



"NTPC Q2 FY13  
Conference Results Call"

October 26, 2012

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*NTPC Limited*  
*October 26, 2012*

**Moderator:** Ladies and gentlemen good day and welcome to the Q2 FY'13 Earning Conference Call of NTPC Ltd., hosted by ICICI Securities Ltd., As a remainder for the duration of the conference, all participant lines are 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 phone. Please note that this conference is been recorded. At this time I would like to hand the conference over to Mr. Jaideep Goswami – Head of Equities of ICICI Securities. Thank you, and over to you Sir.

**Jaideep Goswami:** Good afternoon everyone, on behalf of ICICI Securities, I welcome you all to the second quarter FY'13 Earnings Conference Call of NTPC. From the management of NTPC we have Mr. A. K. Singhal, Director (Finance), Mr. I. J. Kapoor, Director (Commercial) and Mr. N. N. Misra, Director (Operations) with us today to highlight the performance of the quarter and discuss the outlook of the company. I thank NTPC management for this opportunity. Firstly management will highlight the quarter's performance in brief and then we will open the floor for the Q&A. Over to you Sir.

**A. K. Singhal:** Seasons greetings to all and a very good afternoon to everybody. I am A. K. Singhal, Director (Finance), NTPC and I have with me my colleague Mr. I. J. Kapoor, Director (Commercial) and Mr. N. N. Misra, Director Operations. Today the company announced the financial results for the second quarter of financial year 2012-2013 and the six months period ended on 30<sup>th</sup> September 2012. I will briefly mention some of the financial highlights before we discuss the performance in detail.

Corresponding quarter comparison, second quarter July – September - net sales for the second quarter of financial year 2012-2013 is Rs.16119.67 Crore registering an increase of 4.83% over previous year, second quarter sales of Rs.15377.54 Crore. Total income for quarter two of financial year 2012-2013 is Rs.17167.88 Crore up by 4.77% over the total income of Rs.16386.87 Crore during Q2 previous financial year. Profit after tax for quarter two of financial year 2012-13 is Rs.3142.35 Crore as against Rs.2424.12 Crore of corresponding quarter registering an increase of 29.63% over corresponding quarter of last year.

Corresponding six months comparison April to September - for the six months period ended on September 30, 2012 net sales has been Rs.32079.63 Crore as against Rs.29549.03 Crore during the corresponding six months period in the previous year, registering an increase of 8.56%. Total income for the six months period ended on 30<sup>th</sup> September 2012 is Rs.34012.77 Crore as against 31554.76 Crore, registering an increase of 7.79%. Profit after tax for six months period ended 30<sup>th</sup> September 2012 is 5641.02 Crore as compared to Rs.4499.90 Crore for the period ended 30<sup>th</sup> September 2011, registering an increase of 25.36%. Earnings per share have gone up from Rs.5.46 to Rs.6.84 as on six months ended 30<sup>th</sup> September 2012.

Sequential quarter comparison, quarter two versus quarter one, net sales in quarter two of financial year 2012-2013 is higher by 1% as compared to quarter 1 net sales of Rs.15,959.96 Crore, corresponding variation in total income is plus 1.92% i.e. is Rs.17167.88 Crore versus 16844.89 Crore.

Profit after Tax in quarter two is up by 25.76% when compared to quarter one, (Rs.3142.35 Crore versus Rs.2498.67 Crore).

I would now take you through the operational performance of the second quarter of financial year 2012-13 as well as six months ended 30<sup>th</sup> September 2012. As on 30<sup>th</sup> September 2012, the total installed capacity of NTPC group was 39174 MW, which included 4364 MW capacity, owned by JV/subsidiary companies. The commercial capacity of NTPC group stood at 37236 MW (including 62 MW, the differential in rated capacity of gas stations), as on September 30, 2012.

During the first six months of current financial year, i.e. financial year 2013, NTPC has commissioned 2160 MW comprising of one unit of 660 MW at Sipat and one unit of 500 MW each at Mauda, Rihand and Vindhyachal. During this period 2820 MW has been declared on commercial operation, two units of 660 MW at Sipat and one unit of 500 MW each at Farakka, Simhadri & Jhajjar. This is the highest ever commercial declaration in a period of 6 months by NTPC. So far as generation is concerned, on quarter on quarter basis gross generation commercial generation and energy sent out are up by 3.62%, 4.29% and 4.14% respectively.

On six months basis gross generation, commercial generation and energy sent out are up by 5.80%, 5.46% and 5.41% respectively. Gross generation from Coal based capacity has increased by 6.57% in the first six months of the current fiscal over the corresponding six months of the previous fiscal. Generation in the current fiscal so far has been affected by lower imports and consequent lower average GCV. After accounting for domestic equivalence of imported coal the total coal received in the first six months grew by 8.41%.

The total generation during quarter two and first half of the current fiscal is as follows:

Gross generation for the quarter ended September 2012, 52.719 billion units as against 50.875 billion units, registering an increase of 3.62%. For six months period it is 111.597 billion units as against 105.479 billion units, registering an increase of 5.80%. For the quarter ended June 2012, it is 58.878 billion units, which is minus 10.46% in comparison to the first quarter. Commercial generation for the quarter ended September 2012 has been 52.475 billion units, as against 50.317 billion units in the corresponding period registering a growth of 4.29%. For 6 months period 110.608 billion unit as against 104.883 billion units, registering an increase of 5.46%. For quarter ended June 2012, it is 58.133 billion units, which is minus 9.73%. So far as the ESO is concerned, our ESO has been 48.863 billion unit in the quarter ended September 2012, as against 46.922 billion units, registering a growth of 4.14%, in six months period it is 103.268 billion units as against 97.972 billion units, registering a growth of 5.41%. For the quarter ended June 2012, it was 54.405 billion units, which is lower by 10.19%.

As you all know there is seasonality in the power generation business. After a slight dip in the second quarter, generation in the third quarter has again started looking up.

Till date, generation in quarter three has shown an increase of 11.68% over corresponding period of previous fiscal years (15.590 billion units against 13.959 billion units). Generation for coal projects is up 15.7% in quarter three of current year when compared to the corresponding period of previous year. The PLF for Coal station is also up at 79.80% in October till date as against 74.3% in the corresponding period of last fiscal. Plant availability factor has also shown a healthy recovery in October and is 82.10% for Coal station as against 74.85% in corresponding period (upto 24<sup>th</sup> October) of previous fiscal. For gas station, the PAF is 93.67% in the current month and 89.17% for the corresponding period in previous year.

We expect that in the remaining period of the current fiscal year, our plant load factor as well as the availability factor would improve and we would be trying to reach at the target level which we have planned to reach. And which would be in comparison to the previous year, by and large at the same level.

Losses due to grid restriction, after a better show in quarter one, where losses due to grid restriction for coal projects were restricted to 0.997 billion units in a total of 3.490 billion units loss in quarter one, the offtake in quarter two was less, resulting in the loss on account of grid restriction to 2.015 billion units from coal based stations and 4.941 billion units in total. However the losses compare favorable to those of 5.413 billion units in the corresponding quarter of the previous fiscal. On a cumulative basis, loss due to grid restriction for six months period for financial year 2012-2013 was 8.431 billion units as compared to 9.248 billion units, during six months previous fiscal, a decrease of about 8.83%.

Losses due to fuel supply, current quarter shows a substantial increase in the loss of generation due to fuel supply. The generation loss on account of fuel supply was 5.058 billion units in quarter two as compared to 1.946 billion units and 1.229 billion units during the corresponding quarter and sequential quarter respectively. On a six month basis, the loss of generation due to fuel supply has increased from 3.174 billion units to 6.287 billion units.

Plant load factor for coal station in quarter two of the current fiscal was 74.90% as compared to 78.38% of quarter two of previous fiscal a decline of 3.48 percentage point. When compared to the 86.45% PLF for quarter one of current fiscal, the loss is of 11.55 percentage points. PLF has been affected due to higher planned shutdowns in the quarter, as I stated before, we expect that the plant load factor is going to improve in the remaining period of the current fiscal period as well as the plant availability factor. On corresponding six months basis, the PLF for coal station had declined from 82.58 to 80.56%. PLF for the gas station was 57.66% in quarter two of current fiscal as compared to 60.84% in the corresponding quarter in the previous fiscal, a decline of 3.18 percentage points. It may be heartening to note that for the six months period, the plant load factor at all India level has come down from 71.01% in the corresponding period to 68.51%, resulting a decrease of 2.50 percentage point. Whereas NTPC plant load factor for the six months

period has been at 80.56% in comparison to 82.58%, which is lower by 2.02 percentage point in comparison to 2.50 percentage point at all India level.

The quarter two plant availability factor for coal based station was 80.14% as against 83.44% in quarter two of previous fiscal, a decrease of 3.30 percentage points. It was lower by 8.26 percentage point as compared to the PAF in quarter one of current fiscal. But during the first 25 days of the current quarter the PAF has started improving in comparison to the corresponding period in the previous period. On corresponding quarter basis the Gas based station also shows a decline in PAF i.e is from 92.27% to 90.24%. On corresponding six months basis, gas stations shows a marginal increase in PAF that is from 91.06% in six months period of financial year 2011-2012 to 91.43% in the current fiscal.

Now I come to the financial performance. Our net sales, has grown by 4.83% in the quarter to quarter basis. Other operating income has gone down by 17.24%, other income has increased by 11.95% total income has increased by 4.77%. Profit after Tax has increased by 29.63%. I am not feeding the numbers because these numbers are already available with you. For six months period our net sales has grown up by 8.56% other operating income has come down by 26.98%, other income has increased by 6.33% total income has grown by 7.79% and Profit After Tax has increased by 25.36%. On sequential quarter basis, total income has grown by 1.92% whereas profit has grown by 25.76%. On an adjusted basis the Profit after Tax for the quarter ended September 2012 is Rs.2046.86 Crore, as compared to Rs.1853.67 Crore for the corresponding quarter ended September 2011, an increase of Rs.193.19 Crore that is 10.42% on quarter on quarter basis. The adjusted PAT for half year ended 30<sup>th</sup> September 2012 is 4161.22 Crore and that for the corresponding half year 2011, works out to Rs.3909.50 Crore an increase of 6.44%. When compared to adjusted PAT of quarter one of financial year 2012 of Rs.2114.37 Crore adjusted PAT for quarter two Rs.2046.85 Crore is down marginally by 3.19%.

Coming on to the fuel supply, the overall domestic coal received in quarter two of the current fiscal was 32 million metric tonnes as compared to 25.70 million metric tonnes in quarter two of 2011-2012, an increase of 24.51% over corresponding quarter. For the six months period, the supply of domestic fuel has improved by 16.93% i.e is from 56.30 million metric tonnes in fiscal 2011-2012 to 65.83 million metric tonnes in current fiscal. Materialization of coal against ACQ in quarter two of 2012-13 was 103.87% (previous year quarter two was 88.69%) as against 98.29% in quarter one of 2012-13 and for six months period as a whole the materialization against ACQ is stood at 100.93% as against 92.31% for the corresponding six months period of 2011-12.

The supply of imported coal in quarter two was 1.5 million metric tonnes as against 2.77 million metric tonnes in quarter one and 3.90 million metric tonnes in quarter two of financial year 2012. For the six months period coal import in 2012-13, stands at 4.34 million metric tonnes as compared to 7.30 million metric tonnes. Coal consumption in quarter two financial year 2013 increased to 35.50 million metric tonnes from 32.10 in quarter two financial year 2012. When compared to quarter one financial year 2013 coal consumption has decreased by 6.96% from

38.154 million metric tonnes consumed in quarter one. For the six months period coal consumption was 73.60 million metric tonnes as compared to 66.50 million metric tonnes during 2011-2012. During current quarter we had started receiving incrementally imported coal. 0.5 million tonnes imported coal has been delivered at our power plant and we expect that this quantum of imported coal is going to go up in the near future. As we have already awarded 9.4 million metric tonnes of contract and expect to award 7 million metric tonnes contract in another 15 days to one month's time.

The blending percentage of imported coal stands at 4.75% for quarter two of financial year 2013 as against 12.83% in the corresponding quarter of previous year and 7.52% in quarter one current fiscal. For the first six months of financial year 2013 the blending ratio is 6.19% as against 10.63% in H1 of financial year 2012. During quarter two, NTPC has awarded contract for direct import of 4.1 million metric tonnes of coal and another 0.9 million metric tonne award is under process. NIT has been issued for import of 7 million metric tonne coal under 7 packages. Regarding progress on transport of coal to Farakka through inland waterways, orders have been placed by the operator Jindal ITF for procurement of shore cranes and construction of ten new barges. Contract for transhipper and ECC contractor for coal conveyor and jetty have been awarded. After the cabinet approval on transfer of 12.73 acres of land to Farakka barrage project to NTPC in December 2011, lease deed for the same has been executed between NTPC and the FBP on January 12, 2012.

Regarding the transportation of 3 million metric tonnes per annum imported coal through national waterways inland to Barh, IWAI is in process of issuing the EOI document.

During quarter two of 2012-13 gas station received 10.99 MMSCMD as against 12.63 MMSCMD in quarter two of the previous year and 13.08 MMSCMD in quarter one of 2012-2013. Gas procured on spot basis during Q2 financial year 2013 is 0.68 MMSCMD, long-term RLNG 1.38 MMSCMD KG-D6 gas is 0.80 MMSCMD, 8.13 MMSCMD was received under APM/PMT mechanism and non APM gas. For six months period of a fiscal 2012-2013, gas station received 12.05 MMSCMD as against 12.34 MMSCMD received in the corresponding period of previous year.

Coming on to coal mining cumulative expenditure of 958.16 Crore has been incurred on the development of the five mines allocated to NTPC upto September 2012, the status of progress of coal mine is as follows:

Pakri Barwadih Coal Mine - Establishment of Hazaribagh Banadag Railway link NTPC conveyed its decision to Eastern Central Railway for funding construction job for Hazaribagh Banadag section through ECR. Subsequently NTPC has deposited 40% of estimated cost as advance payment to East Central Railway on August 27, 2012. Of the total land requirement of 8503.64 acres, payment has been made for 4357.83 acres and land in physical possession is 2596.14 acres. Cumulative expenditure incurred till September 2012 is Rs.686.24 Crore.

Chatti Bariatu - The mine has received both stages I and II forest clearance as well as environmental clearance. Award for appointment of MDO is ready, but it is kept under hold for formal withdrawal of de-allocation of mine. Coal evacuation corridor ECR has proposed a service line from Shivapur to Chatti Bariatu coal block which will be used by NTPC for coal evacuation. NTPC was advised to take up survey and DPR for the Shivapur-Chatti Bariatu service line through RITES. Standard documents were issued to RITES and the bid is under discussion with RITES. Of the total land requirement of 1589.98 acres, payment has been made for 651.37 acre of land. Cumulative expenditure incurred till September 2012 is 83.17 Crore.

Kerandari coal mining project- So far payment towards 481.92 acres of land has been released. Cumulative expenditure incurred till September 2012 is 78.36 crore.

Dulanga - The revised mining plan has been approved by MOE on September 6, 2012. MOE, have accorded in-principle environment clearance on March 22, 2012, formal clearance will be after stage I forest clearance. Forest clearance DGPS survey report, NOC of FRA submitted to PCCF on August 31, 2012. Cumulative expenditure incurred till September 2012 is Rs.23.10 crore.

Talaipalli - MOEF has accorded in-principle environment clearance on 25<sup>th</sup> January, 2012, formal clearance will be received after stage I forest clearance. Forest clearance - Forest Advisory Committee of MOEF have accorded Stage I clearance in its meeting held on 17.08.2012. So far payment towards 880.93 acres has been made. Cumulative expenditure incurred till September 30, 2012 is 87.29 Crore. As regards status of de-allocation of coal block we are still awaiting formal communication regarding de-allocation of the three coal mines and we expect this re-allocation would come very soon.

Coming on to commercial, NTPC continues to realize 100% of its dues, from the SEB within the stipulated time frame. Sundry debtors as on September 30, 2012 was 6141.10 Crore, this translates to 35 days sales as compared to 32 days sales as on June 30, 2012 and 35 days as on March 31, 2012. The servicing of bond under one time settlement scheme is being made on time. Till date, bonds to the tune of Rs.811.23 Crore have been redeemed in financial year 2013. The outstanding bonds as on September 30, 2012 was Rs. 6533.34 Crore, further interest amounting to Rs.277.67 Crore due on October 1, 2012 has been received in time as per schedule.

In financial year 2012-2013 till date new term loan agreement for Rs. 4500 Crore were entered into. With this, the cumulative amount of domestic loan tied up till September 30, 2012 is Rs. 57229.35 Crore. The cumulative withdrawal up to September was Rs. 40904.35 Crore including withdrawal of Rs. 3425 Crore made in 2012-13. Therefore, we have tied up loans amounting to Rs. 16325 Crore from domestic bank for financing the capex.

Bonds amounting to Rs. 1040 Crore have been issued in financial year 2013 till date. Rs.890 Crore bonds have been issued to institutional investors and Rs.150 Crore bonds has been issued to Army Group Insurance Fund to finance the capital expenditure of our project. During financial

year 2013, NTPC has raised USD 500 million through issue of Senior Fixed Rate Notes from international market under its USD 2 billion MTN program.

Average cost of borrowing for first half of financial year 2012-13 is 7.8085% as compared to 7.6395% for the corresponding period of last year. The average cost of borrowing charged to revenue for first half of financial year 2012-13 is 7.3111% as compared to 7.0606% for the corresponding period of last year. The debt service coverage ratio as on September 30, 2012 is 3.13 and interest service coverage ratio is 12.05. Debt to equity ratio stands at 0.68 as on September 30, 2012.

As already mentioned we have commissioned 2160 MW during current fiscal till date and declared 2820 MW under commercial operation. As on date, the capacity under construction is 16809 MW. An amount of Rs. 8081.92 Crore has been spent upto September 2012 towards capex out of Phase BE of Rs. 8466.61 Crore for the financial year 2012-13. In addition an amount of Rs.2077.65 Crore has been spent by JV/Subsidiary companies (excluding an expenditure of 595.47 Crore considered in NTPC capex).

NTPC received a total dividend of Rs. 126.65 Crore in financial year 2012-13 from its joint venture and subsidiary company as against Rs. 79.16 Crore received in financial year 2011-2012. The increase of Rs. 47.49 Crore marks a healthy trend in the future growth of these ventures.

During the period, in the Platt Top 250 Global Energy Company ranking for 2012, under other industry classifications NTPC has been ranked No.1 independent power producer and energy traders in Asia Pacific Rim, No.1 in independent power producer and energy traders globally and No.14 in overall performance in Asia Pacific Rim. NTPC is ranked 62<sup>nd</sup> on overall global performance. NTPC has been conferred Global Peacock global award for excellence in corporate governance. NTPC has been given the top honour for climate change initiative undertaken by CenPEEP at the Times of India Earthcare Awards. The Indira Gandhi Rajbhasha award was given to NTPC for its Vidyut Swar on September 14, 2012 at Vigyan Bhawan. These are some of the highlights, which I wanted to share with you. Now the floor is opened for question and answer. Thank you.

- Moderator:** We will now begin the question and answer session. We have got our first question from the line of Venkatesh B from Citi Group. Please go ahead.
- Venkatesh B:** Firstly, congratulations on a good set of numbers. I wonder if it is possible for you to repeat the coal supply data in this particular quarter because I think I missed those numbers, coal supply both imported and domestic and a comparison vis-à-vis second quarter of last year.
- A. K. Singhal:** During the second quarter, overall domestic coal received in Q2 of the current fiscal was 32 million metric tonne as compared to 25.70 million metric tonne in Q2 of 2011-2012, an increase of 24.51% over corresponding period. For the imported coal in Q2 was 1.5 million metric tonne



as against 2.771 million metric tonne in Q1 and 3.90 million metric tonne in Q2 of financial year 2011-12.

**Venkatesh B:** My final question is what is the regulatory equity block at the end of the Q2?

**A. K. Singhal:** Those would be comparatively at the same level. Whatever we have declared commercial 2820. I have the figure in billion dollar terms it is 5.27 billion dollar as on September 2012, which we have converted at a rate of 57.07. So if you multiply 57.07, our regulated equity stands at Rs.30075 Crore.

**Venkatesh B:** Thank you very much. All the very best.

**Moderator:** The next question is from the line of Bhavin Vithlani from Axis Capital. Please go ahead.

**Bhavin Vithlani:** Can you highlight the capex in this first six months of the fiscal and target for the current fiscal year? The second question is of the capacities which are declared commissioned but which of these capacities do you expect to add commercial in the current fiscal?

**A. K. Singhal:** First is capex for first six months is Rs.8081 Crore. I have given that number for NTPC; our target for capex is Rs.20995 Crore and your third question is the capacity which we have commissioned but not yet declared commercial is one unit at Rihand, one unit at Vindychal and one unit at Mouda and one unit at Vallur.

**Bhavin Vithlani:** All of these will be...

**A. K. Singhal:** Yes they will be declared commercial in the current year, all the four.

**Bhavin Vithlani:** The last question is on the bulk tendering where some of the 800 MW, the final tendering has been pending, on these projects do we expect that by March of this fiscal?

**A. K. Singhal:** Yes, we expect that one of the projects particularly from Gajmara, we will be shifting it to Gadarwara, and there we will be awarding two units of 800 MW. For Lara, we will be awarding by the end of this month. We expect that two units of 800 MW, we will be able to award. So our target is before February 28, at least we award balance six units which are remaining to be awarded for 800 MW.

**Bhavin Vithlani:** On the Pakri Barwadih, what is the target for starting commercial operation?

**A. K. Singhal:** That is as we have said is calendar year 2013.

**Bhavin Vithlani:** So that would be if any indicator as of month?

**A. K. Singhal:** That is why we are saying calendar year 2013. It could happen in April, it could happen in October.

- Bhavin Vithlani:** That is it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Abhishek Puri from Deutsche Equities. Please go ahead.
- Abhishek Puri:** Good afternoon. Two sets of questions from my side, one your comments on the impact from shifting to the GCV methodology by Coal India. I understand that you have started your payments on the GCV methodology, so what was the point of contention earlier and why have we agreed to it in this quarter?
- A. K. Singhal:** Let us not look at it why we have agreed, why we have not agreed. It is a commercial decision, which we have taken. So far as the impact is concerned it has no impact on profitability. The total amount which is likely to be adjusted on account of differential in GCV is Rs.526 Crore that is the impact of GCV for the entire eight months period.
- Abhishek Puri:** So this has been billed in the current quarter itself?
- A. K. Singhal:** This has been taken into account and billed to the beneficiary.
- Abhishek Puri:** This has been taken into balance sheet?
- A. K. Singhal:** This has been taken in the profit and loss account.
- Abhishek Puri:** My second question - there has been one year delay in terms of reallocation of the coal mines, so when could it start affecting our mining plans and the targets that you have for production?
- A. K. Singhal:** As we have been talking all the time and telling that we have not stopped spending money on those mines, which have been deallocated. We have in-principle approval and we are regularly spending money on that and working on that like for Chhatti Bariatu, the MDO has been appointed and MDO award is in place. As soon as we receive the letter for reallocation we would be able to award, so work on all the mines are going on.
- N.N. Misra:** Forest clearance and environment clearance work is going on.
- A. K. Singhal:** Like Mr. Misra says, all other activities are moving forward so therefore our production will start as we said in Pakari Barwadi in calendar year 2013, and production from all the mines by 2015-2016 and ultimately 2016-2017, we will touch a total production of 37 MMT from our coal mines.
- Abhishek Puri:** Sir, in terms of the mines themselves there has been one year delay in terms of the reallocation and I would understand that the groundwork cannot happen although the paperwork in terms of the environmental clearances and all that can happen or may be MDO appointment. The things that can be done by you but the government agencies will not really work on these clearances or you know that on ground activities will not happen is that true?



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- A. K. Singhal:** How do you say that ground activities are not going on? We will take you to those mine areas. Abhishek, request Renu that she organizes a trip and you will realize our difficulties how in a difficult situation we are working there.
- Abhishek Puri:** I would be happy to do that Sir.
- A. K. Singhal:** We will take you. You are welcome to come to our mine area.
- Abhishek Puri:** Thank you very much and all the best sir.
- Moderator:** Thank you. The next question is from the line of Harshad Shukla from Emkay Global. Please go ahead.
- Amit:** Good evening Sir. This is Amit. I have two questions. Number one is I missed the adjusted PAT number, is it possible to give, Q2 and Q2 corresponding year.
- A. K. Singhal:** Our adjusted PAT for Q2 September is Rs. 2046.86 crore in comparison to Rs. 1853.67 crore that is an increase of 10.42%. For the six months period it is Rs. 4161.22 crore as against Rs. 3909.50 crore registering an increase of 6.44%.
- Amit:** If you could give the broad items which you have adjusted in Q2?
- A. K. Singhal:** We have adjusted previous year sales, last year adjustment, interest on income tax refund, previous year fuel, interest from/to customers, borrowing cost impact and provisions written back, income/deferred tax of previous year and pension provision. These are the total adjustments in the current quarter we have made of Rs.1095.49 Crore and in the corresponding quarter it is Rs.570.45 Crore.
- Amit:** Sir the second question is that the interest spend in this quarter appears to be very low?
- A. K. Singhal:** It has dipped, primarily because if you remember, AS-11 modification has come. The interest which we have paid on account of foreign exchange loan, earlier this standard is effective from April 1, 2011. We have capitalized by crediting the interest to the profit and loss account. We have capitalized the asset to that extent the impact is yes the interest cost is lower.
- Amit:** That is about Rs.20 Crore, which you have mentioned in Notes to Account?
- A. K. Singhal:** Rs.20 Crore is only the impact on profit and loss account but if you look at the numbers the interest has been lower by Rs. 196 Crore.
- Amit:** So, interest is lower by that amount. That is what you are saying?
- Amit:** Yes, interest is lower by Rs. 196 Crore.



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**Amit:** All this belongs to Q2 or is it a previous year?

**A.K. Singhal:** It is related to previous year, but adjustment has been done in the second quarter.

**Amit:** So is it possible to break it into quarter two and previous year.

**A.K. Singhal:** It is starting from first April 1, 2011, because crystallization has been done in the current quarter it has been adjusted in the current quarter.

**Amit:** So basically current quarterly number is Rs. 20 Crore higher than the previous year?

**A.K. Singhal:** Ultimately Rs. 165 Crore is related to the earlier period out of this, Rs.196 Crore.

**Amit:** Got it sir. Other income also appears to be very high Rs. 1048 Crore so can you give the detail of that?

**A.K. Singhal:** Why do you say it is very high?

**Amit:** It is compared to last quarter.

**A.K. Singhal:** You want for the current quarter only.

**Amit:** Current quarter only the break-up of that?

**A.K. Singhal:** The other income comprises of interest. The major increase, which has happened, is we have earned higher interest income on deposit with Indian Bank by about Rs.70 Crore. We have received a higher dividend from our joint venture subsidiary by Rs. 47 Crore. The other income has increased from Rs.729.4 Crore to Rs.816.55 Crore.

**Amit:** Is there any interest from customers sitting in these numbers?

**A.K. Singhal:** It is not. The interest received from customers will be in other operating income.

**Amit:** Which is how much?

**A.K. Singhal:** In the current quarter it is Rs. 209.03 Crore.

**Amit:** Lastly, I was just looking at the plant availability factor of FY'12 in the annual report. It is mentioned as 89.7%, but if I compare it to the quarterly numbers, which we gave and the average of that is about 88.3%.Where has the adjustment been made?

**A.K. Singhal:** You are talking about 89% availability.

**Amit:** 89.7% of the availability factor mentioned in FY'12 annual report, but if I average the four quarters numbers that is 88.3%.



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- A.K. Singhal:** That you go and check up separately with Renu. I do not have the previous year data with me at this stage. You could talk to her separately and we will give you those numbers. There cannot be any inaccuracy in those numbers.
- Amit:** No problem sir. Thank you very much and all the best.
- Moderator:** Thank you. Next question is from the line of Murtaza Arsiwala from Kotak Securities. Please go ahead.
- Murtaza Arsiwala:** Hi sir, just two question. One is a clarification on the interest cost. The 186 Crore which you are talking as deferred income from foreign currency fluctuation that has been adjusted in the interest cost?
- A.K. Singhal:** That is true.
- Murtaza Arsiwala:** So, the Rs. 20 crore plus Rs. 186 crore that is the entire Rs. 206 crore is adjusted.
- A.K. Singhal:** That asset has been created equivalent to that value.
- Murtaza Arsiwala:** The second question Sir - if you could throw some light on the current status of fuel supply agreement the new fuel supply agreements and also on pooling of coal mechanism?
- A.K. Singhal:** I will request our Director Operation Mr. Misra to revert back.
- N. N. Misra:** The new fuel supply agreement, which has been cleared by Coal India Board and hosted in the website we have reviewed that and we have sent our observations to Coal India and we hope to finalize it soon.
- Murtaza Arsiwala:** Okay, sir and pooling of coal prices because Coal India does not mention anything on the same?
- A.K. Singhal:** Let us not talk about pooling of prices. It is very difficult to comment on pooling of prices at this stage. So far as NTPC is concerned, NTPC is not affected by that. It will be passed through and it is only 7 or at 8 paise per unit is the impact of it. The more concern is to the State Electricity Board. They have to take a call whether they are able to afford higher coal cost.
- Murtaza Arsiwala:** Thank you so much Sir.
- Moderator:** Thank you. Next question is from the line of Prakash Gaurav Goel from ICICI Securities. Please go ahead.
- Prakash Gaurav Goel:** Thank you Sir. Congratulations on good set of numbers. Sir, my question is with regard to this interest adjustment of Rs 206, Crore - is it being passed on to the beneficiary or how is it being accounted?

- A.K. Singhal:** It is just like foreign exchange rate. It is a book entry, which has been done based on the modification in the Accounting Standard-11. So far as the recovery from the regulator is concerned, it is independent of that. So, therefore whenever actual event happens, we will recover that foreign exchange rate variation. And we have found that whenever there has been actual outflow of foreign currency, we have been able to recover the entire normative outstanding foreign currency and as per the revised guideline which regulator has issued whatever loan outstanding as on a particular date, i.e. normative loan outstanding, first we will see that if we have a foreign currency loan outstanding - to that extent normative loan outstanding will be reduced and the balance domestic currency loan will be applied. So, therefore we are not going to be affected by any foreign currency risk variation.
- Prakash Gaurav Goel:** Sir, in simple word if I want to understand this Rs. 206 Crore adjustment, should I be reducing it from the profits reported, because it is non-recurring?
- A.K. Singhal:** No, it will not be reduced from the profit.
- Prakash Gaurav Goel:** Because you have not got the benefit of this in the topline?
- A.K. Singhal:** What we are doing is correspondingly we are creating a reserve also. Whenever any foreign exchange fluctuation comes, we charge to the profit and loss account and we were creating the equalization reserve also. If you see in our balance sheet, you will find that like deferred income tax, we have created foreign exchange deferred reserve, which is recoverable from beneficiary.
- Prakash Gaurav Goel:** Right, if I would like to understand the impact on PBT, this Rs. 206 Crore, there is no impact because you have not recovered it from the customer you are yet to bill this amount?
- A.K. Singhal:** There is a positive impact on PBT by Rs.20 Crore and so far as cash flow is concerned there would not be any impact.
- Prakash Gaurav Goel:** Cash flow part is clear we wanted to understand the PBT. You are saying that Rs. 186 Crore is not also recovered from the customer, it is not part of the top-line also?
- A.K. Singhal:** Yes.
- Prakash Gaurav Goel:** Right, so that clarifies my doubt. Second is with regard to the other income, when you are talking about the adjusted profit of Rs. 2046 Crore, are you knocking off the dividend received from the JVs?
- A.K. Singhal:** Why should we? This is the normal income. We cannot knock off the dividend from the JVs. Do you expect to knock it off?
- Prakash Gaurav Goel:** No, we are not expecting that, just for the accounting sake and the number housekeeping sake?
- A.K. Singhal:** No, it cannot be knocked off.



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- Prakash Gaurav Goel:** And it has gone up by Rs. 47.49 Crore year-on-year?
- A.K. Singhal:** Yes it is my real income.
- Prakash Gaurav Goel:** This particular number has gone up only by Rs. 47.49 Crore year-on-year?
- A.K. Singhal:** Yes, Rs.47.49 Crore. That is fine.
- Prakash Gaurav Goel:** These are the two questions that I had. Thanks a lot and all the best sir.
- Moderator:** Thank you. Next question is from the line of Deepika Mundra from JP Morgan. Please go ahead.
- Deepika Mundra:** Thank you. Firstly, congratulations on a good set of numbers. I have two sets of questions. Firstly, is it possible for you to give us what is the proportion of incentives in the second quarter topline?
- A.K. Singhal:** We have been regularly saying that because of commercial reasons we do not disclose these numbers.
- Deepika Mundra:** Second question is regarding the lower interest income. Has that been adjusted in the adjusted PAT number that you just declared?
- A.K. Singhal:** We have not adjusted that number. We have treated as a foreign exchange deferred reserve because ultimately corresponding we have created asset and we have adjusted.
- Deepika Mundra:** Okay, so the lower adjusted income accounts for the benefit of the lower interest cost, correct?
- A.K. Singhal:** Yes, we have adjusted.
- Deepika Mundra:** Thank you.
- Moderator:** Thank you. Next question is from the line of Nitin Arora from Nirmal Bang Equities. Please go ahead.
- Nitin Arora:** Thanks for taking my question Sir. Just want your thought on the SEB losses debt plan that came up. I just want your view about how you are viewing this kind of plan because it seems like that the debt recovery plan was more tilted towards providing comfort to the lenders or to the power producers or to bring back the power capacity?
- A.K. Singhal:** I would request my colleague Mr. Kapoor to respond to your question.
- I. J. Kapoor:** The restructure program which came out on October 5 is valid up to 31st December. It is up to the states and some states which have been put in the critical zone, so they have to restructure. In

any case what has been already told and all from our side there is not even single day outstanding and out payments have been fully complied with as per the provisions in the regulations.

**Nitin Arora:** I am coming from that angle that suppose if I have to bring back the buying capacity into the SEBs, so I would see my company like NTPC going into a PLF of 92%. So bringing up of that 60 gigawatt or 70 gigawatt of additional capacity in the power sector, how do you view it? Will it bring back the SEBs taking into the power and still you see that the PLF would be in the range around 78% or 75% kind of PLF?

**A.K. Singhal:** Let us not look at it at this stage what would happen. Government is seized of the problem and is looking at increasing the coal supply. If the coal supply increases and capacity comes and Coal India is able to produce coal - like when we are looking at next five years, our incremental coal requirement is about 50 million tonne. Out of 50 million tonne of incremental coal requirement 37 million tonne will be produced from our own coal block. So therefore most of the coal block if they start producing coal this kind of problem may not be there. Mr. Kapoor will supplement.

**I. J. Kapoor:** So long as we remain in the merit order, so long as my tariff is within that zone where it is affordable by the SEBs, I think probably any PLF, which I put it and if I have a commensurate fuel there, I would remain within the merit zone. So long as I enjoy the status of a preferred supplier, they take it and they pay it to me - they take it and they pay it.

**A.K. Singhal:** Definitely as a matter of our strategy during 2014-19 regulation, we are going to put before the commission that coal availability is a bigger issue. That availability may be reduced from 85% to a reasonable level. So that we do not suffer on recovery of that, but that will do once when the 2014 regulation comes in a discussion or 2014 regulation starts.

**Nitin Arora:** Sir, last question just partly when you said it is the calendar year 2013 is when you see the commercial phase coming on stream. Can you just throw some light on the evacuation system over there - the train lines?

**A.K. Singhal:** We have already said that for Banadag line we have already given money to the railways and railway is building it up - so evacuation part we are taking care of. Once when we do it we have an alternate source available we can move by road also.

**I. J. Kapoor:** Basically, I would like to clarify that the evacuation from the coal handling plant in Pakri Barwadih to the railway facility, railway siding in Banadag is by an overhead conveyor. At the Banadag siding, the railway line from Banadag to Hazaribagh is being done by the East Central Railway as mentioned by Mr. Singhal and we have already deposited the advance money. The work has already started there for the civil part of it and beyond Hazaribagh the line already exists which is a part of the railway plan itself. So we do not foresee any immediate problem as far as evacuation from Pakri Barwadih is concerned.

**Nitin Arora:** Thank you so much sir for taking my questions.





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- Moderator:** Thank you. Next question is from the line of Harshad Shukla from Emkay Global. Please go ahead.
- Harshad Shukla:** Two questions. If I look at the other operating income numbers it is about Rs 232 crore in this quarter, out of that about Rs. 209 Crore as you have mentioned interest received from customers. So the consultancy and the other operational number, looks very low in this quarter. So I assume that consultancy revenues would have been significant?
- A.K. Singhal:** Last time in the corresponding quarter our other operating income was Rs. 279.92 crore. This quarter it is Rs. 231.66 crore so there is not much difference. It is only energy internally consumed has come down from Rs. 23.06 crore to Rs. 19.46 crore and consultancy income is included in the sales. It does not form part other operating income.
- Harshad Shukla:** Second is after the recent CERC order on your petition of regional headquarters capital cost recovery are you still pursuing that or is that matter closed now?
- A.K. Singhal:** Yes, we are pursuing that one. So whatever the judgment, which is there we have taken it up at the higher court and all and we are still very, very solidly on that case also.
- I. J. Kapoor:** We have filed it before the appellate tribunal.
- Harshad Shukla:** Thank you.
- Moderator:** Thank you. Next question is from the line of Sachin Trivedi from UTI Mutual Fund. Please go ahead.
- Sachin Trivedi:** Thanks for taking my question. Sir just one question on employee expenses; it seems there is almost Rs. 100 crore jump year-on-year and quarter-on-quarter basis any particular reason for that?
- A.K. Singhal:** What has happened is if you look at overall basis on quarter-to-quarter basis there is an increase of about 14.26%. That is about Rs. 111 Crore out of which Rs. 40 Crore has been added because of the new capacity we have declared commercial. If you exclude that capacity on existing units there is a increase of 9.53% only which is reasonable because we gave 3% increment and DA during the six-months period has increased by almost about 13%- 14%.
- Sachin Trivedi:** So from here on assuming there is no capacity addition Rs. 900 crore will be a runrate for the quarter is it right?
- A.K. Singhal:** I would not say it would not be Rs. 900 Crore it could be lower figure.
- Sachin Trivedi:** Just rough cuts?
- A.K. Singhal:** At this time I cannot say let us wait for the third quarter to happen.



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**Sachin Trivedi:** Okay, I can guess that. Anyway thank you sir.

**A.K. Singhal:** See one area we have no control on is DA increase.

**Sachin Trivedi:** Thank you.

**Moderator:** Thank you. Next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.

**Mohit Kumar:** Sir, this is a question regarding note C(ii), that the sales included Rs. 292 Crore for the quarter and half year on account of income tax recoverable from the beneficiary as per regulation 2004 what I am asking - is this amount also include in the current tax for the quarter.

**A.K. Singhal:** You are talking about note number?

**Mohit Kumar:** C(ii).

**A.K. Singhal:** Sales includes Rs. 292.13 Crore in respect for the quarter and half year ended, corresponding previous year on account of income tax recoverable from the beneficiaries. This is for the quarter recoverable from them.

**Mohit Kumar:** What I am asking is it is also a part of current tax?

**A.K. Singhal:** Yes, it is part of current tax.

**Mohit Kumar:** Current tax and also sales right?

**A.K. Singhal:** Yes, it is in the sales as well as in the current tax.

**Mohit Kumar:** Thanks a lot.

**A.K. Singhal:** Thank you. Next question is from the line of Jay Kakad from Standard Chartered. Please go ahead.

**Lakshmi Narayanan:** This is Lakshmi Narayana here. One question I had was on your coal imports. They have been quite low compared to last year six-month period 4.3 odd million tonne versus 7. I was trying to understand the reason for the same and would you be able to meet your full year guidance of 15, 16 million tonne?

**A.K. Singhal:** Yes, definitely we would be able to meet the guidance of 16 million tonnes for the whole year and we have tender of 7 million tonne already in market, 9.4 million tonne orders have already been placed so there could be possibility we may do higher than 16 million tonne.

- Lakshmi Narayanan:** Sir any guidance on the full year PAF availability factor number that you are targeting to achieve this fiscal 13?
- A.K. Singhal:** Our target is to achieve the best available which we can achieve.
- Lakshmi Narayanan:** Considering first half where we are?
- A.K. Singhal:** It could be difficult at this stage let us wait for the third quarter to happen and we will comeback and let you know what PAF we will have by the end of the year.
- Lakshmi Narayanan:** Sir is it fair to assume you have been in a safe zone above 85%?
- A.K. Singhal:** That our efforts will always be that we should be above 85%.
- Lakshmi Narayanan:** All the best sir. Thank you.
- Moderator:** Thank you. We got a follow-up question from the line of Harshad Shukla from Emkay global. Please go ahead.
- Harshad Shukla:** Sir, this is a follow-up question from the last question. You have mentioned Rs. 292 crore also is included in the current tax. Sir there is one more Note to Account, which is there, note number 5, which says that current tax expense includes – Rs. 46 crore for the quarter related to previous year. So how to reconcile these two numbers, sir?
- A.K. Singhal:** Those numbers we will get you reconciled, you separately talk. It is difficult on telephone because the adjustment in tax is done for the assessment completed by the assessing authorities also, so all those adjustment details would provided separately.
- Harshad Shukla:** I just wanted to check with you that this Rs. 292 crore would be part of the earlier-year taxes and including that this Rs. 46 Crore number is negative so there would have been some positive number also related to previous years and which is leading to this Rs. 46 Crore of negative number. Is that correct?
- A.K. Singhal:** I may not be able to immediately respond to this question. You can independently talk separately. We will give you the detail.
- Harshad Shukla:** Second thing is you have mentioned that the materialization coal for the old FSA was about 103% this quarter, despite that the PLF has been very low. I understand that would have been because of the lower availability and because of the maintenance, which we took but is that then mean that we would have significant stock of the coal at the end of the quarter?
- A.K. Singhal:** We do not have significant stock. There was lower imported coal, which we got during the quarter.

- I. J. Kapoor:** Basically, you should try to understand the FSA is for units commissioned before September, so based on that the quantity, which we have given is 100%; yes it is better than what they have given to the rest of the country. But basically there are two issues we had higher planned outage because during the monsoon we take out the units for maintenance so that during the ongoing festival and winter we are available to the full extent. So stock build up per say is not there but it is slowly building up.
- A.K. Singhal:** We could have buildup the stock had we have been able to get the similar amount of imported coal. Because of the lack of imported coal we have fired more domestic coal and our inventory has been almost at the same level.
- Harshad Shukla:** But sir the fuel cost per unit this quarter is about Rs. 2.03 paisa per unit?
- A.K. Singhal:** Because weighted average cost of purchase of coal has come down substantially, because last year imported coal cost was much higher than in the current period. Earlier FOB price of imported coal was somewhere around \$120-\$130 per tonne, which has comedown to between \$75 and \$90 per tonne so that is it.
- Harshad Shukla:** But, sir this number is actually other way around. This is higher than the last three quarters average numbers and any of the last three quarter numbers. So that is what I was wondering that in spite of lower imported coal the fuel cost is higher?
- A.K. Singhal:** But the quantum has increased by 24% for the domestic coal.
- Harshad Shukla:** But I am talking about per unit fuel cost.
- A.K. Singhal:** Per unit would because primarily we have received the higher quantity of domestic coal.
- Harshad Shukla:** I will take this off line thank you very much.
- Moderator:** Thank you. It is a follow-up question from the line of Bhavin Vithlani from Axis Capital. Please go ahead.
- Bhavin Vithlani:** On the grossing up have we grossed up with full tax in this quarter?
- A.K. Singhal:** Yes, we have grossed up with full tax.
- Bhavin Vithlani:** Okay, and what would be the benefit in the quarter in the first half for on account of all that?
- A.K. Singhal:** That we have not worked out. Our weighted average tax you can workout. It is working out to somewhere around 24%.
- Bhavin Vithlani:** Right, it used to be about for Rs. 700-800 odd crore per annum, is it that full year average ballpark.



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- A.K. Singhal:** We would not like to talk on those numbers. That cannot be worked out at this stage.
- Bhavin Vithlani:** For the balance part of the year would we believe that given the kind of commissioning which is happening we will be.....?
- A.K. Singhal:** Still we will do grossing up with normal tax rate and that guarantee we can give.
- Bhavin Vithlani:** Okay, and any indications for Fiscal 14?
- A.K. Singhal:** Let us wait for the budget outcome. That fiscal 14 budget comes then we will talk on that. If the provision remains the same hopefully we do the same basis.
- Bhavin Vithlani:** Thank you so much.
- Moderator:** Thank you. Next question is from the line of Harish Bihani from CIMB.
- Harish Bihani:** Good evening, my question is on the reallocated coal blocks. Now about a week back, Times of India and Business Standard carried an article where basically they are quoting the coal minister and he is saying that it is difficult to reallocate those coal blocks largely because if they do it for NTPC then others will get an opportunity to go to court against government order. So your view on the same and contingency plan given that this issue has been pending for quite some time and it will take a little time?
- A.K. Singhal:** I think this is the question not to be talked on a line which is getting recorded. We can discuss off line.
- Harish Bihani:** Sir is there contingency plan that we are thinking off at this point in time?
- A.K. Singhal:** That is what I said in the earlier communication that we are going to get these coal blocks. So we do not want to talk on the press report which you are talking about.
- Harish Bihani:** Second question is since you are the largest customer of Coal India and they have revised the fuel supply agreement now it is still not signed. So what is the additional demand that we had at this point in time from Coal India?
- A.K. Singhal:** We have given our observations to Coal India we will discuss those observations.
- Harish Bihani:** Okay, and by when do we expect resolution on the issues?
- A.K. Singhal:** As soon as possible.
- Harish Bihani:** Okay, are we pressing them to import coal for us or we will do it on our own?
- A.K. Singhal:** You leave it to us as it is our commercial decision. We are doing at present on our own.



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- Harish Bihani:** Thank you so much.
- Moderator:** Thank you. We got the next follow-up question from the line of Mohit Kumar from IDFC. Please go ahead.
- Mohit Kumar:** Sir, there was a news item today in Mint stating that in the state governments of Kerala and Assam have approached NTPC for using the coal from the blocks allocated to them. Is there any update on the same?
- A.K. Singhal:** It is unfair to discuss in concall based on the paper information, press information. So it would be difficult for us to disclose that matter.
- Mohit Kumar:** Thank you. That is it from my side.
- Moderator:** Thank you. Next question is from the line of Anirudh Gangadhar from Nomura. Please go ahead.
- Anirudh Gangadhar:** Thank you very much for the opportunity. Two clarifications, the GCV incremental coal cost of Rs.526 Crore for the nine-month period, could we get it for the current quarter and the last financial year at least the February and March period please?
- A.K. Singhal:** Can you repeat your question, Anirudh?
- Anirudh Gangadhar:** Sir, the Rs. 526 Crore of incremental fuel cost that we have paid and recorded this quarter on account of the shift from UHV to GCV, how much of it was only pertaining to this quarter itself if you may give the number?
- A.K. Singhal:** For this quarter it is Rs. 49.66 Crore.....
- Anirudh Gangadhar:** Rs. 49.162 Crore.
- A.K. Singhal:** Rs. 112.54 Crore and Rs. 49.66 Crore these are the two figures.
- Anirudh Gangadhar:** So sir Rs. 112.54 is for the previous six-months, Rs. 49 crore is for the current quarter?
- A.K. Singhal:** For the current quarter both the figures put together is Rs. 162.20 Crore.
- Anirudh Gangadhar:** Out of the Rs. 526 crore, Rs. 162 crore is for the current quarter?
- A.K. Singhal:** Current quarter.
- Anirudh Gangadhar:** Just one other clarification on the interest expenditure. Going forward, as I understood with the discussion that out of the total expenditure Rs. 165 crore related to the previous period what we have reduced the interest cost on and going forward any interest cost on the foreign currency part the fluctuation will be rest in the cost of the asset itself it would not flow into P&L?



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- A.K. Singhal:** I do not think it would be there. It is not going to be there. Earlier whatever foreign currency loan interest cost which you have diverting to the profit & loss accounts we were creating a reserve also primarily by crediting to the profit & loss account. So foreign exchange currency interest was not affecting our profit & loss account. Only to the extent difference between the normative loan outstanding and actual to that extent the difference. That will continue to remain it is still even if we capitalize, we would be able to capitalize only to the extent we would be able to recover from the beneficiaries.
- Anirudh Gangadhar:** Quite right Sir and one final clarification sir all the dividends from the subsidiaries that you received that was received in the current quarter in the September quarter?
- A.K. Singhal:** Yes, it is in the current quarter except I think one, which we already receive was UPL other than that we received in the current quarter most of the dividends.
- Anirudh Gangadhar:** Thank you very much Sir.
- Moderator:** Thank you. Sir there are no further questions shall we conclude the conference?
- A.K. Singhal:** Thank you very much.
- Moderator:** Thank you sir. At this time I would like to hand the conference to Mr. Jaideep Goswami for closing comments. Thank you.
- Jaideep Goswami:** Thank you. We take this opportunity to sincerely thanks the senior management of NTPC to address this quarterly conference call and we also thank all the participants in this call.
- Moderator:** Thank you, on behalf of ICICI Securities. That concludes this conference. Thank you for joining us you may now disconnect your lines. Thank you.