



“NLC India Limited  
Q4 FY '24 Institutional Investors Meet”

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**Mohit Kumar:**

Hi, good afternoon. I'm Mohit Kumar on behalf of ICICI Securities , would like to welcome you for investor meet of Q4 FY24 and FY 24 for NLC India Limited. Today we are extremely pleased to have the senior management of the company. As you all know, NLC is a Navratna Government of India Enterprise under Ministry of Coal. We have with us on the dais, Mr. M. Prasanna Kumar, CMD; Dr. Prasanna Acharya, Director Finance; and Mr. Prankur Gupta, Director DIPAM, Ministry of Finance, and CGM Finance and Company Secretary.

With this, I would like to hand over the floor to CMD sir for the brief opening remarks, to be followed up by brief presentation. Thank you sir and Over to you.

**Prasanna Kumar:**

Good afternoon, everyone. *Sab ko namaskar* Thank you very much Mohit ji for hosting this Investor and Analyst Meet and greeting in all the participants for showing interest in NLCIL, and thanks to all the investors for extending the continuous support. Day before yesterday, we celebrated the 68<sup>th</sup> raising day of NLCIL. I would like to take this opportunity to interact with the NLCIL's shareholders and also reply to their queries in the financial results for the Q4 2023-24, and Financial year 023-24 and the status of various ongoing projects.

I'm Prasanna Kumar Motupalli, Chairman and Managing Director of NLC India Limited and joining with me today are Dr. Prasanna Kumar Acharya, Director of Finance; Shri. Prankur Gupta, Director DIPAM, Ministry of Finance along with other senior management of the company. Before the interaction, I would like to brief on the major highlights and performance of NLCIL. During the fourth quarter of the financial year 2023-24.

### **The major highlights are**

On 3 February, 2024, foundation stone was laid for Talabira Thermal Power Project 3x800 MW.

On 16 February, 2024, foundation stone was laid for 300 MW solar power project in Barsingsar, Rajasthan.

All time highest ever coal plus lignite production of 36.32 million tons achieved in the last financial year.

On 6 March, 2024, a power usage agreement was signed between NIGEL, the 100% owned subsidiary of NLC India Limited with

GUVNL, Gujarat for 600 MW solar power project in GSECL Solar Park, Khavda, Gujarat.

On 10 March, 2024, MoU was signed with RVUNL, Rajasthan for formation of JV to setup 125 MW lignite-based power plant and 1000 MW solar plant in Rajasthan.

On 28 March, 2024, NLCIL has been conferred with GEEF Global Environmental Award 2024 in the Platinum category for Mining.

NLCIL plants, NNTPS, TPS I Expansion and Barsingsar secured top three positions among all lignite-based power stations in the country.

The consolidated CAPEX of ₹4,270 Crore achieved in the financial year 23-24 against annual MoU target of ₹2,880 Crore, which is 140% CAPEX utilisation.

The market capitalisation of company touched ₹407 billion on 5 February, 2024 when the share price reached ₹293.75 per share.

**Coming to the key financial highlights.**

Profit after tax for the year 31.03.2024 is ₹1,847 Crore as against ₹1,248 Crore in the corresponding period of the previous year registering a growth of 48%.

Profit before tax for the year ending 31 March, 2024 is ₹2,788 Crore, against the ₹1,724 Crore in the corresponding period of the previous year registering a growth of 62%, this is the highest ever PBT in the previous 10 years.

The EBITDA of the company for the year ending 31 March, '24 is ₹4,873 Crore as against ₹3,899 Crore in the corresponding period of the previous year registering a growth of 25%.

**Coming to the consolidated highlights,**

Profit after tax of the group of the company for the year ended 31 March, 2024 is ₹1,868 Crore as against ₹1,426 Crore in the corresponding period of the previous year registering a growth of 31%. Profit before tax of the group for the year ended 31 March, 2024 is ₹2,882 Crore as against ₹2,056 Crore in the corresponding period of the previous year registering a growth of 40%. The EBITDA of the company for the year ended 31st March, 2024 is ₹5,556 Crore as against

₹4,868 Crore in the corresponding period of the previous year registering growth of 14%.

Apart from interim dividend of 15%, ₹1.5 per share on paid up equity, share capital already declared and paid, final dividend of 15% and that is ₹1.5 per share on paid up equity share capital recommended for the financial year 2023-'24, subject to approval of shareholders in the annual general body meeting.

I wholeheartedly thank all the investors for the first time support and encouragement all these years. I hope the same would continue in the future also. Thank you all.

**Mohit Kumar:**

Thank you Sir, I would now like to invite Dr. Prasanna Acharya, Director Finance to take over the proceedings.

**Prasanna Kumar  
Acharya:**

Good afternoon everybody. We'll have a small presentation for the financial 2024 along with Q4 2023-24 results. The equity share capital of the company is ₹1,387 Crore. Government of India holding has come down to 72.20%, earlier it was 79.2%. Lignite mining capacity is 30.1 million ton and thermal power generation capacity lignite based is 3,640 MW and renewable 1,431 MW. Coal mining capacity 20 million ton per annum. Net worth is ₹15,994 Crore and total asset is ₹34,345 Crore.

This is the presence of NLC in different parts of the country, Pan-India presence. We have presence in Rajasthan, Gujarat, Tamil Nadu, Odisha, U.P. This is the journey of NLCIL from last six, seven years from 2017 to 2024. So we have added solar capacities, wind capacities of 51 MW, then solar of 500 MW, 709 MW, then commissioning of Talabira mines. Solar Andaman 20 MW also we have commissioned. Then few other initiatives are there, mine 1A expansion from 3 million ton to 7 million tons also and company's group CAPEX is ₹4,270 Crore, which is 148% against the target.

This is standalone performance for FY '24, EBITDA ₹4,873 Crore against the previous year figure of ₹3,899 Crore. Then coal sales is ₹1,980 Crore, previous year ₹1,774 Crore increase of 12%, then profit before tax increased 62% from ₹1,724 Crore to ₹2,788 Crore and PAT from ₹1,248 Crore to ₹1,847 Crore that is 48% hike.

On 5<sup>th</sup> February, market capitalisation reached all time high of ₹407 billion when the share price was ₹293.75. Consolidated CAPEX is ₹4,270 Crore, standalone power generation is 21,640 per million unit

against previous years of 24,153 million unit, and all time highest coal and lignite production of 36.32 million ton. This is the Vision 2030 as per our corporate plan, we have a target of lignite production capacity of 40.35MTPA, coal capacity of 62 MTPA, total mining capacity we intend to have to by 2030, 102.35 MTPA.

Similarly, thermal power generations, we intend to have 10,465 MW capacity and solar and wind taken together, we have intend to have 8,059 MW by 2030 with a total anticipated CAPEX of around ₹1 lakh Crore. These are the projects under implementation, Ghatampur Thermal 3x660 MW. Project cost is ₹19,406 Crore and anticipated COD in June, November, and March '25 for the three units.

Similarly, Talabira Thermal Power project 3x800 MW, project cost is ₹27,213 Crore and scheduled COD is 52, 58 and 64 months from the zero dates. Pachwara South Coal Block is 9 million ton capacity, project cost is ₹2,243 Crore and anticipated COD is September 24. Solar project 300 MW in Barsingsar, project cost is ₹1,813 Crore and anticipated COD is September 2024. Solar project 200 MW, EPC project cost is ₹1,214 Crore and anticipated COD is July 2025. This 300 and 200 MWs we have owned through CPSU scheme.

SECI Hybrid 150 MWs project cost is ₹913 Crore and 100 MWs solar LoA issued to Enerture Technologies Private Limited and 50 MW LoA issued to Inox. Estimated project cost of solar project, 810 MW in Rajasthan is ₹4,788 Crore. LoA issued to TCE for engineering consultancy. GSECL Solar Park, Khavda, Gujarat, 600 MW estimated project cost is ₹3,336 Crore, tender floated for BoS package and module purchase. 50 MW solar in mined out and reclamation land estimated project cost is ₹295 Crore, BoS and model LoA issued in February 2024.

These projects are in pipeline, we have signed MoU with Government of Assam for 1,000 MW and with Government of Rajasthan for 1,000 MW solar and 125 MW lignite-based thermal power plant. With the diversification projects which we are taking up in different stages, it is now lignite to methanol battery storage, OB to sand, pump storage, lignite to diesel and green hydrogen. So some of the projects just were are started in the preparation of the feasibility report and some pilot project also are taking up off.

Thank you all for your listening. Now floor is open for questionanswer.

### **Question-and-Answer Session**

**Mohit Kumar:** Please raise your hand to ask questions.

**Neeraj:** **Sir** Thanks for a wonderful presentation. This is Neeraj from Axis PMS. Couple of questions, one on the under recoveries. So I believe our plant load factor further where we were having issues earlier like 45% PLF has already come up, but what is the outlook on sort of under recoveries, last year was about ₹1,000 Crore and we'll have some commissioning, I mean what sort of under recoveries do you think we'll have in FY '25, that's the first question.

Secondly in terms of the upcoming mines etc, what is the potential out there if you can reflect on that and any new projects which you haven't talked about?

**Prasanna Kumar:** Regarding under recovery, last financial year our under recovery was around ₹680 Crore in the fixed cost and balance in the variable cost. As we discussed last time also, in the first three quarters of the last financial year, there was shortfall in the lignite production, mainly because of land acquisition issues, and those things could be overcome by the third quarter. So that's why in the fourth quarter our lignite production as well as power generation we maximised and at one particular point of time as per the requirement of the country all our 17 thermal power stations were fully generating.

So as on date also there is no issue with the lignite, that's why we are maintaining the maximum power generation. So going forward except in TPS II expansion where the for modification we will be taking the two units, one after another. In all other units the fixed cost under recovery will be zero. So we are hopeful that going forward in the next financial year, the fixed cost under realisation will be minimum.

Second coming to the mines you are talking about our Pachwara South Coal Block of 9 million metric ton capacity, it is on the verge of production, we are targeting production by around August, September. This coal will go to our Ghatampur thermal power station in which three units will be in operational and this is a good quality coal and is having good potential.

For our Ghatampur thermal power station we require around 5 to 6 million metric ton only. So another 3 million metric ton will be there

for selling in the open market. And in addition to that, we won one Mine North Dhadu under commercial coal auction. The timeline for that is 55 months set by Government of India, but we are targeting to complete the process within 30 months. So all actions are in fast track for starting the production in the year 2026.

And in Neyveli area, all three mines are operating at their full capacity. The land acquisition issues are sorted out and the main hindrance of the river diversion work is also completed. So going forward I think we will be maintaining the both coal production as well as lignite production and power generation to the maximum levels.

**Neeraj:** Thank you for the detailed answer. If you can also share some Plant load Factor...

**Mohit Kumar:** Sorry, please introduce yourself before asking question.

**Neeraj:** Yeah, Neeraj from Axis PMS. So if you can share the plant load factor for various units, for April?

**Prasanna Kumar:** The plant load factor, we are maintaining almost total NLCIL is maintained at 72% whereas our all other plants except TPS II expansion, we are almost maintaining more than 80%, 85%. Only TPS II expansion that is around 45% to 50%, otherwise we are maintaining the PLF level.

**Neeraj:** At 72%, we will still have some under recovery, right?

**Prasanna Kumar:** No, 72% is the PLF. Under recovery is based on PAF. So our PAF is much more than that.

**Neeraj:** That will be?

**Prasanna Kumar:** The PAF is in the range of 78% to 80%.

**Neeraj:** Okay. Thank you.

**Abhineet:** Hi, I'm Abhineet from 3P. Just a few things, you told that the under recovery, if you can break it up between the TPS II expansion and the rest, because TPS II might still have under recovery in FY '25, because of the shutdown of the units that will take place.

**Prasanna Kumar:** Yes, yes.

- Abhineet:** So if you can just break that down?
- Prasanna Kumar:** See last year our under recovery was around ₹684 Crore. Out of that TPS II expansion, ₹266 Crore and TPS II, then the next major contributor is TPS II which is ₹244 Crore that is because of lignite shortage, that will not be there. All the units are in operation, so that will not be there. So, this ₹266 Crore of TPS II expansion, that will be addressed once we complete the modification of the units. The material supply portion is already completed, because of the huge grid demand we could not take the units into shut down for modification. So once the power situation eases out, we will be taking most probably in the month of July for the first unit and subsequently we will take the second unit also.
- Abhineet:** And there will be another ₹180 odd Crore under recovery apart from this, right?
- Prasanna Kumar:** Other than this, the under recovery was there in minor quantities in TPS II Stage I. TPS II Stage I and TPS II Stage II, in both it is there, ₹244 Crore and ₹138 Crore. These two will not be there because this was because of full lignite shortage.
- Abhineet:** Okay. Next thing is, I mean there are lot of in the notes to accounts, there are lot of adjustments. Have we worked what is the adjusted PAT for this year?
- Prasanna Kumar:** See actually our total PAT was around ₹1,800 Crore. In that one, around ₹800 Crore is on account of some regulatory movement. Balances because of the power operations.
- Abhineet:** And lastly if you can help me with the coal sales, EBITDA and PBT for the year? Coal sales in terms of not just volume, I'm talking about in terms of rupees.
- Prasanna Kumar:** You want in terms of rupees. Last year the sales were ₹1,458 Crore. If you include the royalties everything, it is ₹1,955 Crore against previous years ₹1771 Crore. The volume has increased in Talabira before last year we produced 10 million metric ton against the target of 8 million metric ton. Last year we've produced 12.6 million metric ton against the target of 12 million.
- Abhineet:** What are the EBITDA and PBT numbers for this?
- Prasanna Kumar:** For mines, the EBITDA is ₹3,431 Crore.



**Abhineet:** No, I'm just talking about the coal part, not the whole mines.

**Prasanna Kumar:** Coal part, Talabira ₹874 Crore.

**Abhineet:** This is the EBITDA, right? And PBT also if you can help.

**Prasanna Kumar:** EBIT is ₹874 Crore, EBITDA is ₹899 Crore.

**Abhineet:** Thank you.

**Anuj:** Hi, Anuj, this side from ICICI Pru Life. I had more of a comment and I wanted your thoughts on that. So from an ESG perspective, does it make sense to set a separate subsidiary just to execute your renewable plans given that you have bigger plans like six gigawatts is a decent enough capacity and incremental capacity. So the question is, wouldn't it be better if we do it in the same company from an ESG perspective and that would impact our ESG ratings. And it is important for people like us because some of the investors are UN PRI signatories. So if the ESG ratings are say below a specific point, we cannot invest in the company. Just asking from that perspective. Thank you.

**Prasanna Kumar:** See, we formed the one subsidiary, 100% owned subsidiary NIRL for asset monetisation, for asset monetisation of existing assets of 1.4 gigawatt and other subsidiary 100% owned subsidiary was formed mainly to focus on the renewable business. So as you rightly said, the ESG ratings that is a problem, but as they are 100% owned subsidiaries of the company that will not make much difference and mainly to focus on renewables to give equal importance to conventional generating capacity and renewable capacity and taking in techno, economic considerations this separate green subsidiary was formed.

**Anuj:** But from a rating standpoint, say MSCI the schedule says that it ought, it has to be in the same company and the structure cannot be of an SPV or a subsidiary. So that was the point. We can probably clarify it offline if that's fine.

**Prasanna Kumar:** Yes, okay. Thank you.

**Analyst:** If you can touch upon on the tariff order for FY 2014-19 status, and any chance of provision, I think ₹1,200 Crore of provisions are there. Any chance of reversal of provision in this year if you can throw some detailed light into it?

**Prasanna Kumar:** Yes, you rightly said around ₹1,200 Crore, around ₹850 Crore, ₹880 Crore provisions is in the books for the tariff orders, and yes, of course there is every chance that we get a positive order and reversal of those provisions and other orders are also in pipeline. So we are hopeful that we get a positive orders and will add to our revenues.

**Analyst:** If you can give a bit of the tariff order exactly what amount that can be booked that will be more helpful.

**Prasanna Kumar:** We will provide you.

**Analyst:** Also in our power plant what we are saying that we have to put FGD also, do we have to put FGD and if anything comes in this year, to be more specific if you can tell us in case, we are putting FGD what will be the shutdown that we have to take in each plants?

**Prasanna Kumar:** See except in TPS II expansion, which is CFBC boiler. All other units we have to provide, FGD and FGDs are awarded in almost all the plants and the work is in progress. So I think in the next financial year most probably, our FGD starts functional. Although the deadline is December 25. But our activities will be completed much before that. And we are planning in such a way that the annual maintenance and capital overhauling coincides with FGD commissioning.

So the shutdown time will be common. So we're not expecting shutdown on account of this. And we are planning it in two shutdowns. In one shutdown, we are providing the date required for FGD. So that in the next shutdown, without any additional time of shutdown, we can commission the FGD.

**Analyst:** And these shutdowns will be planned in Phase 2, the normal maintenance shutdowns?

**Prasanna Kumar:** Yes. This year also some annual maintenance shutdowns are planned. So during that time, we provide the bypass gate. So that for commissioning of the FGD for starting operation of FGD, we don't require much time.

**Anuj:** Yeah. this is Anuj from Investor Capital. Broadly, we have plan close to ₹80,000 Crore of CAPEX. ₹80,000 to ₹90,000 Crore of CAPEX over next five...

**Prasanna Kumar:** ₹1 lakh crore.

**Anuj:** ₹1 lakh crore, which would require roughly ₹25,000 crore of equity. So any broad pipeline or how much of that would be funded through internal accrual or would there be any requirement for further capital raise?

**Prasanna Kumar:** As you rightly said, we are anticipating a CAPEX of ₹1 lakh crore by 2030. For increasing our power generation capacity from 6 gigawatt to 17 gigawatt, out of these 6 gigawatt will be renewables and for increasing our mining capacity from current 44 million metric ton to 102 million metric ton and also a number of green initiatives are there. So for this, we require around ₹23,000 crore of equity. So we are expecting, we are planning for funding this equity through our internal resources only.

**Anuj:** What annual run rate can on these internal accruals are we planning to have?

**Prasanna Kumar:** So whatever PAT we are getting and already whatever accruals are there with that, see, our whatever projects are in pipeline now, most of the CAPEX we require after 2 to 3 years. So, as on date our CAPEX is around ₹1,500 crore to ₹1,800 crore and our Ghatampur thermal power station will be operational this year. Around 2 gigawatt capacity will be operational in next 1 to 1.5 year and our Pachwara South Coal Block production will be started and our Talabira Mine peak rated capacity of 20 million metric ton is expected over the next two years. So with all these things we are expecting substantial increasing in the profits and with those things we will be funding our equity.

**Anuj:** Thank you sir.

**Nikhil:** Over here. Hi, this is Nikhil here from ICICI Securities. So we are planning a new 1,320 megawatt thermal power plant. So what is the status of that and should we expect awarding in this year?

**Prasanna Kumar:** Yes, actually the 1,320 megawatt thermal power station. That will be in the Neyveli area and this will be the first super critical thermal power station based on lignite in the country. So already it is in the tenderising stage, there is some technology issues which we have already sorted out. So we are hopeful that in next 2 to 3 months period where we will be awarding that and taking it forward. As on date all land everything

is available. So once it is awarded immediately the activities will be taken forward.

**Nikhil:** Okay and in the previous year, did we book any under recovery on the consol level from the subsidiaries?

**Prasanna Kumar:** Yes, there was around ₹200 crore under recovery in NTPL, mainly attributed to two reasons; one was there was heavy flooding in the Tuticorin area, where almost the plant was down for 15 to 20 days, because of water ingress. So that was the main reason, otherwise no other under recovery.

**Nikhil:** So what was the PAF for the entire year, for NTPL?

**Prasanna Kumar:** PBT for NTPL will be around ₹200 crore.

**Nikhil:** Sorry, PAF availability?

**Prasanna Kumar:** It was around 70%.

**Nikhil:** Okay. And final question is regarding the monetization of renewable subsidiary. So do we have any plans and any timelines?

**Prasanna Kumar:** Yes, we have plans for that we formed NIRL. Now our existing assets from NLCIL has to be transferred to NIRL. For that some tax concession, we applied to Ministry of Finance. That is under process. Once it is done, we will take it forward.

**Nikhil:** Sure. Thank you.

**Analyst:** Yeah, you have given a ₹1 lakh crore of investment in the next five, six years kind of thing. So as you said that the first two year, there would be a limited CAPEX kind of thing. So the majority of the CAPEX will come from what? FY '26-'27 kind of thing and if you have any kind of pipeline in terms of year wise CAPEX kind of thing?

**Prasanna Kumar:** Yes, as you rightly said, as on date we started the activities for Talabira thermal. So, it will start from around '26-'27, the major expenditure CAPEX part and this 2 x 660 megawatt also, which if we award now, the actual CAPEX start requirement is after two years. So we are expecting around '26-'27 that will increase.

**Analyst:** So in '25 it would be somewhere around ₹2,000 to ₹2,500 odd crore?

- Prasanna Kumar:** No. It is CAPEX. as on date nd it's ₹4,000 crore, last year we spent ₹4,000 crore
- Analyst:** Yeah.
- Prasanna Kumar:** So in '26-'27 it will be almost ₹20,000 crore.
- Analyst:** In '26-'27, it would be ₹20,000 crore.
- Prasanna Kumar:** CAPEX.
- Analyst:** And in this current financial year, FY '25?
- Prasanna Kumar:** Current financial year, last year target of ₹2,800 crore, we spent around ₹4,000 crore. So this year our target is ₹3,200 crore and we will be spending much more than that.
- Analyst:** Hi, just a couple of more questions. One is on e-auction coals, would it be possible to quantify the quantity and the average realization for the same? And yeah, second...
- Prasanna Kumar:** Yes, in the previous financial year, 2022-'23, we sold in around 7 lakh ton through e-auction. But last financial year, we sold around 3.3 million metric ton in the e-auction. and last year, we got around 1,898 average per ton in the e-auction coal, whereas before last year we've got almost ₹4,100 per ton, because of coal scare scenario on '22-'23, it was more than ₹4,000 per ton. But last year it was around 1,898 per ton, but our quantity is increased by 4 to 5 times..
- Analyst:** Got it.
- Prasanna Kumar:** And in the current financial year, we are targeting more than 5 million metric ton.
- Analyst:** Got it. And final question on, so I had actually asked this question in the last Analyst Meet as well. On the lignite to methanol plant and it was I think in initial stages then. Now do we have a clarity on economics of the same?
- Prasanna Kumar:** See, while going for this project, we did all due diligence, financial, technical due diligence was done and there is one new scheme that has come for VGF for such type of project. Coal to coal gasification, coal to methanol projects, some VGF scheme has come. So already our project is viable taking into consideration the production cost and the

cost at which we will be selling the methanol. Now with this VGF, this becomes further viable project.

**Analyst:** Whether it would possible to put some numbers ?

**Prasanna Kumar:** So our lignite to methanol project of 0.4 MTPA. The estimate was around ₹5,400 crore. So now with this scheme there is a potential of having ₹1,000 crore VGF. So it is too early to discuss about EBITA

**Nitisha:** Yeah. Thank you. Nitisha from ICICI securities. We saw a reduction of working capital overall this year and subsequently an increase in cash. Was that say a deliberate move on the part of the company and how do we progress on this going forward. Do we consider the new levels of working capital to be sustainable for the next three to five years?

**Prasanna Kumar:** I request Director of Finance to answer this one.

**Prasanna Kumar  
'Acharya:** This year our working capital is almost zero, we don't have any working capital loan. Going forward also considering all this -- now all bills that we are getting from the Discoms in time. So considering those aspects, we do not think that in near future also next one year time, we requires any further working capital loans from the banks. So we will try to manage from the internal accruals.

**Prasanna Kumar:** There is a lot of improvement in the dues realization. Last financial year we could almost realize 110% of the dues. So because of that there is no requirement of talking about that.

**Nitisha:** Thank you.

**Mahesh:** Hi, this is Mahesh from LIC Mutual Fund. So what is the current regulated equity as of now and what will be in FY '26?

**Prasanna Kumar:** See our regulated equity as on date is around ₹8,900 crore.

**Mahesh:** It's excluding mines?

**Prasanna Kumar:** Both power and mining.

**Mahesh:** What will be the power?

**Prasanna Kumar:** Power it is ₹5,500 crore around and mining around ₹3,700 crore.

**Mahesh:** In FY '26 how this number will look like?

**Prasanna Kumar:** In '26, our regulated equity would be ₹12,000 crore and by 2030 our regulated equity would be around ₹28,000 crore.

**Mahesh:** Thank you.

**Gopal:** Hi sir, Gopal from SBI Life.

**Prasanna Kumar:** Hi.

**Gopal:** On TPS II expansion, because of these changes in the regulations. Do you expect under recovery to reduce in the next year?

**Prasanna Kumar:** Certainly. There is substantial relaxation in the CERC order. So that will be substantially reduced.

**Gopal:** So say from ₹266 crore, what kind of under recovery one should expect in next year?

**Prasanna Kumar:** See actually, as I told earlier also, we are moving with two-pronged strategy, one is a short-term measures to improve the availability factor immediately. and one is long-term measure. Once the entire thing is completed, our target is to make it zero, but with whatever changes happened, we are thinking that, we are anticipating the under recovery half of the what we had last year.

**Gopal:** And the second long-term measures by when you expected to be completed? Modification.

**Prasanna Kumar:** In the current financial year both will be completed.

**Gopal:** So say FY '26 there should not be any under recovery?

**Prasanna Kumar:** After FY '26 there will not be any under recovery.

**Gopal:** And Ghatampur, what is the status? When we should expect profitability to flow in which quarter?

**Prasanna Kumar:** Ghatampur the Unit #1 already the oil synchronisation was done, it is on the verge of COD and we are expecting that by end of June, the Unit #1 will be commercially COD will be declared, and November the second unit and by around February, March, the third unit. So in the current financial year, all three units would be operational.

- Gopal:** And from second quarter we should start seeing profitability of unit wise or it will be accrued once all units are?
- Prasanna Kumar:** No, once we start generation that profitability will be started.
- Gopal:** Okay. And on this thermal coal, last year we sold 12 million, out of that 3 million was in e-auction, rest I assume it is through NTPC.
- Prasanna Kumar:** See one is our NTPL thermal power station 1,000 megawatt is in linked to this plant. So we sent around 2 million metric ton to NTPL, and we sold around 5 million metric ton to NTPC through MOU route, and around 1.8 million metric ton through swapping route. So, total is around 11.76 million metric ton, we dispatched last year whereas we produced 12.64 million metric ton. So the stock is around 1 million metric ton as on date.
- Gopal:** And for current financial year, how should we expect this mix?
- Prasanna Kumar:** Our mine plan target is around 16. But we are targeting more than that. So we are hopeful that we will be able to exceed the target.
- Gopal:** So balance will be sold in e-auction, the extra quantity which is there?
- Prasanna Kumar:** So we are exploring the possibilities of coal sale with different power companies. And beyond that whatever is available, we will go for e-auction.
- Gopal:** And e-auction last year we said it is like around ₹1,900 per ton, how are the prices currently?
- Prasanna Kumar:** Currently also it is almost in the same range, because the coal scenario, the power stations are having stock. So going forward that is expected to increase, but as on date it is of the same range.
- Gopal:** Okay. Sure sir. Thanks a lot.
- Prasanna Kumar:** Thank you.
- Analyst:** There was a credit loss in provision of almost like ₹275 crore this quarter. Sir can you brief from which states we are booking and whether we can expect next FY '25 also to have such provisions?



- Prasanna Kumar:** Just one minute, I think I was answering to you, the e-auction price was same as the last year. In the first two months of the current quarter it further reduced. Now it is around Rs.1,200 to Rs.1,300
- Analyst:** It's okay. On the credit loss provision that we book of if I remember correctly of almost like ₹275 crore. Which states we are booking this loss and one can -- it get reversed next year or further provision can be added if you can clarify on that parts?
- Prasanna Kumar Acharya:** No, actually in 2023-'24 being the last year of the tariff period 2019 to '24. So whatever differential is there based on the regulations were accounted in these years. So it is a one-time item, it will not repeat in the future.
- Analyst:** And any chance of reversal?
- Prasanna Kumar Acharya:** No
- Analyst:** Understood. If you can give some more clarity, because we have collected receivable 110% this year. I mean the collection was 110%. So how you are seeing FY '25 to be? Will it be again more than that or how the receivable book will be moving from?
- Prasanna Kumar:** See, two years back the dues position was in pathetic condition having almost more than ₹12,000 crore, but whatever initiatives were taken for prompt payment, the bill discounting scheme and another scheme. With that now as on date it is almost the lowest dues are there and with all the states, we are having that type of arrangement. So this is expected to continue. This is expected to further reduce in the next financial year.
- Gopal:** Hi sir, Gopal again. What should be this cost of production for these thermal coal mines for us currently?
- Prasanna Kumar:** We are having only Talabira as on date. So as on days, the cost of production is around ₹725 per ton.
- Gopal:** And what was the e-auction realization last quarter?
- Prasanna Kumar:** E-auction realization last quarter was around Rs.1,149.
- Gopal:** Okay, so from where the current prices are better off?

**Prasanna Kumar:** Current price are not better off?

**Gopal:** 1,200, 1,300 you said, right? From 1,150 to 1,200.

**Prasanna Kumar:** In different months it varied. and finally now the scenario is that it is around 1,150 to 1,200.

**Gopal:** Okay, sure.

**Analyst:** Any wage provision, you are planning to take this year also?

**Prasanna Kumar:** No. Anybody else?

**Mohit Kumar:** So thank you everyone for gracing the occasion. I would like to thank the management for taking the time out for posting this Investor Meet and answering the questions patiently. With this, we have come to the end of the meet. Note that the refreshment outside, we can continue discussion in our refreshment. Yeah, thank you.