

– **Ms. Imba - Moderator**

- Ladies and Gentlemen, good day and welcome to the SJVN Limited, Q1 FY '14 Earnings Conference Call, hosted by Prabhudas Lilladher Pvt. Ltd. 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 * and then 0 on your touch tone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Ms. Rupa Shah of Prabhudas Lilladher. Thank you and over to you Ma'am.

– **Ms. Rupa Shah – Prabhudas Lilladher**

- Yeah thanks Imba. I welcome you all for the SJVN's Q1FY'14 call. We have the management represented by Mr. R.P. Singh - Chairman and Managing Director, Mr. A.S. Bindra who is the Director Finance, and the other senior person in the management. We start the call with some initial remarks by our Chairman Sir and then proceed to the Q&A. Over to you Sir.

– **Mr. R.P. Singh - Chairman and Managing Director**

- Thank you. The highlights of the Q1 of '13-'14 the fact is 27.97 crores more than last year that is a difference of 343.24 crores. Increase of 3.67%. The revenue from the operations during the quarter ending June '13 is 537.68 crores against 504.10 crores. Other incomes during the quarter in June 2013 is 57.29 crores compared to 53.01 crores in the last actual. As far as expenses is concerned, for employee costs it has decreased by 0.69 crores and also net worth decrease of 6.58 crores mainly due to the presence of borrowing. Other expenses are also from an increase of 7.72 crores due to increase in CSR, public sustainable development of 3.26 crores. Incidents of NGF, EPF, maintenance etc. And I believe that is in the month. So as far as the EPF is concerned, the EPF for Q1 has been 0.83 compared to 0.76 last year. And fiscal progress if we see, our generation has been higher like it is 2329.76 million each compared to the last year of 2091. The plants sector has been little less, 105% against 105.838% against normative a value of 82% and an increase of 2% from last year. But yet it is normative value of 82% if you compare 105.838% is much higher. And that is a brief outline. Ok?

– **Ms. Rupa Shah – Prabhudas Lilladher**

- Yes Sir. Imba we can proceed to the Q&A.

– **Ms. Imba - Moderator**

- Sure Ma'am, thank you very much. Ladies and Gentlemen, we will now begin the question and answer session. Anyone who wishes to ask a question may press * and 1 on the touch tone telephone. Participants are also requested to use only handset while asking a question. Anyone who has a question at this time may press * and 1. The first question is from Jonas Bhutta of Bank of America. Please go ahead.

- **Mr. Jonas Bhutta – Bank of America**
- Good afternoon Sir. Sir could you just repeat the plant availability number for the quarter?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Plant availability factor has for the quarter ending June 2013 is 105.838%. And a normative value of 82%.
- **Mr. Jonas Bhutta – Bank of America**
- Alright. Also it would help if you can give us the incentive income that we have earned in this quarter, which is largely your availability based income, UIE and have we booked any secondary energy as well.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Secondary energy will be booked only once we have achieved the generation of 6612. So secondary energy has not been booked. However UIE charges is 3.28 crores during this first quarter.
- **Mr. Jonas Bhutta – Bank of America**
- And our availability based incentive?
- **Mr. R.P. Singh - Chairman and Managing Director**
- UIE charges are 3.28 crores. Last year in the same period it was 14.61 crores.
- **Mr. Jonas Bhutta – Bank of America**
- And Sir the availability based incentive, as in the incentive that you earn due to higher availability than the 82% which is normative.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Capacity charges is 249.07 crores, energy charges including availability is 275.19 crores, UIE charges is 3.28 crores.
- **Mr. Jonas Bhutta – Bank of America**
- Got that. So also wanted to understand what were the number of days that the plant remained closed during the quarter, and did this impact the plant availability.
- **Mr. R.P. Singh - Chairman and Managing Director**
- That is the reason you see that is what I said, plant availability factor for 2012-'13 was 107.962%. UIE charge was 105.838%. This is only due to closure of plant for a little over 165 hours and it is 6.88 days. It was due to shift.

- **Mr. Jonas Bhutta – Bank of America**
- And the same figure of 6.88 days last year was how much Sir?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Last year for me the closure was little less. So at this moment we don't have that figure. Last year....but I think it might be 2 or 3 days only.
- **Mr. Jonas Bhutta – Bank of America**
- Sure. And if I can just squeeze in one more question.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Excuse me. Last year up to June there was no closures.
- **Mr. Jonas Bhutta – Bank of America**
- Ok.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Up to June there was no closure of the (13:25 unclear)
- **Mr. Jonas Bhutta – Bank of America**
- Alright. And the last question I had was Sir, do you see any delay in Rampur beyond our revised guidance of March 2014?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, not at all. It is within '13-'14, i.e. March 2014.
- **Mr. Jonas Bhutta – Bank of America**
- Alright. And that too will be applicable for a 16.5% ROE?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes, yes.
- **Mr. Jonas Bhutta – Bank of America**
- And last of all I just wanted to understand, Sir we've claimed about 17 odd crores, 17.6 crores as the increase in sales due to this change in ROE. Sir if you can just help us understand why is there this variation because the likely benefit that you will have is about 41 crores because of this 1% increase in your ROE. So if I spread it evenly, it works out to about 10 crores or 10.5 crores per quarter. So you know why was this....

- **Mr. R.P. Singh - Chairman and Managing Director**
- Today it will be on the 7990 is our total cost. On that cost it is coming at 3995 over equity.
- **Mr. Jonas Bhutta – Bank of America**
- Yes Sir. Over 4000 crores was your equity, 1% increase in that is about 40 crores.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Third quarter it will come to around....
- **Mr. Jonas Bhutta – Bank of America**
- 10 crores.
- **Mr. R.P. Singh - Chairman and Managing Director**
- It will not be calculated that way. It will be calculated how much it will affect the ASP. In that way it will be calculated. How much will be the energy cost. Energy cost has been gauged by 5 paise. The total energy generation will be multiplied by 5, and increase in 5 paise in that way it will be calculated. It will not be calculated that rarely it will be equal everywhere.
- **Mr. Jonas Bhutta – Bank of America**
- But on a full year basis can we assume it will be 40 crores or like you said it will vary depending on the energy charge?
- **Mr. R.P. Singh - Chairman and Managing Director**
- In a year you're right, but quarterly you cannot distribute it. Quarterly it will be in this way that how much generation you are giving during this quarter.
- **Mr. Jonas Bhutta – Bank of America**
- Got it. That's it from my side. Thank you.
- **Ms. Imba - Moderator**
- Thank you very much. Our next question is from Abhishek Anand of J.M. Financials. Please go ahead.
- **Mr. Abhishek Anand, J.M. Financials**
- Very good afternoon Sir. Just a couple of questions from my side. Firstly on this ROE which we have done 15.5% to 16%. As I understand previously you mentioned that we were not eligible for the additional incremental 1% ROE.

- **Mr. R.P. Singh - Chairman and Managing Director**
- Not eligible but let us get it confirmed from the ERP, and we have got it confirmed and we are eligible.
- **Mr. Abhishek Anand, J.M. Financials**
- So we have got it confirmed and now we are eligible for another additional 1% ROE?
- **Mr. R.P. Singh - Chairman and Managing Director**
- We have incremented that.
- **Mr. Abhishek Anand, J.M. Financials**
- And Rampur is also included in that in the same?
- **Mr. R.P. Singh - Chairman and Managing Director**
- When the commercial production will start, Rampur will also get the 16.5%.
- **Mr. Abhishek Anand, J.M. Financials**
- Ok, perfect Sir. So secondly in terms of Rampur sir, could you help us out with the CWIP, how much have we actually invested during the quarter till date in the project?
- **Mr. R.P. Singh - Chairman and Managing Director**
- During this quarter we have invested 155 crores overall.
- **Mr. Abhishek Anand, J.M. Financials**
- 155 crores. And in total how much have we spent till date?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Total we have spent 2650 crores in Rampur till June '13.
- **Mr. Abhishek Anand, J.M. Financials**
- 2650 crores.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes
- **Mr. Abhishek Anand, J.M. Financials**
- Ok and our total CAPEX is estimated to be 3400 crores sir?

- **Mr. R.P. Singh - Chairman and Managing Director**
- 3397 crores, that is you can say 3400 crores.
- **Mr. Abhishek Anand, J.M. Financials**
- Ok Sir. So no escalation on that front?
- **Mr. R.P. Singh - Chairman and Managing Director**
- (17:05 unclear) We are going as per our rules.
- **Mr. Abhishek Anand, J.M. Financials**
- Sure. Sir thirdly in terms of our acquisition of Buxar Bijlee Company, sir could you help us out with the project timeline as well as how much have we actually upfront paid for it and the details of the coal block as well.
- **Mr. R.P. Singh - Chairman and Managing Director**
- See, number one, here has not been any (17:33 unclear) to it. Number one. Two, the project has been taken up to an MoU signed with the different companies of Bihar state. Number two the project has been taken up on a cost plus basis.
- **Mr. Abhishek Anand, J.M. Financials**
- Ok
- **Mr. R.P. Singh - Chairman and Managing Director**
- Number three, the coal block has been earmarked for this project. Work is going on in full swing.
- **Mr. Abhishek Anand, J.M. Financials**
- Ok Sir. So for coal block we have got all the regulatory approvals as well as environmental clearance?
- **Mr. R.P. Singh - Chairman and Managing Director**
- That is mandatory and what is the statute, we have to follow it. We have to take the MoU and clearance and all we have to follow.
- **Mr. Abhishek Anand, J.M. Financials**
- That is still pending. Those clearances are...
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, they have been earmarked after you apply for it.

- **Mr. Abhishek Anand, J.M. Financials**
- So the time line for this project, ideally we should be looking at another 5-6 years for commissioning?
- **Mr. R.P. Singh - Chairman and Managing Director**
- We are optimistically looking for the completion in the year 2018.
- **Mr. Abhishek Anand, J.M. Financials**
- 2018.
- **Mr. R.P. Singh - Chairman and Managing Director**
- We're keeping it in '18-'19.
- **Mr. Abhishek Anand, J.M. Financials**
- And sir then your CAPEX schedule going forward, how much CAPEX do we expect in this project going forward?
- **Mr. R.P. Singh - Chairman and Managing Director**
- That FHR is going on. We are updating the cost and the TPR itself. And approximately it will be 8000 crores. And so your 30% equity will amount to 2400 crores. Earlier the project component and our company has got from any other (19:16 unclear) 85 units within the company and outside.
- **Mr. Abhishek Anand, J.M. Financials**
- So we are 100% owner of this company?
- **Mr. R.P. Singh - Chairman and Managing Director**
- 100%
- **Mr. Abhishek Anand, J.M. Financials**
- 100%. Ok sir, lastly from my side, in terms of receivable positions, Sir do we see improvements during the current quarter or are we seeing some delays from certain SCBs?
- **Mr. R.P. Singh - Chairman and Managing Director**
- I can give you the latest position as on date even. July 2014, we have more than 268 outstanding of only 90 crores and as of 31st March this figure was 147 crores, as on 30th June it was 115 crores. Today it is only 90 crores. So outstanding day by day is only reducing. That is not a problem. Now we are searching that most of the delayed outstanding we have already recovered.

- **Mr. Abhishek Anand, J.M. Financials**
- Sure Sir, sure. I will join the question queue if I have more queries. Thank you so much sir.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you Abhishek.
- **Ms. Imba - Moderator.**
- Thank you. Our next question is from Mohit Kumar of IDFC. Please go ahead.
- **Mr. Mohit Kumar, IDFC**
- Hello?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes.
- **Mr. Mohit Kumar, IDFC**
- Sir congratulations on good set of numbers. Sir my first question was regarding pertaining to our petition which you field with CERC for an approval of the tariff for FY '09-'14. Sir, can you just explain what is the status right now?
- **Mr. R.P. Singh - Chairman and Managing Director**
- I have already filed the petition and the date is yet to be decided by the CERC. So we are expecting that in August some date will be decided and then it will....but petition we have already filed.
- **Mr. Mohit Kumar, IDFC**
- Sir has all the hearings been completed?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, not a single hearing has come in 2009-'14.
- **Mr. Mohit Kumar, IDFC**
- Why there is so much delay sir?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Actually 2004-'09 petitions are already there so after 2004-09, they will go for the 2009-'14. My total cost of Rs.8500 crores, on that something is going on. That has to be decided and thereafter that hearing will take place.

- **Mr. Mohit Kumar, IDFC**
- So the actual capital cost which is around 8500. And what we are claiming right now is 8000 crores am I right Sir?
- **Mr. R.P. Singh - Chairman and Managing Director**
- We are claiming on 7990.
- **Mr. Mohit Kumar, IDFC**
- Ok, ok. And is regarding this Buxar Bijlee Power company Limited, do you have a PPA in place. I guess you have to do a PPA right, because the block we are located on.....
- **Mr. R.P. Singh - Chairman and Managing Director**
- 185% power is already in place and 15% has been left at the disposal of Ministry of Power.
- **Mr. Mohit Kumar, IDFC**
- So sir, 50% has been allotted, is it to Bihar?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, no. 15 I said.
- **Mr. Mohit Kumar, IDFC**
- 15% is allotted to Bihar. Am I right?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, 85% to Bihar.
- **Mr. Mohit Kumar, IDFC**
- Ok, so 15 is left open right now.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Not open. It is only the un-allocated power.
- **Mr. Mohit Kumar, IDFC**
- Ok, ok. I got it sir.
- **Mr. R.P. Singh - Chairman and Managing Director**
- MoP, Ministry of Power.

- **Mr. Mohit Kumar, IDFC**
- Sir out of 90 crores which is still to be paid from various SEBs, how much belongs to BYP and BRP of the Delhi discounts?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Mostly constitutes them only. Out of 90 crores, more than 76 cores is of these two discounts. Delhi discounts only. And we are taking up very seriously with these discounts. And there not question of any worry.
- **Mr. Mohit Kumar, IDFC**
- And there is no regulation as of now on power am I right?
- **Mr. R.P. Singh - Chairman and Managing Director**
- There is no....we are not thinking it is the right time to go for regulations because the rate in the power is not suiting to us.
- **Mr. Mohit Kumar, IDFC**
- Oh! And Sir for meeting the equity requirement of Buxar Bijlee, do we....I think the equity is around 2500 crores? Am I right? So this entire thing will be made by internal accruals?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes.
- **Mr. Mohit Kumar, IDFC**
- Ok sir, thank you. Thanks so much for the questions sir.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you.
- **Ms. Imba - Moderator**
- Thank you. Our next question is from Vishal Periwal of CIMB Securities. Please go ahead.
- **Mr. Vishal Periwal – CIMB Securities**
- Hello?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes Vishal?

- **Mr. Vishal Periwal – CIMB Securities**
- Sir on this Buxar Power once again, when do you intend to start work on this project? Start in the sense that when do you intend to order the main plant equipment?
- **Mr. R.P. Singh - Chairman and Managing Director**
- We are trying to do it sometime in the year, in FY '14-'15. We are trying it for June 2014.
- **Mr. Vishal Periwal – CIMB Securities**
- Basically what we wanted to understand is that will the main plant equipment ordering, will it be associated with the captive coal block clearance? By when do we get it because the Deocha Pashchami coal block that you've got overall it's in an area where the clearance might take some time plus the block depth, if you look at the details of the block depth, overall taking out the overburden and starting the mining, will itself take a lot of time in our view. So can you just help us with this particular thing?
- **Mr. R.P. Singh - Chairman and Managing Director**
- See, how much time the MoUs take for clearances and any other statutory clearance required, that we are pursuing it very seriously. So now your understanding that is particular coal block will be taking much time more. Almost 16% states of the country have been allocated power from these coal mines from Buxar Thermal has been earmarked.
- **Mr. Vishal Periwal – CIMB Securities**
- No sir, basically my concern or the investor concern on this particular thing was that you might start work on this in term of spending money on this particular project, whereas the associated coal block might take a longer period in time to come up, and in the interim there could be an unassociated loss. So that's where I'm coming from.
- **Mr. R.P. Singh - Chairman and Managing Director**
- See until and unless the entire statutory clearances are in place, one of the mandate to be there was getting the PID clearances and (25:38 unclear) Sify clearances. We have been trying hard to get it.
- **Mr. Vishal Periwal – CIMB Securities**
- And basically as far as the clearances goes, we have to apply for an environmental and forest clearance right now, and there is nothing so far on this particular coal block.
- **Mr. R.P. Singh - Chairman and Managing Director**

- No, that application has already been filed earlier. But the TOR, application has already been done for the project, Terms of Reference. But it was not taken for consideration because the coal block was not allotted. And coal block was allotted only recently on 3rd July 2013 and the letter is yet to come from Coal Ministry. So with that application shall be submitted and TOR has already been (26:19 unclear). So that according to me should not take much time. So as far as the coal blocks are concerned, yes you have to take the MoU of clearances of the coal block as well and that will be of Raipur.
- **Mr. Vishal Periwal – CIMB Securities**
- Sure sir. Sir, second what is the status of the Wind Project that we were doing?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Doing well. Scheduled to be commissioned by August 2013.
- **Mr. Vishal Periwal – CIMB Securities**
- By August of this particular year? The entire thing is equity funded?
- **Mr. R.P. Singh - Chairman and Managing Director**
- You are talking from Mumbai?
- **Mr. Vishal Periwal – CIMB Securities**
- Sorry sir?
- **Mr. R.P. Singh - Chairman and Managing Director**
- You are calling from Mumbai?
- **Mr. Vishal Periwal – CIMB Securities**
- Yes sir.
- **Mr. R.P. Singh - Chairman and Managing Director**
- What is the rainfall during June and July in your state?
- **Mr. Vishal Periwal – CIMB Securities**
- Sorry?
- **Mr. R.P. Singh - Chairman and Managing Director**
- What has been the rainfall? What is the monsoon?
- **Mr. Vishal Periwal – CIMB Securities**

- Sorry I am not getting you clearly.
- **Mr. R.P. Singh - Chairman and Managing Director**
- What has been the rainfall in Mumbai?
- **Mr. Vishal Periwal – CIMB Securities**
- Yeah it has been pretty heavy rain falls. It has been pouring out here.
- **Mr. R.P. Singh - Chairman and Managing Director**
- It is one of the cause why it is running in and around our side.
- **Mr. Vishal Periwal – CIMB Securities**
- Ok.
- **Mr. R.P. Singh - Chairman and Managing Director**
- For some reason, our cranes the big cranes could not move. So that is why we could not do the things for the last one month. And now the rain I believe I have been told, the rain is now coming to a halt for and our activity has been started in full swing.
- **Mr. Vishal Periwal – CIMB Securities**
- Right. So basically the entire project is equity funded.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Yes, yes.
- **Mr. Vishal Periwal – CIMB Securities**
- Ok. Great. And sir on this higher ROE to 16.5% from 15.5%, can you explain the technicalities of when does a plant get higher ROE? Because you got that clarification from CERC so for our understanding.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Once the plant capacity will be given then there is a Pondage.
- **Mr. Vishal Periwal – CIMB Securities**
- Ok
- **Mr. R.P. Singh - Chairman and Managing Director**

- Pondage is already there on our Nathpa Jhakri projects. We are eligible for that and they have agreed that yes you are eligible and same Pondage will be for Rampur so it will be for Rampur also.
- **Mr. Vishal Periwal – CIMB Securities**
- Sir any project which has got a Pondage where you are eligible.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Hydro
- **Mr. Vishal Periwal – CIMB Securities**
- Any hydro project where you have a Pondage and you don't have to generate power in a particular month. You might not be able to generate power from that Pondage then it is fine with CERC.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Already Pondage commission is there. We have taken it up and we are there and we are eligible. A lot of river projects are not eligible but Pondage projects are eligible.
- **Mr. Vishal Periwal – CIMB Securities**
- Ok sir, thank you so much for your answering my questions.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you.
- **Ms. Imba - Moderator**
- Thank you. Our next question is from Jayshree D of Pari Washington. Please go ahead.
- **Mr. Aruna Bharathi – Pari Washington**
- Good evening this is Aruna Bharathi here. I just have a couple of questions. What will be helpful is if you can just talk to us about this ROE 3 project in Nepal for which you have formed a subsidiary. It will be helpful if you can just lay out the details of this project.
- **Mr. R.P. Singh - Chairman and Managing Director**
- The BPR has already been submitted. Project development agreement, the third round of discussion is complete.
- **Mr. Aruna Bharathi – Pari Washington**

- Ok
- **Mr. R.P. Singh - Chairman and Managing Director**
- And SHI required where some deductions in taxation is required. That will be taken up by the Government of Nepal and we are working over it. And we are hopeful of getting the PDA.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok. And what's the time line and what's the CAPEX we are talking about on this one?
- **Mr. R.P. Singh - Chairman and Managing Director**
- CAPEX right now we can say right now is something around 4700 crores. 4210 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok. And what is the time line you are talking about for this one?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Time Line will be 2 years for infrastructure, 5 years for construction, and 25 years for operations by SJVN from COD.
- **Mr. Aruna Bharathi – Pari Washington**
- And this will be based on the BOOT methodology right?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No BOT, Build-Operate-and Transfer.
- **Mr. Aruna Bharathi – Pari Washington**
- Right?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Right.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok. And where is this power going to be used actually?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Our three powers around 22%, 29% have to be given to the government of Nepal for (30:53 unclear) registration.

- **Mr. Aruna Bharathi – Pari Washington**
- And the balance?
- **Mr. R.P. Singh - Chairman and Managing Director**
- The balance will be willed to India for consumption. Or if required that can be taken if some demand comes from Nepal, that can be shared with Nepal also.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's fine but do we have the transmission grid in place actually for willing this power to India?
- **Mr. R.P. Singh - Chairman and Managing Director**
- The project will start and (31:17 unclear) give the project structure. The project will also start by SJVN.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok the transmission project will also be by SJVN? Ok is that included in the CAPEX of this 4210 crores?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, no, no. then we need to have to add the transmission cost for approximately 1000 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's very helpful. My next question is on this Buxar. Why was it formed as a separate company?
- **Mr. R.P. Singh - Chairman and Managing Director**
- This company was doing all these (31:53 unclear) and the infrastructure was upon the project. So we have taken over the company and details of the same company we are executing now. Rest of the things will come in future.
- **Mr. Aruna Bharathi – Pari Washington**
- No, sorry I am not able to get it, could you please explain it again?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Company Buxar Thermal Power Plant, 1320 Megawatts Buxar Thermal Power plant is the name of the company.
- **Mr. Aruna Bharathi – Pari Washington**

- Ok.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Buxar Bijlee Company Limited, that is being operated, with registration and all other details it was infrastructure was there. We have taken over the company.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's fine. It is your 100% owned company right by SJVN right?
- **Mr. R.P. Singh - Chairman and Managing Director**
- 100% owned subsidiary of SJVN.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's very helpful. Then my next question is can you give me the total debt outstanding currently?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Total outstanding more than beyond 6 months is 90 crores only. And if you see the total, it will come to around 370 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok, what are the total receivables actually? Total receivable? What is the outstanding at this point in time?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Total outstanding is 370 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- I am talking about receivables
- **Mr. R.P. Singh - Chairman and Managing Director**
- Outstanding of debt yeah?
- **Mr. Aruna Bharathi – Pari Washington**
- No, I am talking about receivable cost actually.
- **Mr. R.P. Singh - Chairman and Managing Director**
- What is this you are talking about?
- **Mr. Aruna Bharathi – Pari Washington**

- No, no I am talking about debt. You are saying beyond 6 months it is 90 crores. I am talking about the total number.
- **Mr. R.P. Singh - Chairman and Managing Director**
- That is what I am saying, total outstanding is 370 crores out of which 90 cores is more than 2 months and 280 crores is less than 2 months.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's very helpful. And what's the total loan outstanding in the books actually?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Total loans outstanding is actually around 1900 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- This is ok. How is it split between Nathpa Jhakri and Rampur?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Nathpa Jhakri is 259 crores and balance is Rampur.
- **Mr. Aruna Bharathi – Pari Washington**
- Ok that's very helpful. Thank you.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you very much
- **Ms. Imba - moderator**
- Thank you. A reminder to all our participants. If you wish to ask a question you may press * and 1 on your touchtone telephone. Our next question is a follow up from Mohit Kumar of IDFC. Please go ahead. Mr. Mohit Kumar your line has been un-muted. Please go ahead. There seems to be no response from this line. Our next question is from Vishal Periwal of CIMB. Please go ahead
- **Mr. Vishal Periwal – CIMB Securities**
- Is there any thought process on higher dividend payout?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Already we are paying a higher dividend of 96 paisa compared to the last year we have paid 94 paisa. This year our profit was less but still we have increased the dividend of 96 paisa. So if you see our records, we are already increasing the dividends for many years. We have not come down to less. But this is going on.

Let us see what will happen in the next year. We cannot say. Let our board of directors decide.

– **Mr. Vishal Periwal – CIMB Securities**

- No, also from an investor perspective what they are looking at is as giving the cash balance which is there in the books of the company. And the payout has been in the range of 36% to 37 % in the last 3 years. And given the cash balance even though you have the CAPEX plan in place which might take some time, in the interim do you have any plans for a higher dividend payout.

– **Mr. R.P. Singh - Chairman and Managing Director**

- This will not take time because already Buxar project we have taken up and Arun III is under the process. Then there is....

– **Mr. Vishal Periwal – CIMB Securities**

- Which is again Buxar and Arun III you intend to start by 2016.

– **Mr. R.P. Singh - Chairman and Managing Director**

- Things are going on. We cannot say that already projects are going on. We don't want that at this moment we pay dividends and later on want to increase the structure.

– **Mr. Vishal Periwal – CIMB Securities**

- So basically the payout of 36% to 38% will kind of remain at current level?

– **Mr. R.P. Singh - Chairman and Managing Director**

- Yes and if you say our yield is highest in the power sector. That also you can see. (36:20 unclear) Coming to 5.05%, whereas NSPC is coming to 3.02%.

– **Mr. Vishal Periwal – CIMB Securities**

- So investors always wants more of....

– **Mr. R.P. Singh - Chairman and Managing Director**

- NTPC which is very premium organization, that is also coming only 0.45%.

– **Mr. Vishal Periwal – CIMB Securities**

- Sure.

– **Mr. R.P. Singh - Chairman and Managing Director**

- BRC is coming 3.86%. So what do you want? HGH is 5.05.

- **Mr. Vishal Periwal – CIMB Securities**
- Sure, sure sir, sure. Thank you so much
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you.
- **Ms. Imba - Moderator**
- Thank you. A reminder to all our participants. If you wish to ask a question, you may press * and 1 and this time.....next question is a follow up from Abhishek Anand of J.M. Financials. Please go ahead.
- **Mr. Abhishek Anand - J.M. Financials**
- Yes. It's just again on Buxar Bijlee Company. Sir as I understand the coal block has been given to a number of players, so has the area been demarcated among the various players?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No. There will be a JV. So there will be a leader and a follower. So SJVN will be a leading company which is an indication that has been given by the Ministry of Coal.
- **Mr. Abhishek Anand – J.M. Financials**
- Sorry sir your voice was cracking, could you repeat that?
- **Mr. R.P. Singh - Chairman and Managing Director**
- In the basis of notice they will be forming a JV. And the JV will as usual be having a leader and someone will be a follower as a member.
- **Mr. Abhishek Anand – J.M. Financials**
- Ok so that process is yet to take place?
- **Mr. R.P. Singh - Chairman and Managing Director**
- That is another discussion and it will take a little time.
- **Mr. Abhishek Anand – J.M. Financials**
- Ok. Again sir in terms of project construction being commenced and block clearance having been acquired, is there any connection between the two? Are you looking at certain milestones being reached for block development and then only you are going to commence the construction or these two are independent things?

- **Mr. R.P. Singh - Chairman and Managing Director**
- We are to....these both the things have to go hand in hand.
- **Mr. Abhishek Anand – J.M. Financials**
- Correct Sir
- **Mr. R.P. Singh - Chairman and Managing Director**
- So we presently do not foresee any mismatch between the coal supply and the plant being ready, and it is at the timeline what we have decided is really optimistic time line of 5 years. Normally it is 6-7 years. But we have taken 5 years time only. And our dream is to have the first prerequisite is the land acquisition and land acquisition in our case is going very fast for the project.
- **Mr. Abhishek Anand – J.M. Financials**
- For both the coal block as well as power plant?
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, for the power project. Coal block has just been allotted. The process will start.
- **Mr. Abhishek Anand – J.M. Financials**
- Sir because sir where I am coming from is the past also we have seen quite a few projects actually getting delayed or rather power projects being commissioned and the blocks clearances not being there. So just wanted to understand whether if we face any issues do we have a provision of going back to say slowing down the project or maybe delaying the complete process as such?
- **Mr. R.P. Singh - Chairman and Managing Director**
- See according to the MoU we have signed with the government of Bihar, we have kept a provision for blending of coal also with the imported coal. That is also one of the clauses we have signed.
- **Mr. Abhishek Anand – J.M. Financials**
- So we can operate the plant on imported coal if the block isn't cleared.
- **Mr. R.P. Singh - Chairman and Managing Director**
- No, no that is one point. Number two point is see, the very important thing is according to us there will be hardly any mismatch because both the timelines of 5 years are matching. And it involves much more because the total coal capacity is more than 2100 million tonnes.

- **Mr. Abhishek Anand – J.M. Financials**
- Correct sir. As I understand these are regionally explored blocks and in the past if we go by NTPCs example, we have seen almost 10 years for a block to be explored and brought under production.
- **Mr. R.P. Singh - Chairman and Managing Director**
- This particular coal block is the largest coal block being allotted to 6 important major states of the country.
- **Mr. Abhishek Anand – J.M. Financials**
- Correct sir.
- **Mr. R.P. Singh - Chairman and Managing Director**
- And I believe everywhere including Punjab, Karnataka, West Bengal, Bihar and all these states, so I believe everywhere considering the need of the coal and the power will be somehow development will take....will go at a faster pace.
- **Mr. Abhishek Anand – J.M. Financials**
- Ok sir ok. Thank you so much sir. All the best.
- **Mr. R.P. Singh - Chairman and Managing Director**
- Thank you
- **Ms. Imba - Moderator**
- Thank you. Our next question is from the line of Jayshree D of Pari Washington. Please go ahead
- **Mr. Aruna Bharathi – Pari Washington**
- I just have a follow up question. What's the annual fiscal cost for the Rampur project actually?
- **Mr. R.P. Singh - Chairman and Managing Director**
- Rampur project is 576 crores.
- **Mr. Aruna Bharathi – Pari Washington**
- Annual fiscal is 536 crores?
- **Mr. R.P. Singh - Chairman and Managing Director**
- 576 crores.

- **Mr. Aruna Bharathi – Pari Washington**
 - Ok that's fine, thank you. That's very helpful.
 - **Ms. Imba - Moderator**
 - Thank you very much. There are no further questions from the participants. I would now like to hand the floor back to Ms. Rupa Shah for closing comments.
 - **Ms. Rupa Shah – Prabhudas Lilladher**
 - Thanks Imba, thank you. I would like to thank the management for taking time out and sharing their thoughts with us. Thanks and thanks to all the participants, thank you, have a good day.
 - **Mr. R.P. Singh - Chairman and Managing Director**
 - Thank you Rupa
 - **Ms. Rupa Shah – Prabhudas Lilladher**
 - Thank you sir and have a nice day
 - **Ms. Imba - Moderator**
 - Thank you Ms. Shah and the members of the management team. Ladies and gentlemen on behalf of Prabhudas Lilladher Pvt. Ltd. That concludes this conference. Thank you for joining us, you may now disconnect your lines.
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