

NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD-500 082, TELANGANA, INDIA.

NAVA BHARAT

NBV/SECTL/ 972 /2017-18
February 6, 2018

Listing Department
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G Block
Bandra Kurla Complex, Bandra (E)
MUMBAI – 400 051p
NSE Symbol : 'NBVENTURES'

Dept. of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
MUMBAI – 400 001
Scrip Code : '513023' / 'NBVENTURE'

Dear Sirs,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Transcript of the Concall with Investors.
Ref: Our Letter No. NBV/SECTL/ 940 /2017-18 dated January 27, 2018

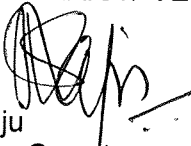
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Please find enclosed the transcript of the Conference Call with Investors / Analysts held on January 31, 2018 on the operational and financial performance of the Company for the quarter and nine months ended December 31, 2017.

Kindly take the same on record and acknowledge the receipt.

Thanking you

Yours faithfully
for NAVA BHARAT VENTURES LTD.,


VSN Raju
Company Secretary
& Vice President

Encl: as above.

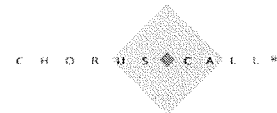
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ISO 9001 ISO 14001



“Nava Bharat Ventures Limited Q3 FY2018 Earnings Conference Call”

January 31, 2018



ANALYST: **MR. MAYANK BHANDARI – SBI CAP SECURITIES LIMITED**

MANAGEMENT: **MR. GRK PRASAD – EXECUTIVE DIRECTOR - NAVA BHARAT VENTURES LIMITED**
MR. T. HARI BABU – CHIEF FINANCIAL OFFICER – NAVA BHARAT VENTURES LIMITED
MR. PJV SHARMA – DIRECTOR - NAVA BHARAT PROJECTS LIMITED
MR. M. N. RAO – VP FINANCE - NAVA BHARAT VENTURES LIMITED
MR. VSN RAJU – COMPANY SECRETARY & VP- NAVA BHARAT VENTURES LIMITED



Moderator: Good day, Ladies and gentlemen and welcome to the Nava Bharat Ventures Limited Q3 FY2018 Earnings Conference Call hosted by SBI CAP Securities Limited. As a reminder, all participant's 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Mayank Bhandari from SBI CAP Securities Limited. Thank you and over to you Sir!

Mayank Bhandari: Thank you. Good afternoon everyone. On behalf of SBI CAP Securities I welcome you all to Nava Bharat third quarter results conference call. We have with us the management of Nava Bharat represented by Mr. GRK Prasad, Executive Director, Mr. T. Hari Babu, CFO, Mr. PJV Sharma, Director Nava Bharat Projects Limited, Mr. M.N. Rao, VP Finance and Mr. VSN Raju, Company Secretary & Vice President. Without further delay, I would like to handover the call to the management for their opening remarks. Thank you and over to you Sir!

GRK Prasad: Thank you Mayank! Good afternoon everybody and a warm welcome to all the participants. I hope you had a look at our financial results, the Company's release on the financial results and corporate developments that have been filed with the stock exchanges as well as posted on our website.

Consolidated financials-

Company's registered consolidated total revenue of Rs.595.57 Crores for the quarter which though higher by 13.15% as compared to Rs.526.7 Crores in the previous quarter, was significantly impacted with lower margins of power in domestic merchant sale by Nava Bharat Energy India Limited and lower availability in the Zambian Power Plant during Q3 due to the maintenance outage. The 150 MW power plant of Nava Bharat Energy India Limited achieved average plant load factor of 64.1% in Q3 FY2018 as compared to 54.91% achieved in Q3 FY2017. The Zambian Power Plant operated a PLF of 47% in Q3. The 300 MW Zambian Power Plant, after the maintenance outage, which lasted till the latter part of December 2017, has now been delivering full availability to the grid since then. The mining division recorded profit before tax of US Dollars 2.6 million while the power division lost US Dollar 3.9 million on account of the lower availability due to maintenance outage for Q3. The impact of currency fluctuation on account of opening balance of Translation Reserve has been taken to the other comprehensive position for Q3.

Standalone financials-

The performance of the Company in the ferro alloy business saw highest quarterly production ever. It registered revenue of Rs.241.66 Crores in Q3 FY2018 and profit of Rs.26.2 Crores at EBIT level in Q3 as compared to the profit of Rs.13.83 Crores in Q3 FY2017. Standalone sugar business registered revenue of Rs.34.13 Crores in Q3 FY2018 and it reported loss of Rs.1.08

Crores in Q3 FY2018 on account of lower quantum of sale as well as reduction in sugar prices as compared to a profit of Rs.4.28 Crores at EBIT level in Q3 FY2017.

Standalone power business registered revenues of Rs.128.64 Crores in Q3 FY2018. It reported profit of Rs.23.86 Crores at EBIT level in Q3 FY2018 as compared to a profit of Rs.32.14 Crores in Q3 FY2017 following reduced generation to comply with yearly captive consumption norms and lower margins.

To sum it up, the standalone performance quarter-on-quarter was impacted on account of foreign exchange fluctuation on the loan to Singapore subsidiary, lower quantum of sales and reduced prices of Sugar and regulated generation for merchant sale in Odisha in line with captive consumption norms.

International business

Zambian Coal and Power Project

The Zambian Power Plant undertook major maintenance outage in both the Units to address certain Punch List items of the EPC contract considering that the Units had operated for almost one year since their commissioning and to take advantage of the continued presence of the contractor personnel at the site and overhang of certain pending grid upgradation works in Q3. The power plant has since then been delivering full availability to the grid which would normalize the two-part tariff billing from January 2018. There are no technical issues outstanding at present and the performance of the Power Plant is consistent with designed parameters.

The Zambian tariff increase program has since been finalized with all the mining companies having agreed to pay at increased rates following similar agreement reached with other consumers of power in Zambia in 2017 itself. However, the cash flow mismatches of the state utility in 2017 continued to impact the receivables of the Zambian subsidiary. The Zambian subsidiary expects that these issues will be fully addressed in the coming few months with large financial support, assured by the Government of Zambia against its sovereign guarantee and improved financial position of the utility following the tariff revision.

Integrated sugar project in Zambia

Kawambwa Sugar Limited is the Company's step- down subsidiary in Zambia and has obtained the approval for the Environmental Impact Assessment for the proposed 5000 TCD integrated sugar project. They have initiated seeding program in consultation with a renowned South African Sugar Research Institute (SASRI). The subsidiary plans to undertake site preparation works shortly. The project investment and timelines will be frozen with the detailed feasibility report of the KSL being under evaluation.



Health Care Enabled services.

The Company's foray into Health Care Enabled services in Asia Pacific Region was achieved through the acquisition of majority stake in a cluster of companies in Singapore. The step-down subsidiary in Singapore entered into Sales and Supply agreement to exclusively distribute the finished product called "Monofer" in Malaysia as the territory. After launching, revenues are expected from early 2019.

That is all from our side. Now we are open to the floor for questions and answers.

Moderator: Thank you very much Sir. Ladies and gentlemen we will now begin with question and answer session. First question is from the line of Viraj Kacharia from Securities Investment Management. Please go ahead.

Viraj Kacharia: Thanks for the opportunity. Just had a couple of questions, first is on the compensation from lower offtake by DISCOM last year, how much was the amount and when do we expect it?

Viraj Kacharia: Second question is on the receivables from Zambian operations of 50-60 million dollars when do you get paid and will that result in steady reduction in debt profile on Indian books?

GRK Prasad: First one relates to the power compensation which is expected from the distribution companies in Telangana. We are expecting the compensation to be paid in this quarter that is Q4. There are certain negotiations surrounding the actual compensation number, so once the negotiations are done, the payments will be released.

Viraj Kacharia: But approximate range how much we are expecting?

GRK Prasad: I would not be able to put a number, once it is received, we will definitely share that information. Then as far as ZESCOs receivables within Zambia is concerned, there are two parts of problem, one is that about receivables up to December 31, 2017 aggregating to about 80 million dollars and these are being addressed by the Government of Zambia as a one-time financial support while the tariff increase program in Zambia is expected to take care of the subsequent payment mechanism on a month-on-month basis.

Viraj Kacharia: Okay. So any tentative timeline by which we expect the receivables payment from the government?

GRK Prasad: Of course! This is a comprehensive program which is initiated by the Government of Zambia, so expect the resolution to happen in the next couple of months.

Viraj Kacharia: Okay. That is all from my side. Thank you.

Moderator: Thank you. The next question is from the line of Vinod Malviya from Florintree Advisors. Please go ahead.

- Vinod Malviya:** Good afternoon! Sir my question is on the domestic power business, can you provide some visibility like what would be the likely PLF for the domestic power business in India and do you see any – I mean are there any PPAs which have been floated either in the short term or medium term from AP or Telangana anywhere?
- GRK Prasad:** First on the expected PLF- the captive power plants in Telangana which is for 114 MW and 90 MW in Odisha will cater to the full requirement of the ferro alloy production in both the units. So in Telangana we expect the PLF to be hovering around 70% and in Odisha, it will be about 60%. Then as far as tenders are concerned, well! Currently there are no tenders, which are visible in the near timeframe. But what is happening is that the distribution companies are going for short-term tenders usually for two to three months. That trend is expected to continue. Currently we have a short-term tender up to March/ Mid-April and we expect another tender to be floated for April to June.
- Vinod Malviya:** And this short-term tender for March is at what price?
- GRK Prasad:** The price, net to us will be about 4:10, but that is subject to a minimal offtake of only 70%, and balance power, to the extent feasible, we are putting on IEX.
- Vinod Malviya:** This is for how much MW short-term tender we have right now?
- GRK Prasad:** This is actually entered into by our subsidiary, which is 150 MWS so that subsidiary has its contract.
- Vinod Malviya:** So entire 150, is it like round the clock tender or is only for one particular time slot?
- GRK Prasad:** No. This is the round the clock tender but with an option for the utility to regulate it on a monthly basis to the extent of 70%.
- Vinod Malviya:** Okay. The second thing was on the coal prices, apparently the Coal India will increase both the linkage as well as the base price for e-auction, so can you provide some details, how would be your cost of reduction moving from here, cost of power generation basically?
- GRK Prasad:** There has been an increase but currently to the extent whatever sale is happening that is getting covered there.
- Vinod Malviya:** Okay, so but now what will be your landed cost say for e-auction and linkage coal?
- GRK Prasad:** I do not have the numbers currently.
- Vinod Malviya:** Okay. That is all from my side. Thank you.
- Moderator:** Thank you. Next question is from the line of Srinath V from Bellwether Capital. Please go ahead.

- Srinath V:** Hello Sir. I just wanted to find out at what PLF Zambian plant is running and we had given projections sometime back to hit about 160 million dollars of EBITDA in the subsidiary about 57-58 million dollars of net profit, are we still on Q2 kind of meet these kind of numbers for FY2019?
- GRK Prasad:** Yes. Broadly I would say so.
- Srinath V:** Okay and the PLFs are all within the plan that you had put for FY2019 Sir?
- GRK Prasad:** The Zambian Power Plant is currently declaring fully availability that is from January 1, 2018 onwards, so we could say the numbers should hold true, based on that performance, for FY2019.
- Srinath V:** Okay. Sir I just wanted to find out on NBEIL, the merchant rates have been actually moving up is what we have been reading from the papers over the last three to four months, have we been able to benefit on that from the portion of the power which the government is not taking from us?
- GRK Prasad:** If you look at IEX performance that does not bear the same truth.
- Srinath V:** Okay, what are the rates that you getting on the merchant business Sir?
- GRK Prasad:** That is about Rs.3.
- Srinath V:** Okay. That is still significantly lower than you have quoted.
- GRK Prasad:** It has not increased from wherever it was.
- Srinath V:** Okay. Sir what is the update on a second plant in Zambia Sir?
- GRK Prasad:** I did not get you, which plant are you asking....?
- Srinath V:** Sir the second...the proposed second plant that we were in discussions with the government.
- GRK Prasad:** No we are currently in discussion with the government. Since we have certain systemic issues with reference to grid availability and the payment performance, we are watching the scenario and would take a decision after these two things have normalized.
- Srinath V:** Okay Sir. Thank you.
- Moderator:** Thank you. Next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.
- Mohit Kumar:** Good afternoon! Sir, is it possible for you to share the Maamba Collieries Limited EBITDA and depreciation and profit for the quarter?

- GRK Prasad:** I could give you the PBT number which is about negative 3.9 million that is at PLF of about 47%.
- Mohit Kumar:** Sir, what was the Zambia's availability in Q2 because in the press release you have said that they have been sequentially dropped – the availability has dropped down?
- GRK Prasad:** Correct, the availability got dropped because the plant undertook a maintenance program of both the units in sequence...
- Mohit Kumar:** I am asking what was this number in Q2 FY2018?
- GRK Prasad:** Q2 was pre COD actually, the COD happened end of July so you have just about two months there, but in two months it was around the same.
- Mohit Kumar:** Sir during the quarter the sugar business has made a loss compared to profit in the last quarter, so what is the reason behind it. Second in the mining, we have made bit a profit, in Zambia mining as compared to a loss in the Q2, can you please explain that?
- GRK Prasad:** The mining division made better quantum of sales for high-grade coal that is the reason why mining company made money. Part of the revenue stream of the mining division was also on account of internal transfer, but that is a very small portion relative to what would happen on a full-year basis.
- Mohit Kumar:** And Sir what is the reason for losses in sugar business in this particular quarter?
- GRK Prasad:** Sugar division loss was on account of lower quantum of sale and prices have fallen, the prices of sugar, that is the reason.
- Mohit Kumar:** Okay Sir. Thank you!. That is it from my side.
- Moderator:** Thank you. Next question is from the line of HR Gala from Finvest Advisor. Please go ahead.
- HR Gala:** Hi. Can you just give us outlook on what kind of price moment do you expect in different alloys?
- GRK Prasad:** Manganese alloys are used by the primary steel makers, we expect very steady price behavior for that going forward. Only concern is that the manganese ore prices are moving without reference to these alloy prices, that is principally because China has been buying in one quarter and not-buying in another quarter. So those ore prices have been volatile, but manganese alloy prices we expect the present price regime to continue.
- HR Gala:** Okay Sir. What is the current pricing of Silico manganese and ferro manganese?
- GRK Prasad:** They are hovering at about 70,000 for.... orders.



HR Gala: 70,000.

GRK Prasad: We do not do ferro manganese, only silico manganese.

HR Gala: Okay and what about ferro chrome?

GRK Prasad: Ferro chrome, we have a conversion arrangement with TATA, so we do not do any direct sale.

HR Gala: Okay. So we just recover our variable cost and things like that.

GRK Prasad: Correct and margin. Margin per tonne.

HR Gala: And margin part of it.

GRK Prasad: Yes, prefixed and negotiated.

HR Gala: To the silico manganese currently you said is hovering around 70,000 per tonne?

GRK Prasad: Yes.

HR Gala: Okay and you expect that price to be more or less stable?

GRK Prasad: Yes.

HR Gala: Okay, how the ore prices have been moving in terms of cents per lbs?

GRK Prasad: It is actually moving from about 5 dollars per DMTU to about 6.5, so there has been a significant increase in the last three to four months.

HR Gala: Okay, which you are talking about, the manganese ore or chrome ore?

GRK Prasad: Manganese ore. We buy manganese ore.

HR Gala: Okay, 5 cent to 6.7 cent?

GRK Prasad: That is right.

HR Gala: Okay and overall how do you see now scenario for power in India. Do you think any structured improvement is likely to happen?

GRK Prasad: We do hope that certain systemic changes which are brought about or which are being talked about by the government could change the power sector fortunes going forward. At present, they look a little subdued.



- HR Gala:** Okay and just last question I think what kind of capex we will have in FY2018?
- GRK Prasad:** Our ongoing capex is about Rs.30 Crores which is per annum that is for all units together.
- HR Gala:** I think for the project, how much it was at Zambia and in India both put together?
- GRK Prasad:** There are no projects as such.
- HR Gala:** The depreciation has increased.
- GRK Prasad:** There is no project as such, any new projects.
- HR Gala:** Okay, but the deprecation has increased in nine months to 152 Crores from 63, so what kind of capitalization would have happened?
- GRK Prasad:** You are talking about consol number?
- HR Gala:** I am talking consolidated.
- GRK Prasad:** Consol because the MCL plant got capitalized so that depreciation came on board.
- HR Gala:** Okay, so how much was that amount?
- GRK Prasad:** The capitalized cost is about \$ 700 Million. The cost was for investment allowance or depreciation element.
- HR Gala:** Okay and this new sugar plant 5000 TCD what kind of capex we will have, when we finalize, rough indication?
- GRK Prasad:** Very ballpark number is about \$200 odd million for integrated facility.
- HR Gala:** 200 million?
- GRK Prasad:** \$ 220 million, to be spent over a period of I would say three to four years that is three to four years after the launch of the project.
- HR Gala:** Okay and beyond that we do not have any other major project in the pipeline?
- GRK Prasad:** No.
- HR Gala:** Okay! Fine. Thank you very much Sir.
- Moderator:** Thank you. The next question is from the line of Bhavesh Chauhan from IDBI Capital. Please go ahead.

- Bhavesh Chauhan:** Good afternoon!. Sir my question is on Maamba Collieries, you have seen that in January the plant is in operation at full utilization, so should we expect the PLF to run at 85% from this quarter onwards or from the first quarter of FY2019?
- GRK Prasad:** Yes. It is actually a function of two part tariff, the capacity is expected to be minimum 85%, if not more and so that is on the normative levels as we expected.
- Bhavesh Chauhan:** Okay. So we expect the dollar 40 million quarterly EBITDA run rate to happen from this quarter itself?
- GRK Prasad:** Yes.
- Bhavesh Chauhan:** Okay and how about working capital needs, we have had some issues with working capital in Zambian projects, so are we likely to borrow more for that?
- GRK Prasad:** Zambian grid has been paying certain amounts on a month-on-month basis, although receivables are there. So those are quite enough to take care of the normal opex. So we have not had any occasion to resort to any borrowing on working capital front so far.
- Bhavesh Chauhan:** Okay and my last question is can you give the debt number for Indian operation as in NBIEL and standalone operations?
- M. N. Rao:** Standalone debt of Indian operation is something around Rs.219 Crores as against Nava Bharat Energy having something around Rs.228 Crores of debt.
- Bhavesh Chauhan:** Okay. Thank you Sir.
- Moderator:** Thank you. Next question is from the line of Viraj Kacharia from Securities Investment Management. Please go ahead.
- Viraj Kacharia:** Just one clarification Sir. You said that we will expect this payment in the next couple of months, so any tentative timeline by which we expect the payment from this 80 million dollars and once we received the money, are we looking a debt reduction on Indian DT?
- GRK Prasad:** No, this money is intended as the receivable management for Zambian subsidiary, so it will be spent for the Zambian subsidiaries operations only. The Indian debt is a function of receipt of cash flows from most of the subsidiaries, but current operations of India itself can take care of the debt, it is a very small debt we have. On a ballpark basis we have about 173 Crores net debt in the standalone books.
- Viraj Kacharia:** And most of the money will remain with the Zambian subsidiary, what do we plan to do with the cash?



GRK Prasad: Let it come....

Viraj Kacharia: Okay.

GRK Prasad: We will watch the performance, we will see what can be done with the cash, definitely some productive use it will be put to...

Viraj Kacharia: Okay. Thank you very much.

Moderator: Thank you. Next question is from the line of Harshavardhan Reddy who is an individual investor. Please go ahead. There seems to be no response. We will move to the next question from line of Amit Golchha from HDFC Mutual Fund. Please go ahead.

Amit Golchha: Good afternoon. This 80 million dollars of receivables from Zambia, again how much is the debt taken in Zambia, over and above whatever the project debt was there to fund this receivable?

GRK Prasad: There is no other debt.

Amit Golchha: Okay. So how much is the total debt in Zambia today combined debt?

M. N. Rao: It is \$530 million.

Amit Golchha: 530?

M. N. Rao: Yes.

Amit Golchha: It was supposed to be 590, right Sir?

M. N. Rao: Part of the loan has been repaid.

GRK Prasad: Two installments got repaid.

Amit Golchha: Okay. So Sir how did you fund this 80 million dollars?

GRK Prasad: Sorry?

Amit Golchha: This 80 million dollar receivables, you would have incurred cost against it right?

GRK Prasad: The Zambian utility has been paying certain money on a month-on-month basis against power bills. Those have been used to generate power, so that money is enough to generate power, so we are talking about a number which is like about 90 plus million dollar which has been received from the Zambian utility so far. These receipts were pre-COD or post-COD, we have not had any occasion to borrow to meet the opex at this point.

- Amit Golchha:** And this 90 million dollar plus 80 million dollars receivables minus whatever the fuel cost, will go towards reducing the project cost?
- GRK Prasad:** Well, it is not so., for example part of the 90 million dollars was taken as credit for reduction of the capitalization. Okay. So the money is actually available in cash, but it helped us to reduce capital cost and it also helped us to sustain the operations.
- Amit Golchha:** Okay and Sir secondly once this availability is full, which is the case now, out of this 10.89 dollars or cents, how much is the capacity charge and how much is energy charge?
- GRK Prasad:** Capacity charge is about 7 cents, and balance is energy.
- Amit Golchha:** About 3 cents is energy Sir?
- GRK Prasad:** 3 odd cents, that is right.
- Amit Golchha:** And Sir in case of this healthcare acquisition which you mentioned, how much you paid for this acquisition?
- GRK Prasad:** About 400,000 Singapore dollars.
- Amit Golchha:** Can you throw some more pictures on what are the plans and how did you get into healthcare, what are your thought process?
- GRK Prasad:** Well, thought process is to catch up with the new businesses that are emerging with low capital infusion., So we want to take a look at these kind of businesses going forward., But this opportunity came about with an exclusive marketing rights in Malaysia that is what really attracted us to it and we will see how it shapes going forward and then take further decisions in this sector. But as of now, the commitment is about 10 million dollars over a period of four years.
- Amit Golchha:** Okay and this sugar business you mentioned in Zambia will require about 220 million dollars if finalized in three years?
- GRK Prasad:** No. The estimated spend profile is over a three to four year period, so obviously we would be leveraging by the way of debt for a part of that.
- Amit Golchha:** Okay. So but is it reasonable to expect that whatever equity you will be generating, profits you will be generating in Zambia, most of it will go towards this for at least two to three years, apart from the debt repayment which you will do with the cash flows?
- GRK Prasad:** No. Not like that. We have separate plans for Zambian revenues. There is nothing like linkage between Zambian revenues coming in and sugar project.

- Amit Golchha:** Okay. I was wondering that whether you looked at this business looking at how to deploy the cash flows from Zambia or is it independent of that?
- GRK Prasad:** It is independent of it. So I cannot rule out of the possibility part for the cash flows to be used, but there is no connection as such.
- Amit Golchha:** Okay and Sir you had mentioned that this 114 MW and 90 MW in Telangana and Odisha, both will be utilized for completely now captive capacity?
- GRK Prasad:** That is right.
- Amit Golchha:** So in case of Odisha, I think you require about 30 MW for your conversion project, so balance will be utilized for which captive capacity?
- GRK Prasad:** Well when I meant captive I would say predominantly captive so there will be some surplus which we plan on putting on IEX.
- Amit Golchha:** Okay.
- GRK Prasad:** In both the units.
- Amit Golchha:** Okay, so out of 114 MW my understanding is that last year or currently you require about 50-60 MW in Telangana to support your captive.
- GRK Prasad:** About 60 MW, so we would probably be putting another 20 MW or so on IEX on an average.
- Amit Golchha:** When we say 60 MW Sir, is it the net capacity?
- GRK Prasad:** Its furnace capacity with the throughput required by four furnaces which are now currently operational.
- Amit Golchha:** Correct, so when I say that we have capacity of 114 MW of which 60 MW we require for captive ferro alloys, the balance about 54 MW you will be selling in the merchant market, is that a correct understanding or....?
- GRK Prasad:** No, 114 MW is the operational capacity, so it will be operated let us say at 90% and then you removed auxiliary consumption, so what you will be left with is about 20 and odd MW, over and above 60.
- Amit Golchha:** Right Sir. Sir just last question, this mining division profit which you reported is there any one-off, or what is that that led to this number in this quarter?
- GRK Prasad:** Not one-off, the actual mining division performance was better in terms of sales, but what is also relevant that, it also started delivering power to the power division, so there is a transfer price

mechanism which helped, but in the quarter it was relatively low. Over a period of one year, let us say it could be higher.

Amit Golchha: But is it possible to segregate this on the basis the profit from internal transfer and the balance profit?

GRK Prasad: I do not think we can do that now at least on this call.

Amit Golchha: Right Sir. Thank you very much and all the best.

Moderator: Thank you. Next question is from the line of Akhilesh Bhandari from ICICI Prudential Asset Management Company. Please go ahead.

Akhilesh Bhandari: Sir as I understand there is some O&M agreement between the O&M services which the standalone entity provides for Zambian plant so what sort of O&M revenue have we booked in this quarter?

GRK Prasad: We have O&M revenue coming through our Singapore subsidiary so at consol level it translates to something like close to about 6 million dollar in Singapore Company and this is revenue side, a part of that is spent in Zambia itself towards O&M operation themselves and a part of it is paid for the Indian company towards long-term technical support. So the Indian company derived something like I would say about 3 million dollars.

Akhilesh Bhandari: Okay Sir. What is the current capacity utilization of the ferro alloy business, if you can separate both silico and ferro chrome?

GRK Prasad: Both are running at full capacity. So current operating capacity level we would probably produce about 90,000 tonnes this year of manganese alloys and about 65,000 to 70,000 tonnes chrome alloys. I stand corrected about this, the long-term technical support is about 2 million dollars in the Indian project on quarter.

Akhilesh Bhandari: Okay. Thank you Sir. That is it from my side.

Moderator: Thank you. Next question is from the line of Harshavardhan Reddy who is an individual investor. Please go ahead.

Harshavardhan Reddy: Good afternoon Sir. Recently we have been reading a newspaper from Government of India, that Piyush Goyal also is saying that like due to this Saubhagya and UDAY schemes, there will be demand for the thermal power in the country, how did you see that both schemes and how will it benefit our company like Nava Bharat Ventures. Can you please put on that?

GRK Prasad: Yes. We are also looking forward to the benefits being translated in actual demand and slight improvement in prices.

- Harshavardhan Reddy:** In order to compensate employee cost, so like we have been reading in the news papers that 30 paise increase in the thermal power, 30 paise increase per unit on basis from January first week onwards, so in the coming quarter we will be benefiting on that?
- GRK Prasad:** Not necessary unless the merchant power prices move up in tandem, we cannot really say if that helps. At this point the visibility is not there.
- Harshavardhan Reddy:** Okay. Can I know the price per unit how much we are selling to....?
- GRK Prasad:** Our current apart from tender efforts is about 4.1 to 4.2.
- Harshavardhan Reddy:** Okay. Thank you Sir.
- GRK Prasad:** This is short-term tender.
- Harshavardhan Reddy:** Okay. Thank you.
- Moderator:** Thank you. Next question is from line of Mohit Kumar from IDFC Securities. Please go ahead.
- Mohit Kumar:** Hello. Sir how has been the offtake from the Zambian power plant in the current month, I mean the PLF?
- GRK Prasad:** We are interested in availability really.
- Mohit Kumar:** I understand it Sir,
- GRK Prasad:** Because the availability is what we would be driving and PLF is a function of how much energy is.
- Mohit Kumar:** I understand that Sir...
- GRK Prasad:** But the PLF is about this month of course January is about 70% and the availability is more than 90%.
- Mohit Kumar:** Okay and second question what is the P&L mechanism or interest we paid on the receivables on the ZESCO?
- GRK Prasad:** We do a monthly billing on ZESCO which has a credit period of another month that is what is...
- Mohit Kumar:** And in case of the delay, how much interest we can charge under the EPCA?
- GRK Prasad:** There is an interest element of 5%.



- Mohit Kumar:** How has been power demand in Telangana especially given the fact that the state government is trying for more 24/7, have you seen any more enquiry from the Telangana DISCOM to secure the power to make sure that they could supply 24/7?
- GRK Prasad:** we have to see, we are actually looking forward to next tender which could show the real visibility in terms of their demand.
- Mohit Kumar:** But, are you saying that 24/7 power is not being supplied there right now?
- GRK Prasad:** It could be, this is very difficult to say because the demand also fluctuates depending on how the agrarian pressure comes on.
- Mohit Kumar:** Okay Sir. Thank you Sir. Thank you for answering my questions.
- Moderator:** Thank you. Ladies and gentlemen, with the paucity of time that was the last question. I will now hand the conference to Mr. Mayank Bhandari for his closing comments.
- Mayank Bhandari:** Thank you very much. Sir do you have any closing comments?
- GRK Prasad:** Thanks Mayank. I hope we have addressed all the questions adequately, but it could be that there are some other lateral clarifications and questions that the investors might require. Please get back to us and we would be happy to provide answers on a waider investor platform. Thank you.
- Moderator:** Thank you very much for members of the management. Ladies and gentlemen on behalf of SBI CAP Securities that concludes this conference. Thank you for joining us and you may now disconnect your lines.

