur Patel:

Some of the questions got answered. Was -- Kochi, you said June is the pipeline connectivity expected. Thanks for that. Second thing is given the large capex plan for the next year also, is it fair to assume that we'll still be able to maintain around 40% dividend payout?

Saurav Mitra:

Can you please repeat the question?

Mayur Patel:

I think our dividend payout has been very healthy in the range of 40% to 50% of profits. So given that you said INR9,000 crores capex in petchem would happen in FY '27. In FY '27 also, despite that, we'll be able to manage 40% payout on dividend?

Saurav Mitra:

We have a healthy cash balance carrying in our books. So we expect to maintain the similar range of dividends.

Mayur Patel:

Okay. And Gopalpur, is it fair to assume that when we'll start the construction, we'll have some visibility about the evacuation connectivity of pipeline and also the offtaker, at least in principal demand from the offtakers?

Vivek Mittal:

That's what we are working on. In fact, the aim is to tie up at least some part of the capacity before we start construction. And as far as pipeline connectivity is concerned, so there is already Srikakulam-Angul pipeline, which is around 30 kilometers from the proposed location. So for that, the connectivity would be done by company, this 30 kilometres, but rest of it is already in place.

Moderator:

The next question comes from the line of Hardik Solanki from ICICI Securities.

Hardik Solanki:

I just want to check on what was the petchem capex till date? And you mentioned that the next year petchem.... -

Saurav Mitra:

Mr. Solanki, you're not audible.

Moderator:

The line for Mr. Solanki has been disconnected. We will move forward with the next. The next question comes from the line of Adarsh Sunil, an individual investor.

Adarsh Sunil:

Can you hear me okay?

Saurav Mitra:

Yes, please go on.

Adarsh Sunil:

Firstly, congratulations on the great performance. My questions are regarding the Economic Times article. First question was that with the U.S. trade deal, Petronet might buy LNG from U.S. So given that we already have long-term existing contracts, do we have bargaining power on the price? Or will we be buying this at a higher price? Second question, for the gas energy plants in India, at what price does it become feasible for them to use LNG as from the article, the usage is pretty low, less than 25%, if I'm not wrong?

And third question is regarding the Dahej expansion. At India Energy Week, I was made aware that the 5 MMTPA additional storage is already in place, so we can expect it to finish by the end of this financial year?

Saurav Mitra: Okay. So first of all, thank you. Thank you for the compliment. And secondly, I will come to the point of buying LNG from U.S. Yesterday, during the press meet, our MD has already clarified that such a deal is only possible if LNG is available at an affordable price. Number two. The second -- what was the second question? Can you please repeat?

Adarsh Sunil: Regarding the gas -- domestic gas, they are not taking -- buying a lot of LNG because of the price. So at what price it becomes favorable?

Saurav Mitra: I cannot give an exact number over this call. But definitely, it has to be competitive with respect to the other alternative fuel options. Definitely, when I'm selling alternative energy options, I'm not comparing it with whole. But yes, maybe if we take the pricing available today of other alternate fuels, something around \$7 to \$8 per MMBtu would be, I think, affordable for the power industry to get up and running.

Adarsh Sunil: Got it. Sounds good. And then the Dahej terminal expansion, we are expecting it by the end of this year -- end of this financial year?

Saurav Mitra: Yes, I have already announced that we will be mechanically completing it by end of this financial year.

Moderator: The next question comes from the line of Nilesh Ghuge from HDFC Securities.

Nilesh Ghuge: Just one question from my side. Sir, third party regasification charges for Q3 FY '27, how much it was?

Vikash Maheswari: INR779 crores.

Nilesh Ghuge: Sorry, sir?

Vikash Maheswari: INR779 crores.

Moderator: The next follow-up question comes from the line of Hardik Solanki from ICICI.

Hardik Solanki: Sir, what is the capex for the petchem we have spent till date? And as you mentioned that INR9,000 crores will be spent in next year. So how the INR21,000 crores will be spent in the next couple of years? Can you just give a time line on that?

Rakesh Chawla: Till March '26, which is current year ongoing, total petchem outflow will be approximate say, INR 2,300 crores. And next year -- budget year, which is March '26, till March '27, petchem we are expecting around INR7,500 crores. So here, it becomes total around INR10,000 crores. Total hard cash outflow may not be INR20,000 crores because it includes soft cost, including interest during construction period, etcetera. And balance will be outflow in next 2 financial years because certain payment will continue even after commissioning because second part [slightly inaudible] is stopped.

So till March '27, we are expecting around INR10,000 crores total petchem capex. When I say INR9,000 crores total budget, it takes care of jetty and other miscellaneous capex as well. So INR7,500 crores around for petchem and balance for other activities.

Hardik Solanki: Okay. So even if we assume instead of INR20,000 crores, if the capex is INR15,000 crores, so the next INR5,000 crores would be in FY '28, right?

Rakesh Chawla: See, right now, exact breakup, I am not giving anything, but it is around, say, balance will not be even INR10,000 crores. I told you it includes interest in construction also and other soft costs.

Hardik Solanki: Got it. Sir, in terms of the renewal of the contract, I just want to know whether the tariff escalation clause will be applicable?

Vivek Mittal: These are commercial sensitive information. We cannot disclose it over the call. It is -- it should be there. And -- but we cannot give you any further guidance on this at this point of time.

Moderator: The next follow-up question comes from the line of Achal Shah from AMBIT Capital. .

Achal Shah: Sir, can you give a broad sense of the 17 MMT at Dahej. So how much of this volumes would be price sensitive versus non-price sensitive? And also, do I understand that either they have use-or-pay or take-or-pay, but sometimes they don't take the volumes and move to alternative fuels. So can you give a broad sense of this dynamic?

Vivek Mittal: So we have already -- as you know, we already have 2 major agreements. One is for 7.5 million tons and another for 8.25 plus recently, we signed 0.5 million tons. So 16.25 million tons is already committed on a long-term basis or midterm basis on firm use-or-pay or take-or-pay basis. So in addition to this, we do on spot short-term basis capacity booking, which is on top of the 16.25 out of the 17.5 existing capacity.

Achal Shah: Sir, these long-term contracts are, if I'm not wrong, till 2028, is it?

Vivek Mittal: So as you know, the Ras Gas SPA, which is with Qatar, is till 2028, which has now been renewed for another 20 years. So it runs to 2048. The capacity agreement, most of these capacity agreements are till 2036.

Moderator: The next follow-up question comes from the line of Somaiah from Avendus Spark. .

Somaiah: Just a clarification on the petchem capex that you have said. So just want to know the total project capex, if you could just repeat and also the INR7,500 crores the breakup that you said, if you could just repeat?

Rakesh Chawla: See, total capex approved by the Board for the Petchem project is INR20,685 crores. Now this takes care of escalation, depreciation, rupee depreciation and interest during construction, etcetera. And what we are expecting, we have placed almost all the orders for all the long lead items. So we will be spending money wherever deliveries are being received or advance against capital orders in next 1 year, current say, starting from April. So why we are expecting that we will be making cash outflow of around INR7,500 crores in next financial year on account of petchem.

Somaiah: Sir, by end of FY '27, we would have spent INR10,000 crores out of -- approx. So the remaining has to be in FY 28-29. That's what you are referring?

Rakesh Chawla: See remaining will be FY 27-28 and FY 28-29 because after -- even after commissioning, certain payments remain pending, which are kept on hold for certain tests, et cetera. So, balance payment will spill over in next 2 financial years.

Somaiah: Got it, sir. Also on other projects, specifically Gopalpur, if you could just help us with the expected capex there and the cash outflow will begin from FY '28 onwards?

Rakesh Chawla: See, as already told by our Director Finance that Gopalpur construction will start immediately after certain clearances are pending. So the cash outflow will start immediately thereafter.

Somaiah: So within this INR9,000 crores of capex for FY '27, INR7,500 crores is for petchem, what is the expectation for Gopalpur in FY '27?

Rakesh Chawla: Balance is approximately INR800 crores budget for jetty, third jetty which is under construction. This will also be completing during this year.

Somaiah: Understood. Understood. INR800 crores for the balance portion of the jetty and then for Gopalpur in FY '27. So just looking at the total capex for Gopalpur and the majority of that will start in maybe FY '28. Is that the right understanding?

Rakesh Chawla: Major capex on Gopalpur will be in FY '28.

Somaiah: And the total project capex, if you could just?

Rakesh Chawla: Jetty, you can rectify it is around INR600 crores, not INR800 crores, budgeted for '26-'27.

Somaiah: Gopalpur capex, the total capex for Gopalpur?

Rakesh Chawla: See, Gopalpur total capex scheme was around INR6,000 crores.

Moderator: The next question comes from the line of Indrakumar Gupta from PL Capital.

Indrakumar Gupta: Just one clarification. I missed that part. So capex in FY '26 will be INR3,000 crores?

Rakesh Chawla: Approx, yes.

Indrakumar Gupta: And my question -- can you please provide some guidance in terms of volumes in FY '27 and FY '28, if possible?

Vivek Mittal: And as of now, you know the firm contracts, which we have already given in the previous question. So as of now, our guidance is based on the capacity book. However, we are making endeavors to book additional capacity. And as prices soften, we are very hopeful that, that volume should increase.

Moderator: The next follow-up question comes from the line of Achal Shah from Ambit Capital. .

Achal Shah:

So sir, in case this pipeline at Kochi terminal, near Kochi terminal gets resolved and the connectivity opens up, where do you see the incremental demand coming from? Is it the CGDs in near Bangalore? Or is it the industrial sector near that area? So can you give a broad sense of how much offtake increasing at Kochi terminal because of this bottleneck getting resolved?

Saurav Mitra:

Yes, Mr. G.K. Sharma, please reply.

G. Sharma:

Thank you. Your question is quite valid, but let me give a perspective to it. Once it is connected with the national gas grid, number one, part of the question you yourself has answered. Once it is the CGD demand, as you know, it is going to be minimum, minimum four to fivefold in the next 4 to 5 years.

And apart from that, you may be aware of CGDs major flywheel of CNG and domestic PNG demand, irrespective of where they are, the Zone 1 tariff of INR54 will be applicable. So it doesn't matter which CGD in which part of the country is, the demand needs to be met. And Kochi terminal once connected, so it will be catering to the demand of whole country, number one.

Number two, as you and all of us are aware of, it is expected, LNG prices are going to soften in the next 5 to 7 years, owing to the capacity buildup from supplier side. And as we know, other geographical regions across the world are either saturated or maybe not having that economic growth, which whole world is talking about around 6% to 8% growth -- consistent growth of India, leading to energy consumption, virtually more than 40% incremental energy consumption is expected to come from India.

Because of all these reasons, as we know, it is energy, whichever means is cost effective and ready to propel and fuel the growth, sustainable growth. And such kind of lethal combination perhaps India is at the cusp of the opportunity available in the world. Jaise bolte hai Qayamat jab aapka saath dene lagti hai, so it is like universe is favoring India at this opportune time. And gas demand is expected to more than double in the next 5 to 7 years.

So of course, CGD will be the major demand center, but given the softening of LNG prices, India itself is having ready-made demand of 25 million tons from power. Apart from multiple refineries and petrochemical plants are under expansion and India's capacity buildup of petrochemical itself is likely to double. And as you know, they have the dual facility of either burning their naphtha or gas.

Considering gas prices softening, we are expecting refineries, petrochemical, power, apart from CGD. Every sector will contribute hugely and India is coming big way, and its growth engine will be fed by gas LNG. And Petronet will be one of the beneficiary having the infrastructure already readily available and enhancing its infrastructure at Dahej as well as we are coming at Gopalpur.

I hope I could answer not only to the point question, the larger context. So India is a beneficiary where Petronet will be the major contributor.



Achal Shah:

Sir, just one follow-up here is that can you give some specific guidance with respect to, let's say, Kochi getting -- terminal getting connected with the grid? And then incrementally, how much will come from CGD, assuming it is in Zone 1 and versus, let's say, LNG where there is still that doubt that if spot LNG prices moderate, then utilizations improve. So if some specific guidance with respect to Kochi terminal utilization getting improved, that would be really helpful.

G. Sharma:

Even the existing capacity of 5 million tons will fall short. As told I you, CGD demand is going to be multiple fold. So I particularly answered this question, fourfold CGD demand increasing. It is the Kochi terminal, even I think I'm not allowed to say, given the opportunity, we should be in a position to even further expand this terminal. Of course, I'm not giving any speculation, but India's capacity is going to grow.

Moderator:

Ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to management for closing remarks.

Saurav Mitra:

Okay. Thank you. Thank you for your continued interest and engagement. We sincerely appreciate the trust and confidence reposed in the company by the shareholders, analysts and all other stakeholders. I would also like to say that we remain committed to operational efficiency, disciplined financial management and long-term value creation for the investing community. And thank you once again for joining us today. Look forward to connecting with you in the future.

Moderator:

On behalf of PhillipCapital India Private Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.