



Nava Bharat Ventures Limited

Q2 & H1 FY13 Results Investor/Analyst Conference Call Transcript October 26, 2012

- Moderator** Ladies and gentlemen, good day and welcome to the Nava Bharat Ventures Limited Q2 & H1 FY13 Results Conference Call. As a reminder, for the duration of this conference, all participants' lines will be in the listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during this conference call, please signal an operator by pressing '*' and then '0' on your touchtone telephone. Please note that this conference is being recorded. At this time, I would like to hand the conference over to Mr. Monish Shah. Thank you. And over to you sir.
- Monish Shah** Welcome to the Nava Bharat Ventures Q2 and H1 FY13 earnings conference call. We have on the call today Mr. G.R.K. Prasad – Executive Director, Mr. T Hari Babu – CFO and Mr. MN Rao – General Manager, Finance. We intend to begin today's call with key observations from Mr. Prasad, following which we shall take questions from you. I now call upon Mr. Prasad to share his views. Over to you, sir.
- G.R.K. Prasad** Thank you, Monish. Good afternoon! everybody. I welcome you all to our quarterly conference call. I trust you would have gone through the results for the quarter and for the first half of the year. In summary, total income for the quarter was ₹ 294 crore and the profit after tax was ₹ 62.5 crore. In half year, we achieved a total income of ₹ 566 crore and net profit of ₹ 127.5 crore.
- I'd now like to share with you an overview of the operational developments during the review period ending 30th September 2012. On the domestic operations, the production of Silico Manganese increased by about 37% over the previous quarter which enabled the company to obtain sustained value for captive power notwithstanding a price correction in the Silico Manganese and adverse exchange fluctuations at the end of the quarter. Conversion volume of Ferro Chrome for Tata Steel increased by about 28% over the previous quarter with adequate supply of raw material and reductants by Tata Steel. The sugar fetched higher realizations by about 15% owing to perceived shortages ahead of the festival season. The net delivered power from all the Power Plants put together, increased by 7.5%, and the incremental use was mainly for captive consumption in AP and Odisha. The new 64 MW unit which we have been pursuing for quite some time still awaits the Memorandum of Understanding from the Government of Odisha following which the connectivity and synchronization of the unit with grid will happen. To hasten the process, we would like to initiate the synchronization activity probably in the early November following which the MoU will be pursued. The delay is occurring because the Government is coming up with a new policy for IPP wherein the quantum of Power from the IPP at variable cost to the grid is being finalized. There is a debate going on between 12% which was earlier indicated and some higher

quantum which the Government is deliberating. The 150 MW unit in AP which is being implemented by Nava Bharat Energy India Limited, a step down subsidiary, is in advanced stage of implementation. We expect that it would achieve the commercial operations in Q4 of this year and all the attendant steps are being taken to achieve that milestone.

On the international front, I am happy to report good progress as far as the 300 MW Power Plant in Zambia is concerned with SEPCO, the EPC contractor proceeding full steam with the construction activity and related facilities build up. The coal mining revival program has been substantially completed with the mine having been made ready to ensure extraction of the high grade coal as well as the thermal grade coal. Also most of the legacy issues concerning the environmental management have been adequately addressed.

On the sale of high grade coal, I have to report that the originally envisaged volumes might have to be re-looked at, for the reason that the user industry has changed the pattern for the usage in favour of the electricity over the coal and some of the large cement plants and steel plants which are in implementation have been substantially delayed. So we expect the ramp up of high grade coal sales to happen probably in the latter part of FY14 only while the actual value addition for the company would happen from the power generation through the use of thermal-based coal.

I have to also remind you that the high grade coal sales, in the overall scheme of operations in Zambia, hold a very marginal role as far as our business plan is concerned. Nevertheless, we expect the operations to be stabilized probably in the latter part of 2013 – 14 and early 2014.

Our initiatives in Tanzania for agriculture and the Hydel Power project in Laos are both in the evaluation stage or pilot project stage. We would take a firm decision for investing the way forward once we are fairly certain of the feasibility and also the various approvals that are necessary for the projects. That's about all I have to report. I would request moderator to open the session for Q&A.

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| Moderator | We have the first question from the line of Sumangal Nevitia from Macquarie, please go ahead. |
| Sumangal Nevitia | With regard to our Zambia plant, when are we expecting the commissioning? Last time you had mentioned FY14. |
| G.R.K. Prasad | No, the original envisaged schedule is 2014–15. That schedule remains as per plans. We would have the first 150 MW unit commissioning around October 2014. We are putting some pressure on the contractor to advance the implementation by a quarter which seems likely. |
| Sumangal Nevitia | In terms of the coal production in Zambia, how much are we expecting in this year? Is it still close to 0.4 million tonnes and can we ramp up to close to 2 million tonnes in two years? |
| G.R.K. Prasad | The ramp up would happen probably next year. This year, the company is required to do an intense market seeding because of the dormancy of this coal mine for almost a decade before it was revived. We expect the volume of sales to be in the region of 100,000 tons this year and next year's numbers are being worked out currently. At this point of time, I would not like to state a number but we would like to achieve the earlier envisaged numbers of 0.6 million next year and 1 million later. |

Sumangal Nevitia	What kind of realizations are we getting here? And is the entire coal capacity being sold in Zambia itself??
G.R.K. Prasad	Average realization is about US\$55 – \$60/ton. Presently, this high grade coal is being sold within Zambia only.
Sumangal Nevitia	And Zambia being a land locked country, do we have any infrastructure in place to transport it to the nearby port currently?
G.R.K. Prasad	Currently, the infrastructure to the port is being developed. There are a couple of alternatives. But at this point of time, more than the connectivity, it is the cost of transportation that is a deterrent.
Sumangal Nevitia	So even when one ramps up to its peak capacity, we plan to sell the entire capacity in Zambia itself?
G.R.K. Prasad	As far as coal sales are concerned, yes.
Moderator	The next question is from the line of Mohit Kumar from IDFC, please go ahead.
Mohit Kumar	What was the realization from our Odisha Power Plant and Andhra Pradesh Power Plant? Can you give us separately the merchant power prices realized during the quarter?
M. N. Rao	Average realization for the quarter stands at ₹ 4.14/unit from all the Power Plants and including captive consumption.
Mohit Kumar	Can you give the individual merchant power price realizations from the Andhra Pradesh Power Plant and Odisha?
M. N. Rao	The realization for the Andhra Pradesh Power Plants is around ₹ 4.50/unit. Though, we don't have the power price realisations separately for Odisha and AP, but the average realization on merchant power for this quarter is ₹ 4.74/unit.
Mohit Kumar	Have you started selling from the existing 64 MW Power Plant?
M. N. Rao	Yes, we are currently selling 20 MW to GRIDCO and the balance through IEX.
Mohit Kumar	Are you planning to enter into some short-term agreement with some other Utilities for 2 or 3 month tie up or a one year tie up?
M. N. Rao	We are looking at those tie ups, but presently due to some corridor problem it is not happening. We are selling to GRIDCO and the balance power is being sold through IEX.
Mohit Kumar	What was the landed coal cost at Odisha Power Plant and Andhra Pradesh Power Plant?
M. N. Rao	Landed cost of coal at AP is ₹ 1.78/unit, whereas in Odisha is ₹ 1.81/unit.
Mohit Kumar	You spoke about some MoU being pursued and the government is thinking of changing the policy saying that we might see a higher quantum at a variable cost. What is the quantum they are looking at right now?
M. N. Rao	I think they are looking at between 14 to 16%.

Mohit Kumar Have we signed any MoU for this Power Plant?

M. N. Rao Not yet. It is pending.

Moderator We have the next question from the line of Sanjeev Panda from Sharekhan, please go ahead.

Sanjeev Panda I needed some clarity on captive consumption and the derived blended rate of realization on the merchant power side. Is it true that the inter-segmental sale we are reporting of which almost all goes for the captive consumption.

M. N. Rao You are correct.

Sanjeev Panda The realization of captive consumption per unit base works out to ₹ 4.30 per unit and the blended rate to ₹ 4.14 per unit. I am not able to get the number that you earlier mentioned i.e. ₹ 4.74 per unit on merchant power basis.

M. N. Rao The average realisation for merchant power sale works out to ₹ 4.74/unit. The blended rate of ₹ 4.14/unit is the average realisation of merchant power, Gridco sales and captive consumption.

Sanjeev Panda In that case, what would be the merchant realization? If I remove the inter segmental part and if I divide the remaining with the number of units that we will be selling on pure merchant basis.

M. N. Rao The merchant sale volume for the quarter stands at 156.98 million units and the average realisation works out to ₹ 4.74/unit. The blended rate of ₹ 4.14/unit is the average realisation of merchant power, Gridco sales and captive consumption.

Sanjeev Panda On the tax part, could you throw some light on the credit entitlement that we have?

M. N. Rao MAT credit as on date is around ₹ 163 crore as against around ₹ 157 crore as on 31st March 2012.

Sanjeev Panda As we are already close to the CAPEX that we had planned for, what is the kind of CAPEX we need for the next two years, this year and next year? If I build an assumption, what is the range that we will be shelling out from our side both in terms of debt and equity component?

M. N. Rao While there is no further capex for this year and next two years on Indian Projects, the major capex and raising of debt will be for our International Projects here onwards.

Sanjeev Panda Will it mostly be for Zambia?

M. N. Rao Yes.

Sanjeev Panda And how much have you already infused as equity side and how much more needs to be done?

M. N. Rao We have already infused around US\$ 87 million in our Zambian project, and a further amount of about US\$ 100 million need be infused in due course.

Moderator The next question is from the line of Amit Golchha from Emkay Global, please go ahead.

Amit Golchha Can you give the CAPEX which is already incurred on 64 MW and 150 MW by September '12?

M. N. Rao On 64 MW, we have incurred almost ₹ 237 crore. While for 150 MW, we have incurred around ₹ 433 crore.

Amit Golchha And the ₹ 237 crore of 64 MW includes IDC?

M. N. Rao Yes

Amit Golchha What is going to be the cost of generation in terms of the fuel costs at these two plants?

M. N. Rao It is too early to comment on that.

Amit Golchha What is going to be the fuel mix which you have planned now?

M. N. Rao 70% of the fuel will be imported while the remaining 30% will be indigenous.

Amit Golchha And would the indigenous be the washery rejects?

M. N. Rao Washery rejects and e-auction coal.

Amit Golchha Will that be the case in both the plants?

M. N. Rao Yes, in both the plants.

Amit Golchha Have you signed any PPAs for these?

M. N. Rao No.

Amit Golchha So do both the capacities still remain open?

M. N. Rao Yes, both the capacities still remain open and the business model is merchant

Amit Golchha Is the plant sale to Essar reflecting on our books now?

M. N. Rao Yes

Amit Golchha And have we incurred any CAPEX or expense in the Agri and Laos ventures?

M. N. Rao It is in the initial stage. We have infused around 2 million dollars in Laos and agri investments as on date are negligible

Amit Golchha And you give the CAPEX incurred in the Zambia entity in both Power Plant and in coal mine till date and also the CAPEX going forward that you have planned?

M. N. Rao We have infused something around \$87 million in our Zambian project from our subsidiary.

Amit Golchha Is this till September?

M. N. Rao Yes, this is till September.

Amit Golchha So this is the total CAPEX which you have invested in the subsidiary?

G.R.K. Prasad As far as Zambian project is concerned, our overall commitment is about \$165 million. Of that, we have invested \$87 million. So, the balance probably will be pumped in FY14. And as far as other projects are concerned, we are at present not in an investment mode. They are all in development stage. So no plans for capital infusion have been made for those projects.

Amit Golchha In case of 150 MW unit, have we already invested our equity part?

G.R.K. Prasad Yes.

Amit Golchha And does this \$165 million committed in Zambia, include \$26 million of loan that we gave?

G.R.K. Prasad Yes, exactly.

Moderator The next question is from the line of Vijay Kumar from Spark Capital, please go ahead.

Vijay Kumar We have had a lot of expenditures in Zambia without revenues till now. In FY13, that is the current year what kind of expenditure can we expect in Zambia?

G.R.K. Prasad This relates to three parts. One is for the coal mine revival project and the other for the Power project. Both are part of the CAPEX plan for which we originally intended to spend about \$150 million. And it stands revised at \$165 million. The third part of the expenditure relates to the mine development expenditure, which is more in the nature of OPEX. So we are leveraging it. We hope to have some lines of credit in due course.

Vijay Kumar In terms of the expenditure of a revenue nature, what will be the number in FY13? As I understand in Indian rupee terms, it was about ₹ 40 crore of expenditure in '11. What is the expenditure on the P&L likely to be in FY13?

G.R.K. Prasad About ₹ 70 crore.

Vijay Kumar You mentioned that your sales might have looked down in FY13 while the FY14 sales of high grade coal will possibly pick up. But if you are looking at just about 1 lakh tonnes during this period, does it mean you are also going to produce less or does it mean that your production target will stand, or your sales will actually be lesser and you will end up stocking in inventory? How will it work?

G.R.K. Prasad We will actually downsize the extraction. It doesn't make sense to extract the coal and keep it in the inventory because it will become combustible. What we have done so far is to keep all the mine benches ready. We would like to prepare the mine accordingly for the next one year plus so that we have the coal seams opened up, but not extracted. And the extraction will happen as and when the demand for coal is found and as and when we require the coal for our power generation.

Vijay Kumar Based on your current plan, will about ₹ 50 crore of expenditure hit your P&L this year?

G.R.K. Prasad Yes.

Vijay Kumar Roughly flat on a year-on-year basis. So between FY12 to FY13, will there be a significant change?

G.R.K. Prasad Are you referring to FY13 and FY14?

Vijay Kumar This has been roughly the expenditure over the last two years as well. So I am wondering if it is going to increase substantially.

G.R.K. Prasad No, it won't increase.

Moderator The next question is from the line of Ravinder Vashist from IDFC Mutual Fund, please go ahead.

Ravinder Vashist I have a couple of questions. One is, on this fuel mix for the new plant that was just being discussed and it was mentioned that 70% coal would be imported and 30% would be indigenous. Now, this comes as a bit of surprise because all along the philosophy was that because the plant is strategically situated close to a washery and it will be mostly be the washery rejects that will be used for these Power Plants. So what's the situation now? Are we actually going to take 70% imported coal for these plants?

G.R.K. Prasad Washery plan is still on. But as a prudent fuel mix, we would like to pursue this option and use washery rejects to the extent available. At this point of time, we can't factor beyond 30%. The issue before us is a blend which actually gives us the best heat value. At this point of time, the imported coal prices have subdued. So we find that scheme works in favor of using imported coal as well.

Ravinder Vashist The merchant sales that we are doing currently, there is not even a short-term arrangement. So are we doing merchant sales all through IEX?..?

G.R.K. Prasad No, as far as the AP grid is concerned, we have an arrangement till May 2013 whereby sale for about 60 MW is committed.

Ravinder Vashist And what would be the realization numbers over there?

G.R.K. Prasad That stands at an average of ₹ 5/unit. Aside from this 60 MW, we have the Dharmavaram unit being run on imported coal is also committed to the AP grid. You can say that around 80 MW stands committed.

Ravinder Vashist So essentially is 140 MW of surplus power committed till May 2013?

G.R.K. Prasad No, we are talking about 62 MW plus 18 MW, and not 140 MW.

Ravinder Vashist That adds up to 78 MW.

G.R.K. Prasad It is about 78 MW – 80 MW.

Ravinder Vashist That realization would be at ₹ 5 per unit?

G.R.K. Prasad Correct

Ravinder Vashist And how is the receivables position?

G.R.K. Prasad Merchant power realization, no issues really excepting from GRIDCO which is about ₹ 40 crore currently

Ravinder Vashist	What has been the PLF of the plant for this quarter?
G.R.K. Prasad	While the PLF of 114 MW in AP was 94%., the 20 MW at Dharmavarm and 94 MW at Orissa Plants ran at a PLF of 84%.
Ravinder Vashist	What would be the cost of generation including variable and fixed for these plants?
M. N. Rao	The Cost of generation in AP is ₹ 2.60 per unit; Odisha it is ₹ 2.90; and Dharmavaram at around ₹ 4.70/unit because we run our Dharmavaram Unit on imported coal.
Ravinder Vashist	And the Dharmavaram unit is for captive usage.
M. N. Rao	From Dharmavaram 20 MW, we are selling power to APTRANSCO around ₹ 5 per unit.
Ravinder Vashist	So is the net realization there is only ₹ 0.25/unit?
M. N. Rao	It is something like that.
Ravinder Vashist	And for the Odisha Power Plant, ₹ 2.90/unit is the cost of generation and we are selling to GRIDCO at ₹ 2.91/unit.
M. N. Rao	Yes, it is around ₹ 3/unit.
Moderator	We have a follow up question from the line of Sumangal Nevitia from Macquarie, please go ahead.
Sumangal Nevitia	I just have two questions; firstly in terms of upcoming capacity at AP and Odisha, what proportion we will be using for captive and what proportion will be left to sell in the market?
M. N. Rao	The entire upcoming capacity in Orissa and AP are merchant and nothing is captive.
Sumangal Nevitia	Will we not require anything for captive?
M. N. Rao	We will not require anything for captive but 12% of whatever generated from the 64 MW in Odisha needs to be given to GRIDCO.
Sumangal Nevitia	In terms of e-auction volumes, how much did we procure this quarter in e-auction, and what is your experience in terms of the pricing?
M. N. Rao	e-auction pricing is around ₹ 3500 per tonne in AP. In fact, this is of high grade coal of around 4500 GCV. In Odisha, we have not participated in any e-auction because we are getting the coal from linkage which is enough for running the 64 MW Power Plant.
Sumangal Nevitia	But how has this price been relative to last year and last quarter per se?
M. N. Rao	Relatively, they are on the same level. There is no much increase in E Auction coal prices.

Sumangal Nevitia	But from what we hear in market that e-auction prices have started to decline for Coal India. So are we benefiting from that?
M. N. Rao	Not much, as Coal India is in Odisha, where we are not presently participating in E Auction.
Moderator	The next question is a follow up from the line of Amit Golchha from Emkay Global, please go ahead.
Amit Golchha	If we look at the Ferro Alloys' numbers, I believe that considering the EBIT of ₹ 9 crore in this quarter, we would have made a loss in case of Silico Manganese during this period because EBIT should have been higher in your Ferro Chrome conversion business. Therefore is that correct? And if that is correct then are we looking to scale down any locations?
M. N. Rao	No, it is not a loss. But during this quarter the sale price of Silico Manganese has come down from ₹ 65,000 in the previous quarter to ₹ 61,000 during the present quarter and there is a FOREX fluctuation also due to Rupee strengthening and these two things in fact caused a considerable decrease in the profitability from Ferro Alloys.
Amit Golchha	So will we continue to produce this level of Silico Manganese going forward as well?
M. N. Rao	Yes,
Amit Golchha	I think we would have made better money in power if we would have sold that in the merchant market.
G.R.K. Prasad	There is a limitation on how much power you can sell as far as the AP unit is concerned. That's where the production of Silico Manganese happened while the Silico Manganese also contributed in terms of value addition for power, on an identical basis, if you look at the actual numbers. But for the following months, that are the months coming up in November and December, we are indeed scaling down the Silico Manganese production because we perceive the offtakes to be lower and we intend to sell more power in the next few months.
Amit Golchha	And how much would have been the impact of FOREX on the business in this quarter?
G.R.K. Prasad	₹ 5 crore. That's on a notional basis at the end of the quarter.
Amit Golchha	And we have also reported FOREX loss of about ₹ 4 crore in the numbers.
G.R.K. Prasad	That's right. Actually, it's the consolidated number which took into account the FOREX loss on account of receivables and the gain on account of loans as well. So it's a number which comprised a couple of variables.
Amit Golchha	Such as the receivables in case of Ferro Alloys?
G.R.K. Prasad	That is right.
Amit Golchha	You said that in case of Odisha, there is already about 12% power which is being supplied on variable cost basis. So is that also supplied in our current capacity which is set up at Odisha?

G.R.K. Prasad This is applicable for IPPs. Odisha has a dispensation for captive generating units, wherein they give rate of about ₹ 3/unit for the surplus power that is pumped in by the captive power units. The rest are IPPs pumping in power at the variable cost and not at a fixed rate, where variable cost of the unit will be determined by the OERC.

Amit Golchha And lastly, in case of Zambia, with respect to the PPA which you have signed with the utility there, how is the apportionment of the cost being done in the low grade and high grade coal because if we delay the production or sale of high grade coal then would that have impact on your low grade coal cost?

G.R.K. Prasad No, it's the other way round. What we originally envisaged was that the cost of low grade coal which is obtained in upper seams of the coal mine will get absorbed by the sale of high grade coal and in turn would have ensured higher EBITDA for high grade sales. But as things stand today, whatever cost that is getting incurred for extraction of low grade coal is fully covered by the tariff that is already decided and negotiated, which also in fact helps us stabilize the operations from an extraction point of view. So the company can now concentrate on extraction of only that quantum of thermal grade coal as is required for power generation and take out only that quantum of high grade coal as is necessary for the market. So I don't think on a financial impact basis, there is any significant change.

Moderator The next question is from the line of Bhavin Cheddha from Enam holdings, please go ahead.

Bhavin Cheddha Out of that investment of ₹ 652 crore in balance sheet, how much is in liquid investments and how much is in strategic investments? What is the liquid cash as on 30th September?

M. N. Rao As on 30th September, the liquid cash is around ₹ 315 crore.

Bhavin Cheddha And other thing how much have you invested in Zambia till date via equity and how much you have raised the money in the Zambia company via debt?

M. N. Rao We have infused \$87 million from the subsidiary and leveraged to an extent of something around \$60 million as on date.

Bhavin Cheddha So, is it 60 million USD?

M. N. Rao Yes, its 60 million USD.

Bhavin Cheddha So, from the Nava Bharat standalone how much have you invested in Zambian company?

M. N. Rao \$87 million from the subsidiary. Investments into the Zambian Project are from the subsidiary.

Bhavin Cheddha 87 million USD?

M. N. Rao Yes.

Bhavin Cheddha So, total investment roughly till date is 150 million USD?

M. N. Rao Yes.

Moderator The next question is the follow up from the line of Sanjeev Panda from Sharekhan, please go ahead.

Sanjeev Panda In your comments, you said that Zambia operation could take some time to scale up; the reason being the preferences or user industry. Could you please throw some light and make us understand what exactly is happening at this point of time there? Is it because the customers or the industry that you are trying to sell, they are not forthcoming or we have our own scalability issue because of some technical issues with the mining side?

G.R.K. Prasad There is no internal problem. We can extract as much as the market demands. In fact, we can go up to 1 million tonnes as we speak today. But the issue is one of the copper smelting which was using coal and which has changed to electricity over some time because of lack of availability of coal. I think it will take some time will for the repatriation of these smelters to switch over to coal. The second factor was some of the large cement plants and one large steel mill which were kept in the horizon for the coal market got delayed and that's where the offtakes have slowed down. Since we cannot move the coal out of Zambia beyond a couple of countries, there is a limitation in terms of volume. That's where the reduction is happening.

Moderator The next question is a follow up from the line of Vijay Kumar from Spark Capital, please go ahead.

Vijay Kumar My question pertains to your 64 MW and 150 MW plant at Odisha and AP. Do you have any arrangements to secure imported coal at this point in time or are you close to securing any tie up like that?

G.R.K. Prasad We have made some arrangement.

Vijay Kumar What is the pricing that you are looking at and what kind of calorific value you are looking at?

G.R.K. Prasad It's not a long term arrangement; it is an arrangement which is driven by volume. The landed cost works out to about \$63/tonne.

Vijay Kumar And what will be the calorific value or the useful heat value?

G.R.K. Prasad 4500 kilo calorie. That is called GAR. If you look at actual GCV, on ADB basis it is about 5500 kilo calorie.

Vijay Kumar Is it fair for me to say 1 kilogram will roughly produce 2 units of power broadly?

G.R.K. Prasad Yes, that is for the 150 MW unit.

Vijay Kumar So effectively on a per unit basis, it works to half of this.

G. R. K. Prasad Yes.

Moderator We have the next question from the line of Amit Golchha from Emkay Global, please go ahead.

Amit Golchha You said that the 20 MW Dharmavaram unit is having the cost of generation about ₹ 4.70 per unit. So there we are predominantly using imported coal. And using imported coal also at 64 MW and 150 MW, will the cost be similar to this number?

M. N. Rao Cost is different because 20 MW is a small plant; the higher the capacity of the plant, the lower will be the cost of generation even if we use imported coal.

Amit Golchha So what is the estimate of cost you would be having on these plants?

G.R.K. Prasad The 20 MW unit was originally envisaged to be part of a cogeneration Power Plant for integrated sugar works. The configuration of the equipment results in higher station heat rate as opposed to base load power station which is what the 64MW and 150 MW units are. The relative station heat rate is about 30% less in both the cases.

Amit Golchha And what is the landed cost of imported coal which we are getting right now at 20 MW?

G.R.K. Prasad ₹ 4400 per tonne.

Amit Golchha For a GCV of how much?

G.R.K. Prasad GCV of 5400 kilo calorie, and GAR which is as fired is about 4400 kilo calorie.

Moderator We have the next question from the line of K Shivaram Krishna from ICICI Bank, please go ahead.

K Shivaram Krishna What is the unallocated capital employed? There is nearly ₹ 1000 crore of unallocated capital employed?

G.R.K. Prasad It constitutes the investment and advance income tax, cash and bank balances.

K Shivaram Krishna And why is it unallocated?

G.R.K. Prasad It's of the corporate centre which is not allocated to any segment specifically.

Moderator As that was the last question I would now like to hand the floor over to Mr. Prasad for closing comments.

G.R.K. Prasad Thank you everybody. It's been good interacting with you on the performance of the company. Please revert if you need any more clarification. We would be happy to take your questions by mail. Thank you very much.

Moderator Thank you very much Sir. On behalf of Nava Bharat Ventures Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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