No. GMDC/CS/ BSE/NSE/878/ 2025 Dt. 29th May, 2025

To,	To,
National Stock Exchange of India, Exchange Plaza, C-1, Block G, Bandra Kurla Complex Bandra (East) , Mumbai – 400 051 Code : GMDCLTD	Bombay Stock Exchange Ltd. 25th Floor, P.J. Towers Dalal Street Fort, Mumbai-400 001 Code : 532181

Subject: **Submission of transcript of audio recording of Investor Call under Regulation 30 of SEBI (LODR) Regulations, 2015**

Ref : Our earlier letter No. GMDC/CS/ BSE/NSE/877/ 2025 dtd. 23rd May, 2025

Dear Sir/Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the transcript of audio recording of the investor call/earnings call conducted by Gujarat Mineral Development Corporation Limited (GMDC) on 23rd May, 2025, post the announcement of audited annual financial results (both standalone and consolidated) for the quarter/year ended on 31st March, 2025.

The same has also been made available on the Company's website at: www.gmdcltd.com

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For Gujarat Mineral Development Corporation Limited,

JOEL SHANTILAL EVANS

Digitally signed by JOEL SHANTILAL EVANS
Date: 2025.05.29 18:29:01 +05'30'

Joel Evans
Company Secretary
Encl: As above

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(A Government of Gujarat Enterprise)
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PROJECT SHIKHAR
A STRATEGIC TRANSFORMATION INITIATIVE AT GMDC LTD.

"Gujarat Mineral Development Corporation Limited Q4 & FY'25 Earnings Conference Call"

May 23, 2025

MANAGEMENT: **SHRI ROOPWANT SINGH, IAS - MANAGING DIRECTOR**
SMT. A. K. IYER - CHIEF FINANCIAL OFFICER
SHRI A. K. MAKADIA - SR. GENERAL MANAGER
SHRI B. K. MAHATO - GENERAL MANAGER
SHRI RAJAT KUMAR DASH - GENERAL MANAGER
SHRI SWAGAT RAY - GENERAL MANAGER
SHRI A. K. SHARMA - GENERAL MANAGER

Moderator: Ladies and gentlemen, good evening and welcome to Gujarat Mineral Development Corporation Limited Q4 & FY'25 Earnings Conference Call.

As a reminder, all participant 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. Omkar. Thank you and over to you, sir.

Omkar Jalgaonkar: Thank you, Renju. Good evening and thank you all for joining us on the Gujarat Mineral Development Corporation Limited Q4 FY'25 Earnings Conference Call.

Today, we have with us the Senior Management represented by Shri Roopwant Singh IAS – Managing Director; Smt. A. K. Iyer – CFO; Shri A. K. Makadia – Sr. General Manager; Shri B. K. Mahato – General Manager; Shri Rajat Kumar Dash – General Manager; Shri Swagat Ray – General Manager; Shri A. K. Sharma – General Manager.

Before we begin, I would like to say that some of the statements that will be made in today's discussion may be forward looking in nature. As you are already aware that the Q4 FY'25 results are in the public domain. So we will now open the forum for the interactive Q&A session. Over to you, Renju.

Moderator: Thank you. We will now begin the question-and-answer session. First question comes from the line of Dixit Doshi from the Whitestone Financial Advisors Private Limited. Please go ahead.

Dixit Doshi: Yes, thanks for the opportunity. My first questions are related to our lignite operations. So initially our thought was doing around 10 million ton for this year. We ended up doing 8 million, so if you can broadly cover the reasons for the shortfall and what kind of volume growth we are targeting? So I think we are developing six more mines with 12 MTPA capacity. So when some of the production from those mine will start? So considering that what kind of volume we are targeting for FY'26 and FY'27?

Roopwant Singh: We fell short of 10 million, it was an ambitious target, on account of two factors beyond our control. Our fifth and the smallest mine, Rajpardi had a safety incident and we had to close that mine subsequent to that incident, so we have lost some volume there. Second, our major ramp up was expected from our Bhavnagar project. We have divided the project into two packages, one package was operational and the second was supposed to get operational somewhere in the middle of last year. We could not proceed on it because of delay in land acquisition for one or two villages, one fully and second partially, that has been resolved now. This year we are looking at a growth of 10% to 15% in the existing lignite business from our four existing mines. As far as the six new lignite mines are concerned, a lot of progress has been made on the larger ones, which are going to deliver major volumes that is Lakhpat in Kutch, Walia in Bharuch, and Damlai in Bharuch. They are undergoing various stages of statutory clearances, but again, these are large and long gestation projects. We will see a lot of progress, some expenditure there, volumes next year onwards.

Dixit Doshi: Okay. Volumes from new mines will not come in FY'26, may contribute from FY'27.

Roopwant Singh: Yes, please.

Dixit Doshi: Second question is regarding the coal mines. So you have mentioned in your press release also that we are moving ahead in Baitarani West block. So if you can broadly update on the coal mine because I assume we were expected to start some production from Q1 FY'26 onwards. So where are we and what kind of volume we can expect in FY'26 and FY'27 in coal?

Roopwant Singh: There is considerable progress here. We have three blocks in Orissa. The largest of these is Baitarani West, which will in future become the largest mine for GMDC with capacity of 15 million tons per annum, it will be amongst the top 12 to 13 mines in the country. This mine, we should see groundbreaking this year. At this moment, we have already initiated, made payments for government land and payments for private lands are underway on the project site, so we should see groundbreaking and hopefully volume grows.

Dixit Doshi: Okay, so do you expect some volume in FY'26 or here also the volumes will come in FY'27 only?

Roopwant Singh: We are slightly optimistic because the stripping ratio there is a near 1.5 units whereas for the Gujarat mines the stripping ratio is higher hence even after groundbreaking the production takes slightly longer.

Dixit Doshi: Okay. So let's say if not FY'26, FY'27 what kind of volume this mine can do, I mean, to start with in the first year of operation?

Roopwant Singh: The plan is approximately around a million tons this year, and then it will be ramped up fairly quickly to 3 million and then to 5 million tons very quickly, but it all depends on ground breaking.

Dixit Doshi: Okay, so you are saying once, let's say even if we see some delay in ground breaking, the first year after the ground breaking we can do 1 million and then 3 million and 5 million.

Roopwant Singh: It can be faster also, the ramp up will be very quick because stripping ratio and so many other things are conducive there.

Dixit Doshi: In terms of pricing in this coal mine, so how the pricing will work, will it be an international price link or just like the Coal India sell to the industries at FSA price. At what price we will be able to sell?

Roopwant Singh: Well, exact price, Dixit, I can't. **(Inaudible)**

Dixit Doshi: Yes, I understand. I am not asking the exact price, but it will be like a link to more of a market price driven at an international level, or it will be like we are giving to some industries at a prefix prices where volatility will not be there and it will be at discount to the international price?

Roopwant Singh: The right word to use is we will be mindful of international price and what is being sold by Coal India and the neighborhood. The notified price of Coal India is fairly low, we will not be selling at that price. We will have our own price point which we have an idea and we did a customer outreach and interest outreach amongst customers, so that EOI was very well received. We shall be taking a view on that expression of interest as we get close to groundbreaking.

Dixit Doshi: Regarding any update on ATPS power plant, so by when it will start and our current run rate in the power division is Rs. 25 crore revenue with Rs. 11 crore loss. So how do you see next year?

Roopwant Singh: ATPS, we are running behind schedule because of critical delays in certain spares which are supposed to come from abroad. Once we opened the plant, there were more surprises which ended up, where we ended up ordering more spares, so there is a delay. I would like to assure the investors that our plant runs on our lignite only and what we are not able to consume in the plant, if it is out of order, we are able to comfortably push in the market. Yes, it is one division which runs in the red, but hopefully after overhaul, we would look at a better future in this year.

Dixit Doshi: Okay, fine. That is it from my side. I will join back in the queue.

Moderator: Thank you. The next question comes to the line of Nalin Shah with NVS Brokerage. Please go ahead.

Nalin Shah: Sir, I would like to congratulate for a steady, but I mean, the still improved growth for the Company and I would say that much better dividend payout ratio. I have some just similar questions on this thing, that multi-metal project and on the rare earth elements business which are supposed to be very substantially high value businesses for future years. So how do we see that? Plus, I just wanted to have your word that last time we said that you know the company GMDC is prepared extremely robust growth plans and by 2030 we want to be as big as the Coal India Limited which is 20 times bigger but we want to aim that. So if you can throw some light on various this developments which are going to take place for the benefit of our investors.

Roopwant Singh: One humble submission, Coal India is 100 times the size of GMDC. We will grow and the aspiration is to be 7%-8%-10% of Coal India that again is very, very big. So one correction there.

Hopefully if we ramp up our capacity, our capacity would be in the tune of one of the subsidiaries of Coal India. One more request, we have changed and updated the name of the multi-metal project at Ambaji to Copper Project Ambaji, kindly referring to add that which is the true value driver of the project. You should see a lot of activity in the coming two years there. A lot of statutory clearances, updations, and inquiry for plant and mine development will be seen in the coming quarters, you would see a lot of activity there.

Nalin Shah: So, FY'26, will we see some contribution from there, sir?

Roopwant Singh: This is a very complicated project because this is an underground mine. The underground mine is very close to a residential place and an ecologically sensitive place, so we will have to go totally underground. GMDC does not have past experience of underground mines. In fact, this is going to be the first underground mine in Western India, so there is going to be a lot of CAPEX spend and lot of technical work and the results you should see in 2 to 3 years from now.

Nalin Shah: Okay. So I think maybe FY'27 or FY'28 only?

Roopwant Singh: I think FY '28 would be a right figure because mine development itself would take a lot of time.

Nalin Shah: Understood.

Roopwant Singh: Just refer to my discussion where I compared the Odisha Coal Mines with Gujarat Lignite Mines. The stripping that will go there, we are able to break ground and start producing. The same, it takes some more time in Gujarat and when it comes to an underground metal project, it will still take more time.

Nalin Shah: Understood, sir. Correct.

Roopwant Singh: It would involve putting up a concentrator plant there also, a small plant has to be put up there.

Nalin Shah: Correct. Okay sir, on rare earth thing can you throw some light?

Roopwant Singh: We have shared detailed notification already, so steady work is continuing there. We have received an LOI. Work is going on for the next stages.

Nalin Shah: Commercialization will still maybe about a couple of years hence?

Roopwant Singh: Yes, it is a slightly complex project, but a few years only, not too long into the future. We shall keep you updated periodically on it.

Nalin Shah: Sure, Sir. On Bauxite, we have done some 5x tons of Bauxite. But I understand that, I mean, there is a huge opportunity in Bauxite. And we read, that these Guinean mines are almost 60%-

70% of the world Bauxite export. So I am sure that Bauxite there is a huge demand. So are we going to be able to scale it up to a significant level in this current year and onwards?

Roopwant Singh: That is the plan which was there in the past year and that is the plan for the current year also.

Nalin Shah: Okay.

Roopwant Singh: We have two sets of mines, one in Saurashtra and one in Kutch. Earlier the only Saurashtra one used to do marginally good and the one in Kutch used to bleed us. Now all these mines are contributing revenues, and they would contribute significant amounts of revenue, Rs. 80 crore-Rs. 90 crore-Rs. 100 crore. But these are good numbers but then they pale in comparison to what Lignite generates.

Nalin Shah: Correct. So, sir, overall, can we have some guidance about like last year we grew by almost about, I would say that 17% to 20% in terms of topline and bottom-line was up by almost about 15%. Can we have some idea about the current year growth plans?

Roopwant Singh: We have laid out the growth plans, so it all depends on the margin that we're able to sustain. I have already spoken of the plan to increase our volumes for lignite and other auxiliary minerals also and if coal comes into play the revenues will definitely go up. Margins will determine how much is left at the bottom of the table.

Nalin Shah: Correct. But some idea about this revenue growth and the PAT levels?

Roopwant Singh: PAT levels, I won't comment but both of them should turn out pretty good.

Nalin Shah: Yes. But revenue should be up by what about 20% or so we can take a guidance?

Roopwant Singh: It all depends on Odisha majorly and Bhavnagar.

Nalin Shah: Okay, I understood.

Roopwant Singh: And we are very bullish on both. We are confident there.

Nalin Shah: Yes. We are also, sir. Thank you very much, sir and once again congratulations for such a massive exercise to make GMDC in one of the top-grade companies. Thank you very much.

Roopwant Singh: Thank you, Nalin.

Moderator: Thank you. Next question comes from the line of Divyesh Shah with Uchit Capital. Please go ahead.

Divyesh Shah: Sir, congratulations for a good result. Sir, my questions pertain to our project, Shikhar. In the last annual report, we had given a vision of FOREX in 5 years by 2030. And you have very clearly mentioned about the 3 categories. And if you sum up that 3 categories, it comes out to be Rs. 14,500 crore by 2030. And sir, with your opening remarks and the answers you gave to the previous speakers, it looks that we have some delay in this year, FY'26. So what is the status of FOREX by 2030? Is there any delay or we still stick to that ambitious target of FOREX in 2030. Or can you elaborate, if suppose FY'26, we are okay with 10% to 15% growth, let us say by FY'27, sir, what will be our target in way to project Shikhar? Please, sir.

Roopwant Singh: It is so heartening to know that you go through our plans in such great detail and you look at the pillars also. It depends on the word that we use, is it a critical delay or is it a slight shift? Since we dealing with projects spread over hundreds of hectares of land and with human settlements involved, so a few quarters here or there are something which we may have to contend with, that we have to contend with, where we could not ramp up production last year as we had planned because Bhavnagar was late. Now this year we are confident. Odisha project is on track, but our Lignite projects are a few quarters delayed. While there may be a shift of a few quarters, we are quite confident of our journey. Which pillar moves ahead, and which slows down is something which we would know, say, in next 12 months to 18 months. The Company has not only has very diligent and detailed plans where the capital and revenue journey up till 2030 is planned, that entire model gets reworked every quarter. The management and the senior management is also given visibility on it. The board is updated by annually. With so much of visibility, what we hope and expect is a shift here and there, but the kind of concern that some people may have with getting derailed or getting pushed back by a number of years, that may look like an unlikely scenario at the moment.

Divyesh Shah: So sir, you stick to the target of 2030 Rs. 14,500 crore or there is a reduction in the projection if you can frankly tell to the investors?

Roopwant Singh: No, there is nothing to hide. It would be a few quarters here or there, but we hold on to our numbers.

Divyesh Shah: Okay. Sir, today we are about Rs. 2,800 crore turnover. So when you expect, by FY'27 w will be a Rs. 5,000 crore revenue Company sir, please, if not FY'26-FY'27? Because in next 4 years if we want to achieve not Rs. 14,500 crore, suppose Rs. 12,000 crore, then by FY'27 my math says that it should be Rs. 5,000 crore, if you go reverse way.

Roopwant Singh: I would have faith in your calculation.

Divyesh Shah: Okay. What will be the revenue from I think the biggest contributor to this project Shikhar will be new coal mines. So in the first two years, leave aside the one year of opening of breaking mines. In first two years of operation, what will be the expected revenue from coal mine? Two years, first two years?

Roopwant Singh: I would compare my new Lignite projects with the Odisha coal project. The ramp up will be much, much faster there compared to Lignite projects. Our journey till 2030, we plan to reach our peak capacity there. Thereafter, the projection for revenues is very, very promising and the peak capacities that we have can also be expanded. If out of these 3 mines, even if two are on track and are able to expand, we should see very good and comfortable numbers.

Divyesh Shah: For copper mine after the delay in the first year, what will be the production for copper mine revenue dumps in first full year of operation, as and when it happens?

Roopwant Singh: Copper is again, almost 1.5 to 2 years will go in just thinking shafts and building an underground mine. Parallel activity would be putting a plant in place so the revenues should be accruing towards the end of the projection that they had given for 2030.It is in essence a lot of hard work and expenditure till then. We have a very clear idea on how much we are spending there. We have shared it also with you that is a lot of systematic hard work.

Divyesh Shah: Sir, my last question regarding CAPEX. CAPEX for next four years, how you will finance the CAPEX?

Roopwant Singh: We are fairly comfortable there. We have decent reserves in the range of Rs. 2,000 crore and we see them going up only. We have had conversations with state lending authorities and we have a line of credit from them, so we are fairly comfortable there.

Divyesh Shah: Every year how much CAPEX do you expect for beginning of all new mines for next two years at least?

Roopwant Singh: This journey till 2030, we have planned for a CAPEX in the range of Rs. 13,000 crore, out of which generally it should be a steady number between Rs. 1,500 crore to Rs. 2,000 crore, but it may get peaked for two years in this journey. At the moment it falls somewhere in between, but like I said, it could go back or be pushed early also. It is a steady and mature CAPEX.

Divyesh Shah: Okay, sir. Thank you.

Roopwant Singh: Thank you.

Moderator: Thank you. Next question comes from the line of Aman with Augmenta Asset Manager LLP. Please go ahead.

Aman: Congratulations on a great set of numbers and thanks for the opportunity. So sir, I just want to understand, let's take an example, currently we did some volumes of 8 million tons in the lignite part of the business. So can you just guide some light on the production that can be picked from both the new mines and the old mines together? Can we expect the current run rate of 8 million ton to 9 million ton from the same over the next maybe one year or what are we aiming for here? And secondly, the pricing side of the thing, currently this quarter, according to calculations, the pricing was somewhere around Rs. 3,400 per ton. And on that we are making some EBITDA of around Rs. 800 to Rs. 890 per ton. So this is the steady state of margins of the prices that you are incorporating for the future, maybe from the baseline reversal?

Roopwant Singh: I will try and explain the lignite journey that GMDC has planned for itself. Till last year, we had five existing lignite mines. Now, we have four only, one has closed down. By the turn of this decade, we would have only one which is growing and probably 1 or 2 which are petering out, so production from these mines would be nearing exhaustion and that is the time these five years when production from our new mines would be kicking in. In a decade from now, we plan to see, we expect to see lignite production in the range of 15 million tons by GMDC from Gujarat-based lignite, so this is the journey that is planned out for lignite. Pricing, last to last year, the margins were better, last year were good, at the moment, they're holding well despite all the global turbulence. This is a dynamic thing which we are very mindful of. All our customers and all our investors eagerly await our monthly update on price. We take a call on it, taking a multi-faceted review of factors that affect our price. And in the end, we will not do anything which is unviable for us, but we would like to continue to hold on to our volumes and customers. That is what we are committed to.

Aman: The steady state render of anywhere between 8 million ton-9 million ton will be the run rate going forward as well over the next two years?

Roopwant Singh: No, this will get much better. As Walia, Lakhpat and Damlai come into play, because they have long gestation, as you see production from them, then you should see this changing very fast.

Aman: The number which we are stating, our growth of 10%-15% in improving lignite business, so this we are expecting from the new mines addition or from the existing one?

Roopwant Singh: Only from our existing mines.

Aman: Okay, the new mines will start contributing?

Roopwant Singh: The new mines have a longer lead time because the stripping ratio in Gujarat is higher and the same is much lower in Odisha, so that is why we speak of groundbreaking and realization in the same year. There is a fundamental difference in the kind of resource and effort that is required.

Aman: Okay. Can you just throw some light on the lignite demand? Currently, somewhere in the previous years, correct me if I am wrong, you mentioned that we control maybe 5% of the lignite market in India. We have a 5% market share of whatever this number is, don't remember. But what is the demand dynamic looking like? Is there enough demand for this much lignite in the country or the adjacent areas?

Roopwant Singh: Our market surveys and analysis say there is demand for this fuel, and this fuel gets sold along with and as a competition to domestic and imported coal, so this continues to stay relevant. As we ramp up our production, we are going to initiate efforts towards beyond Gujarat sales also. That is an initiative that you should be unfolding in this current year. We are preparing for a ramp up capacity for our new mines next year onwards.

Aman: Understood. And also sir, we have been seeing that we have been filling out tenders for the overburden removal for the Odisha mines and some strategic associations from some consultants from the topic that was beyond the Odisha mines and the new warehouses. So what are we looking for exactly? Can we expect the ground breaking this year from the Odisha mines?

Roopwant Singh: Yes, that is what we said. This year, not only do we expect ground breaking, if it happens, we expect revenues and sales from our Baitarani West mines, which is going to be one of the largest coal mines in the country.

Aman: Okay. Thank you so much.

Moderator: Thank you. Next question comes on the line of Dixit Doshi from Whitestone Financial Advisor Private Limiter. Please go ahead.

Dixit Doshi: Yes, thanks for the opportunity again. You did mention that, just one clarification. You mentioned that the coal mine this Baitarani west has a peak capacity of 15 million ton. So let's say once we start we can ramp up very fast. So by FY'30 we can reach that peak production, right?

Roopwant Singh: Yes, please. We can take it beyond that also. That is permitted in the statutory framework. Once we reach that, then we take a call on taking it further also.

Dixit Doshi: Okay and regarding the Burapahar mine, so by when that will be commercialized?

Roopwant Singh: We have staggered the investment between these 2 mines, and we have at the moment chosen to fast-pedal Baitarani West, the larger mine with less stripping ratio. Whereas for Burapahar, we have staggered it by a year, and in the meantime, we are exploring, please see our website. We are looking for partners for underground coal gasification. That is the journey towards blue hydrogen, which is less carbon intensive. The EOI has been received well it is currently live. We have interest from large corporate players and technology players both.

Dixit Doshi: Coal production from Burapahar will be slightly back-ended. Our initial focus is on the Baitarani mine. Okay. And regarding this lignite production, just one clarification again is that from the old mine we will be doing let's say 10%-15% growth for the next 2 years. And the new 6 mines from there a 2-3 mines will start contributing something from FY'27 onwards?

Roopwant Singh: These 6 mines are not similar, they vary in size and complexity very much. The ones which are going to be amongst the flag bearers are Lakhpat, Walia and Damlai, that is where we see most volumes. While the other ones are also there, they also bring volumes but they are not so big, they are also being prioritized but our eye is on the bigger pie.

Dixit Doshi: Okay. And these three, can they contribute in FY'27 say 2-3 million tons or it will be lower in the initial year?

Roopwant Singh: Probably yes. Depending on the status of clearances.

Dixit Doshi: Okay. And any update on the limestone mines? By when that will also start contributing?

Roopwant Singh: Limestone mine is the Lakhpat mine, so first you have soil, then you have limestone and then you have lignite. The plan is to extract limestone systematically so that it can be used by our partners. We already have three partners which we got through a national competitive bidding process and then we reach Lignite. The journey of reaching Lignite for the Lakhpat mine is almost a year long journey, from when you begin to when you reach lignite because there is mineral in between and we don't want to spoil it. We will be taking it out systematically through surface miners, stacking it or giving it to our partners.

Dixit Doshi: So let's see in CAPEX side, we are targeting around say Rs. 2,000 crore-Rs. 2,500 crore broadly per year CAPEX. And now we do have Rs. 2,000 crore of reserves and also we are generating Rs. 500 crore-Rs. 600 crore profit every year. So let's say Rs. 300 crore because 50% we pay out as dividend. So let's say over the next 2-3 years, what kind of debt level we are expecting?

Roopwant Singh: Current year and next year, we don't expect to take any debt. Probably towards the end of next Financial Year, we'll start taking on debt.

Dixit Doshi: FY'27 end we will start taking debt.

Roopwant Singh: That is the scenario or modeling for the moment says.

Dixit Doshi: Okay, and CAPEX will be there Rs. 2,000 crore- Rs. 2,500 crore every year?

Roopwant Singh: The total journey is Rs. 13,000 crore plus, it has to be done by 2030. It would tend to get concentrated in 2 years, but you should see a steady rate of at least Rs. 2,000 crore. 50% of our CAPEX is land, now it flows out very quickly, once everything is in place, but till it doesn't flow out, it doesn't flow. If you were doing, if you were putting up a plant, if you were a manufacturing company, we could stagger it out and plan it very gently. When things get cleared, it goes very quickly.

Dixit Doshi: Okay, understood. And one last question on the coal site. So I think these mines we have acquired through e-auction. So what kind of sharing will we have to do in terms of say royalty and other charges? And you can say what kind of EBITDA margin we can do in coal business. A broad range is fine. I know it depends on the market price at that point of time, but a broad rough working will be fine?

Roopwant Singh: Pricing, I am not at liberty to comment. We have a price point and we have interested players. The share that we give to the government is in the range of 30% for one mine and 40% for the other one. As per our modeling, this works out.

Dixit Doshi: Okay, fine. That's it from my side. Thank you.

Moderator: Thank you. Next question comes from the line of Shreyans Gathani from SG Securities. Please go ahead.

Shreyans Gathani: Hi, good evening. So my question is on the coal mines. So just trying to understand what the calorific value differential would be and what the pricing differential would be versus lignite at this point. I know you answered like we don't have like a price point that we want to disclose at this point, but just trying to understand, for like each million ton of lignite versus coal, what kind of revenue differential we should be expect?

Roopwant Singh: This is slightly, although it is broadly the same product, but regimes and geography is totally different, so it is like comparing apples and oranges. Our mines are for thermal coal. They are G11, G12, which is a fairly good grade of 4,000 calories plus, and our lignite mines are in the range of 3,500 GCV which has a different index for it. The geography is different, indices are different, price points are different and neighborhood is different, so a comparison won't be fair. In Odisha, since the volumes are high and it is a crowded market, there we will be chasing volumes.

Shreyans Gathani: Okay, So price should be, like realization should be in ballpark. They shouldn't be very significantly different than what we currently have for lignite?

Roopwant Singh: We should look at slightly lesser margins there, but more volumes. These are huge mines, Baitarani West is 15 million tons per annum by the end of this decade and can potentially go up to 22.5 million tons. All this 8-10 million lignite may look peanuts in front of it at some point of time.

Shreyans Gathani: Got it. Understood, sir. So the next question on the Lignite pricing. So are we still pricing at a discount to like Indonesian coal or where do we stand in terms of the discount? We narrowed the gap quite significantly in the last 2-3 years, but at what point are we at currently?

Roopwant Singh: We are at a discount. The discount varies from end location to end location, but we are again at a discount. If we eliminate that discount, we don't sell. Our customers are smaller MSME players, they are slightly emotional, and we are vocal to their needs.

Shreyans Gathani: Got it. I understood that. Just wanted to know like what is the magnitude of discount that you have now versus like initially it was like, I believe like, 60%-70% discount in FY'21 or FY'22 if I remember, we narrowed the gap.

Roopwant Singh: So 10% to 15% easily.

Shreyans Gathani: Okay. The next question is on the power plant. So if you could give what is the new PPA that's signed? What is the rate at which the new PPA signed versus what the older one was? And when would that be into effect like the new PPA?

Roopwant Singh: The new PPA would get into effect the moment the plant starts working. The main difference between the previous and the new PPA is that earlier PPA did not incentivize GMDC to spend money to maintain and upgrade its plant that is the main difference.

Shreyans Gathani: Okay. So in terms of the pricing, we still at the same price point?

Roopwant Singh: No, our power will be approximately 30 paisa more expensive, but the electricity regulator has agreed to it.

Shreyans Gathani: Okay. Understood. So when you mentioned that it's on the maintenance side, is that like, we are going to be able to get those, get the maintenance from the regulators or whoever we select, like that is a part of the agreement versus initially we had to like put it out of our own pocket?

Roopwant Singh: Let me answer it in this way, Thermal business is a business of fixed returns where the returns are guaranteed based on your investment, but here the PPA was slightly harsher and because of that harsh PPA the plant could not invest in itself and it gradually degraded to a point of crisis. In that crisis we've had to make a special CAPEX. Now that CAPEX has been allowed to be pass through and that has been part of the PPA. Hence, the price will rise.

Shreyans Gathani: Okay.

Roopwant Singh: As an investor, if you are invested in us, I would like to reassure you that these Rs. 300 crore to Rs. 400 crore that we have spent are, we are going to get it back as a pass through from the purchaser and the regulator.

Shreyans Gathani: Okay. That is helpful. So is there a timeframe that we'll get it by or is it like going to be adjusted in the price of electricity or something like that?

Roopwant Singh: It will get adjusted in the price of electricity, but that is not our call that is the purchaser's call at which we further sells it, but as a Company, we will get a pass through for this expense. We will have to approach the regulator and hope for a fair hearing by them where they allow most of the expense that has been made.

Shreyans Gathani: Got it. Thank you. So just the last question, what would be the ROE should be like coming back to like, know, like NTPC and those like we see like 12% or so. So we should be coming back to those levels in terms of just numbers for the power plant.

Roopwant Singh: ROE for these plants are fixed, but as a sustained business, you have to match 3 or 4 critical parameters of the regulator and the buyer, which are PLF, auxiliary heat rate. Those are rates which were awry because the plant had deteriorated with the refurbished plant, we plan to start making some money from this plant.

Shreyans Gathani: Understood. So at an optimum PLF, what kind of captive consumption of lignite do we expect per year?

Roopwant Singh: Around a million.

Shreyans Gathani: Okay. Got it. That's it for my end. Thank you so much.

Moderator: Thank you. The next question comes on the line of Abhijit Mitra with Aionios Alpha Investment Management. Please go ahead.

Abhijit Mitra: Thanks for taking my question. Just conceptually to understand, we are guiding for 15 million tons by the end of this decade as far as Lignite is concerned. So how would that break up between existing mines and new mines?

Roopwant Singh: 15 million tons by 2035.

Abhijit Mitra: Okay.

Roopwant Singh: Because these are large mines with large stripping ratios, they will take time to ramp up.

Abhijit Mitra: Okay.

Roopwant Singh: Yes.

Abhijit Mitra: And this would be entirely from new mines as the existing mines is sort of run out of production, is it?

Roopwant Singh: So they would still continue to contribute 30%, but 70% would come from the newer mines.

Abhijit Mitra: Okay. And what would be the gradient of rundown of volumes for the existing mines? As in over the next 2-3 years will the volume start coming off from the existing mines?

Roopwant Singh: No, not till 2030.

Abhijit Mitra: Understood.

Roopwant Singh: There may be a minor correction here or there but not really.

Abhijit Mitra: Okay, got it. And just sort of understand the profile of the CAPEX, because we were planning for Rs. 3,000 crore in FY'25, but we could end up doing only Rs. 644 crore. So this, the remaining, and we were sort of planning, I think Rs. 3,000 crore each year for FY'25, FY'26 and FY'27, as far as I can make out from the previous transcripts. So to make up for this slipped CAPEX of Rs. 2,500 crore, are we sort of intensifying or looking to intensify the CAPEX profile for FY'26 and FY'27? I mean, is the CAPEX number can be as high as high as say Rs. 4,500 crore each year or that we are still sort of going with say around Rs.1,500 crore-Rs. 2,000 crore-Rs. 2,500 crore that range?

Roopwant Singh: Let me explain it conceptually first and then we'll take a view on what it looks like. So 46% of this CAPEX of this Rs. 13,000 crore will go in land, 15% would go in R&R, 30% would go towards plant and machinery. Plant and machinery are something which we should see happening in 1.5 years to 2 years from now, that will be a steady outflow of CAPEX because you know the progression of civil or technical construction. Land and R&R, these are two elements which continue to surprise us and for the last year, we have been seeing these being pushed back by a few quarters because some clearance or some issue keeps on cropping up. This is something, like I said in my previous reply, if it gets resolved, it goes very, very quickly. The current disbursement which is going on at Baitarani West, when it goes, it goes very quickly. This is my view on it, but you should see it at the moment going back by a few quarters in the current year and probably the next year, but if it gets resolved, you may see it coming back by a few quarters front-ended also. That is the challenge that we see in our journey till 2030, 1 or 2 years of very heavy CAPEX where we may have to take on slightly more debt than we had planned.

Abhijit Mitra: Got it, understood. That's very clear. And what would be the distribution of this CAPEX between say lignite, coal, copper as well as the rare earth? What would be the broad distribution of this CAPEX?

Roopwant Singh: Approximately Rs. 3,000 crore to Rs. 4,000 crore for critical mineral projects, two of them. Rs. 4,000 crore for our coal projects, Rs. 3,000 crore for our lignite projects and we would still need to spend in excess of Rs. 1,000 crore for existing lignite projects also because here also land has to be acquired and it has to be sold.

Abhijit Mitra: Got it. Understood. Great, thanks and wish you all the best.

Roopwant Singh: Thank you, Abhijit.

Moderator: Thank you. Next question comes from the line of Anurag Chheda with Jay Ram Stock Brokers. Please go ahead.

Anurag Chheda: Thank you so much, for the presentation. I wanted to ask, is GMDC going to work with rare earth elements like for extraction and separation of rare earth elements? And if you are going to then which all metals are you going to work for like for extraction?

Roopwant Singh: We have made our intention that we will be entering the critical mineral space, one is rare earths and the second is copper. A lot of hard work is underway. The value drivers will be rare earths which go towards making permanent magnets.

Anurag Chheda: Any specific like in rare earth?

Roopwant Singh: I am at liberty to say what I have already said only.

Anurag Chheda: Alright, thank you so much.

Roopwant Singh: Thank you.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions, we have reached the end of the question-and-answer session. I would now like to hand the conference over to the Management for closing comments.

Roopwant Singh: I would like to thank all people who have shown interest in conversing with us over this conference. Thank you so much. It was a good session. Thank you again.

Moderator: Thank you. On behalf of Gujarat Mineral Development Corporation Limited that concludes this conference. Thank you for joining us. You may now disconnect your lines.