



**June 4, 2024**

**Scrip Code - 533122**

**RTNPOWER/EQ**

**BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai 400 001**

**National Stock Exchange of India Limited  
"Exchange Plaza", Bandra Kurla Complex  
Bandra (East)  
Mumbai 400 051**

**Sub: Transcript of the Analysts/Investors meet pertaining to the financial Results/ earnings, for the fourth quarter and financial year ended March 31, 2024, via an audio call on May 30, 2024 (hereinafter the "Con-call")**

Dear Sirs,

In continuation of our earlier letter dated May 31, 2024, whereby the audio link in respect of the Con-call, had been uploaded on Exchange site, we enclose hereto the transcript of the Con-call.

The transcript shall simultaneously be made available on website of the Company at [www.rattanindiapower.com](http://www.rattanindiapower.com)

You are requested to take the above intimation on record.

Thanking you,  
Yours sincerely

**For RattanIndia Power Limited**

**Gaurav Toshkhani**  
Company Secretary

Encl: a/a

**RattanIndia Power Limited**

CIN: L40102DL2007PLC169082

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**RattanIndia Power Limited**  
**Q4 FY24 Earnings Conference Call**  
**May 30, 2024**

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**Moderator:** Ladies and gentlemen, good day and welcome to the **Q4 & FY 2024 Conference Call of RATTANINDIA POWER LTD.** As a reminder, all participant lines will be in the listen only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference. Please signal an operator by pressing “\*” and then “0” on your touchtone phone.

This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as of the date of this call. The statements are not guarantee of future performance and involve risks and uncertainties that are difficult to predict. I now hand the conference over to Mr. Simran Jeet Singh from Almondz Global. Thank you and over to you sir.

**Simran Jeet Singh:** Thank you, Darwin. Good evening all. On behalf of Almondz we welcome you all to the RattanIndia Power Limited Full Year and Q4 FY24 Conference Call. We are joined today by the senior management of RattanIndia Power represented by Mr. Rajiv Rattan, Executive Chairman. Mr. Himanshu Mathur, Executive Director and President, Mr. Manish Chitnis, CFO and Mr. Amit Jain, Deputy CFO. We will now start with the opening remarks by the management followed by the Q&A. I would now like to hand over this call to Mr. Rajiv Rattan for his brief opening remarks. Over to you sir.

**Rajiv Rattan:** Thank you everyone this is Rajiv Rattan, and good afternoon. I would just like to summarize for everybody's benefit the story of our power plant. So that, you have the full historical background, of course the last quarterly release you would have seen. So, I would not like to go too much into the numbers or the facts which are already there. So, this is a 1350 megawatt power plant in Amravati, that we are talking about, it was envisaged in about 2007. We started work around 2008, we brought the first and second unit into operation in 2013. The remaining three units were commissioned in 2015, March 2015, the entire plant was commissioned these are BHEL units 270x5.

When finishing the three units, we created a national record of bringing three units within 42 days of each other, which has not happened in the country before. Our plant had multiple contractors, which are amongst the best, our contractors used to tell us that they have not seen, the best of the best so many of them working at one site, usually the plant has about 109 packages, which were awarded to different people. So, usually they would say that we would

have like three or four top notch contractors, but on our site, everybody from the power industry, who was a top notch person was there. So right from Siemens to Alstom to L&T to you name it everybody was there at the site working for us. So, we had focused on extremely high quality and it was built with a full passion and belief that we need to put in the best quality equipment there. And that was a lot of hard work done by all of us at RattanIndia Power including the site team.

Now, this plant has full PPA and full FSA. So, the supply agreement from Coal India is the FSA. This also had a second phase, which was another 1350 megawatts for which order was placed on BHEL and it also had full coal linkage there, it had environmental clearance. For the second phase, we have water allocation for the second phase and plot plan was made in such a way that we can expand. Second phase was stopped after having spent some money there because phase one went into stress. Now, reasons for stress even though it had full PPA and FSA. It was because at that time, coal linkage was not sufficient when I say coal, coal coming under the linkage was not being given up to the amount that the linkage was for. So, if we had a contract of let's say 100 tonnes with Coal India, so, they would only supply like 65 or 70. So, there was a shortfall there, that shortfall in June 13 central government had given out a circular that it should be passed through to the DISCOM by substituting the shortfall by imported coal, that did not happen. So, we ended up importing coal and not getting paid by the DISCOM. And then eventually that case had to be fought till Supreme Court and which has eventually been decided in our favor, but our working capital got jammed in those coal imports and that's why the plant went into stress.

At that time, we did a deal that was in 2018-19 over 18 month's time a deal was done with the Indian banks, whereby they were taken out using money coming in from foreign credit funds lead by Goldman Sachs and Vade Partners and five others, and that was about 3000 crore deal of fresh money coming in and Indian banks got paid off. At the same time Indian banks and the incoming investors got 15% equity each so our shares were issued at that time. And after that, Jan 2020 debt side was, debt stack was restructured and since then, plant has been a great performing plant.

On the operation side, the plant has been a very well performing plant from 2000 ever since it was commissioned in 2015. So our EBITDA if you see has been stable around +1000 crores since 2015 till 2023 to 2024 now. It has been +1000 crore EBITDA plant, what was required to be done was only correcting the debt side, which was done in 2020. From 2020 till mid of last year and three and a half years, we had paid off more than Rs.3500 crores of principal and interest to the group led by Varde partners. And the balance was refinanced from Kotak Bank and funds we had taken about Rs.1125 crores from Kotak in June of 23. That balance stands at like Rs.522 crores as of March 31st, 2024. And we hope to payoff Kotak in current financial year. So, basically that's the broad history of the plant. We are proud to be at the industry which is like providing very, very important infrastructure to the country, power is required by each one of us 24 hours a day, it's not like a road where you use it, when you are on the road or airport

when you are at the airport. This is something that you need 24 hours a day and power demand you can see is only going up and up which was obviously there, but what has happened was that in the rush of private players coming into power sector there was a bit of excess capacity which has all been absorbed right now. And the country is basically operating at almost full capacity is being used right now. And that is why the government is talking about adding more thermal plants, which was basically nobody was talking about addition of thermal plants in the past.

In India coal provides the base load power, it is something which is likely to continue over next foreseeable future. Maybe another 2030 years, I would say at least, unless some real solution is found out about the base load power, we don't have much of gas and renewables is intermittent. And we provide a sentence in our earnings update. So, even last year only 13% of the generation in the country was from renewables, even though as a percentage of installed capacity, that number might be higher, but sometimes we start thinking that renewables is like going to displace thermal, but that's not the case. So, we are in Maharashtra it is the largest power consuming state in the country. It is the largest economy by size. And, we have this fantastic asset. So, with this, I would just like to pause here, and then we go over to next step. That's it from my side for now.

**Moderator:** Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Hiral Nandu from Kalpvruksh Capital. Please go ahead.

**Hiral Nandu:** Couple of questions from my side. Just wanted to understand, now we have left with Amravati plant which is 1350 megawatts, what can be the peak revenue with this plant we can do and what could be the EBITDA at the peak level we can achieve in this?

**Rajiv Rattan:** The question that I understood is that peak revenue and pickup EBITDA is that correct?

**Hiral Nandu:** Yes.

**Rajiv Rattan:** So ours is a almost like 90% contracted plant under PPA. So our revenue can be plotted and we have been operating at like last year was 82%, 83% PLF. So we have started the merchant of about 28 megawatts, started something that we are looking at expanding that we could expand by up to 300 megawatts. So we are pretty much operating near the peak, not at the peak, but near the peak. This is basically what you are seeing when you have full PPA, there's not much flexibility around the numbers. So, this is where we are, but at the same time, what I would like to highlight is that there is a good amount of regulatory receivables which I have accumulated from the example that I gave that you have to fight for, anything over and above the base energy charge. So that is something which is significant and that keeps getting realized in lumps here and there. And in future also that money will surely come and for us that number is north of almost +2500 crore, so that money will also come so that will only add to the cash flows.

**Hiral Nandu:** Superb. So, this definitely it can't be **(Inaudible) 14:16** but any tentative timeline which you feel that this 2700 crore odd we can receive over a period of say one year or whatever?

**Rajiv Rattan:** It's very difficult to put a time around the court process, but we hope to realize that over the next three, four years.

**Hiral Nandu:** Okay, great. And second question is on the debt. What's the balance debt of 522 crore is there as the long term debt that will look to pay maybe by H1 of this year. So what could be the total interest saving vis-à-vis the last year interest cost which we paid around 560, 570 odd crores. So, post this repayment what we have done during the previous year March 24 and maybe whatever balance we make a payment so what could be approximate interest cost saving we see in the current year or going forward with this payment?

**Rajiv Rattan:** So, that would be in the range of we can work out the exact numbers but around 500 crores our cost is about 16% So, you can work out the math there.

**Hiral Nandu:** Current year it was at 16% and the previous debt was at around?

**Rajiv Rattan:** It was a bundled cost which was slightly higher than this and it was two, three different components which add up and a portion of that component is still left which was a junior debt. So, which is junior to the current Kotak loan so then that will also get paid off.

**Hiral Nandu:** Okay. And that will be a balance short term debt we will be left with, post this payment what could be the approximate number of that debt and what could be the rate of interest on that, maybe working capital on a short term whatever debt we will have?

**Rajiv Rattan:** It's all there in our balance sheet you can see it there but there is a portion of the Varde and the Gnat which is highest in Aditya Birla ARC. So there is a portion left there which is at a higher, which is at a kind of 20% rate. But that is Junior to the Kotak debt so, after the Kotak debt that needs to be paid off.

**Hiral Nandu:** Okay. And we will prioritize that also once this Kotak is paid right?

**Rajiv Rattan:** Yes.

**Hiral Nandu:** Even the additional. Just last question, some light on your vision or on the solar and renewable business in future?

**Rajiv Rattan:** Sorry, I could not hear properly.

**Hiral Nandu:** So, if you can put some light on renewable and the solar business which we plan to do it in the future. So just some vision on that, I heard your interview also on the news channels. So just what to like understand more.

**Rajiv Rattan:** Okay. So, we are fully focused on just, we are strategizing for the future. And in that future, two options are always there for us. One is capacity expansion at Amravati and second is Sinnar and second is renewables. So we are going to do maybe one of those or maybe both of those. So that is something that we will finalize during this coming months while we pay off our debt and then we will be free to pursue these expansion plans. But yes, these are things which are, where we are fully scaled at, renewables as a business we are in the group, RattanIndia Solar was a business which my wife, Anjali ran successfully and then sold the plants to GIP who then in turn sold it to Sembcorp, the plants with Sembcorp is also reputed to be one of the best plants in the country. So we have the experience for running renewables and of course thermal so, we will be coming out with concrete plans in the near future.

**Moderator:** Thank you. The next question comes from the line of Kamal an Individual Investor. Please go ahead.

**Kamal:** My question is, like we have in Amravati more than 1000 acre of land and we have some agreement with the RattanIndia Enterprise, how we materializing that free land?

**Rajiv Rattan:** As of now nothing much has happened there, but yes in future we are looking at various possibilities including data centers, because we have power, we have water plus, there could be some other industries which might need that sort of stage and power requirement and the locational advantage of our site is that it is while being connected to the rail operations because it receive daily, almost five rakes full of coal. It is also located on a national highway which is Mumbai-Nagpur highway. And it is an almost a geographic center of the country, geographic center of the country is Nagpur, but we are very close to that place. So, as India is expanding, there is requirement of various kinds of infrastructure in the center of the country. So, we are well positioned to be providing a service plan parcel for power and water if anybody needs so, it's something which is very valuable. And we look forward to putting that to commercial use in coming times.

**Kamal:** Okay. Sir, second question is related to we have some receivable from Maharashtra Electricity Board, 1400 crore after Supreme Court order, and might be Aditya Power already received about 50%, so whether we are receiving those on quarterly basis or on any ad hock basis, is there any schedule that we are receiving from Maharashtra Electricity Board?

**Rajiv Rattan:** So, that is the regulatory receivable I talked about, these come in chunks and lumps, so there is no timeline around it. But yes we have been receiving these in the past, and we hope to continue to receive them in the future. And also, we need to understand that worst is over. And bulk of the issues which were leading to this litigation, on various counts have already been decided by honorable Supreme Court. And in some case or the other so, typically earlier what used to happen is that wherever the DISCOM wants to delay payments, or wherever they think that something can be litigated beyond the basic energy bill, they would put that in the litigation group, because they know that litigation group is like five to seven years time. Now,

that five to seven years' time is coming to an end, because most of the cases are either adaptable or decided by Supreme Court. And people are seeing that almost 95% of them are getting decided in favor of the IPPs because these are all genuine claims, these are not like frivolous claims. So the problem which had happened was that, DISCOMs were not seeing private players, they have not seen a private generator across the table as a supplier for them for decades. All they were used to dealing with was like a state Genco or NTPC. So now comes a private guy so they are not used to that private guy. So, the whole attitude it used to be that this deny every claim of theirs. Now, that also has changed, because one, they have realized that they are losing the cases and they are having to pay interest on that five to seven years. So it is not really helping them and third, now private generators are more than a decade old in their system. So they are no longer new they are being considered as a very, very important part of the power ecosystem. So right now, the litigations going forward will be far and few and the old issues are getting sorted. So, that is why I say that worst part of the entire cycle is behind us.

**Kamal:** And approximately how much crores are pending with Maharashtra Electricity Board, as per my calculation it's more 6800?

**Rajiv Rattan:** Our regulatory receivable guy has said it's about 2500 crore.

**Kamal:** Okay.

**Rajiv Rattan:** But to be in care, whatever is our regular energy bill we receive it on time and especially for past few months we get it exactly on the due date. So, that money is not delayed anymore, so they have become more efficient otherwise earlier the base energy bill also used to get delayed that is not happening. So, we are seeing more financial discipline across the sector by all players, so which is a great healthy sign. So, whatever is our base energy bill, we get it on the due date for sure.

**Kamal:** Okay. And sir recently we have started merchant power which is near about 35 to 50 megawatt. So, what's the scope here like it will be improved other side and with the pricing also?

**Rajiv Rattan:** This is a new development since January and we are sourcing coal from different options given by Coal India subsidiaries where they organize these auctions which are outside of the linkage system. So, we are procuring coal from there and then selling the power on exchange for the hours our generation cost is lower than the price we get. And so, far it has been a good experience. So, it is a function of the exchange prices, which continue to remain healthy, because of the sort of shortage situation that as a country we are in. So, this is adding to our bottom line.

**Kamal:** Okay, sir the last one is related to Sinnar powerful plant where we are operation conservative of near about 2000 and as per my understanding from REC concall there will be haircut of 20% So, how much we are thinking that we will receive from that 2000 crore?

**Rajiv Rattan:** So, Sinnar is a project is in NCLT now, and that is I cannot really comment because that is a judicial process, all I can say is that there is a window for the sponsor which is RattanIndia Power, to also put in a bid and we are working on that option.

**Kamal:** Sir what from the concall is there are 11 bidders, so we are one of them also be there?

**Rajiv Rattan:** Those are third party bidders, the process for the sponsor is a different section of IDC and that is run in parallel to the outside bidding system.

**Kamal:** Okay. Sir do we have access to the Sinnar land also, if the plant has gone through the NCLT or it will be gone away from us, like phase two or the land of about 1000 acre in Sinnar also?

**Rajiv Rattan:** Yes, so all of that land was in the Sinnar company and that company is in NCLT right now.

**Moderator:** Thank you. The next question is from the line of Nishanth and Individual Investor. Please go ahead.

**Nishanth:** I'm am associated with RPL since 2010, just wanted to know, about the Mansa Power Limited, does it comes under RPL or do you, what sort of plants you have under that?

**Rajiv Rattan:** Yes, so the land in Mansa is about 800 acres and it was acquired for our thermal plant. And to your question, whether it falls under RPL, answer is yes, that land is a subsidiary of RPL. And what we are going to do with the land, we are working with the state government on putting that land to some commercial use, whether that will be industrial area or some agro –29:20 or what, that we will have to figure out in future. But that land for thermal plant is something we will have to see whether that can be done or not done, but we are working with the government on that, on what best can be done. But yes, it's a very valuable piece of land because such a large chunk, especially in North India, in agricultural belt is just difficult to, it's almost next to impossible to acquire in today's world. So, it will be, there will be a time when it is put to good use and we will yield returns to RattanIndia Power.

**Moderator:** Thank you The next question is from the line of Aditya Sen from Robo Capital. Please go ahead.

**Aditya Sen:** Sir, can you please throw some more color on this debt part. How much debt went away with STPL and how much as of now do we have on balance sheet and in going forward like two, three years where do we see our debt?

**Rajiv Rattan:** See all of Sinnar debt has gone with Sinnar company so that is the bottom line, whatever debt was there on Sinnar and you know that it was 1350 megawatt plant which is similar in size to



Amravati, so the principle debt was there, that was about Rs.7000 crores, which was accumulated interest, et cetera, et cetera. So, all that has gone with Sinnar, so what what remains on RattanIndia Power is all debt which is related to Amravati plant itself and the numbers are there in our financial statements, so you can see the numbers there.

**Aditya Sen:** Alright. And for the upcoming expansions of the phase two of Amaravati plant, how much CAPEX do we need for it and when is it expected to commission and all and what is the IRR that we expect from there?

**Rajiv Rattan:** As I said previously, we are looking at renewables as a option, we are looking at expansion of thermal plant as an option and maybe we do one or both. And if you are going in for thermal plant expansion, then we will start with either one unit of 660 megawatts or 800 megawatts. And today prices could be costing maybe seven, eight crores megawatt since we are 800 megawatt project becomes later 6000 crore project in which if you fund 3:1 for debt equity. So, we need about 1500 crores of equity and rest will be through debt. So, those are the broad numbers for a 660 you can do the math. So, those are the broad contours of how a thermal expansion will look like. And yes, we will not do 270 megawatt units because 270 megawatt units after that as BHEL is also not provided. So that world moved on to supercritical units, which are the smallest unit is 660 megawatts. So, that's the broad contour of thermal expansion on renewables of course, one can start with smaller sizes. So, that depends on the bids which are coming in and the kind of land parcels that are available or not available. So various things have to go into that calculation. So, these are the, I am just laying out the broad scenarios in front of you since you are and we will be deciding in the coming months.

**Aditya Sen:** Okay. So, we don't have any timeline as of now?

**Rajiv Rattan:** No, so that's what objective is to, our aim is that all external debts are paid off in the current financial year, because that is necessary to so that gives us a freedom to pursue the extension part. Because one thing leading to another, today you asked me, can it happen today. So, it cannot happen today because we have to pay off the external debts where there is a clear visibility of the market in next few months.

**Aditya Sen:** Right. And also you mentioned that we will be receiving 2700 crores, I missed that point, where is it supposed to come from, I couldn't follow that point?

**Rajiv Rattan:** You are talking about regulatory receivables?

**Aditya Sen:** Yes, one was 1400, that I understood the other you are talking about 2700 in three, four years. In the earlier part of the concall.

**Rajiv Rattan:** Yes, so our total litigation receivable, litigation around various components of the tariff, so that is about this number and that keeps coming in bits and pieces and that is what I'm talking

about, so that on Amravati about is about this number. And that money will be realized over next three, four years.

**Aditya Sen:** Okay. And talking about some industry numbers, this PLF shot, from 50%, approximately to 80%, as of now, in a quick span of time. So on a broad basis, we know that this is because of power demand. But suddenly how did it come any color on that?

**Rajiv Rattan:** PLF number was not 50% except the COVID year, which was 2021, that's when PLF was low. After that, it has been about 50%, it was in 70s. And last year was higher. So it's, not like suddenly that it has gone from A to B but, if you see 2020 was not too far out 2020, our calendar year RPL was like 5%. So, you can imagine and that was basically because the country was remotely lockdown at that time and power demand went to all-time low. So, that was only like December 20 was just three and a half years ago. In that sense, country has gone from those kind of PLFs. Today, when country is firing on all cylinders, growth is happening in all sectors. People are talking about India coming in to top three GDPs very soon. So, power is as a parameter in that scheme ranked really, really high because anything you talk about will need power, whether it is services, whether it is people talk of global excellence centers of multinational, R&D Center, chip manufacturing, electrification of vehicles everything needs power. So, this is like the basic provider of that growth. So, I still think that people are only under estimating the kind of demand that we will see on the power side.

**Moderator:** Thank you. The next question from the line of KB Kabra an Individual Investor. Please go ahead.

**KB Kabra:** Sir my question is for the Sinnar plant, this 1050 megawatt plant is ready, and the lender for same set of lenders, but we could not negotiate it. Now, it's under NCLT. So, whether it is gone from our hand or some pop is there that we can get or we can negotiate the lenders and tender it?

**Rajiv Rattan:** That is like predicting the future, but yes, we would do whatever it takes to put in our best foot forward that's what we will do and subject to the rules and regulations around the whole NCLT process. It will be seen whether that comes back to RPL or not, but we will try our best, but at the same time if you to your comment on the same set of lenders, so one lender set was slightly different it was not exactly the same set, amongst the big lenders SBI was there in Amravati which is not there in Nagpur for example. At the same time lenders also tried their best for actually six years, we and lenders did try our best to find a solution outside. So, also we will not see an example where lenders have the patience of waiting for six years before taking into NCLT so, I would say that they have shown a lot of patience. I would not say that it was a knee jerk reaction. So, it is we are worked on that and then we tried really hard, but I guess that we could not do a, it was unfortunate that we just could not do a deal outside the NCLT and of course, some element of comfort is there in the lender group with some individuals that NCLT being judicial process is always better for them as individuals. So that feeling obviously is there

which lead to this, but it was unfortunate that it happened. But, I would like to state that both our side and lender side, had actually put in their best effort to solve it outside.

**KB Kabra:** Sir my second question is, our finance cost for the stand alone, it has increased in FY24 compared to 23. This is in spite of restructuring the June 23 for the lower rate of interest with Kotak. So sir any particular reason for this increase from 533 to 567 crore?

**Rajiv Rattan:** There was a big fee part which Kotak has taken for the deal. And again it's a norm in the industry that when you do a big deal you take a large part of cost upfronted as fees, so it's coming from that and nothing else.

**KB Kabra:** Right sir. And sir one last bookkeeping question, other expenses in our standard balance sheet it is 56.82 whereas my consolidated balance sheet is lesser by 10 crore it is 45.83. So how it was possible that in standalone it is more but in the consolidate, other expenses are lesser.

**Rajiv Rattan:** I don't have a specific answer to this, but we can always come back to you.

**KB Kabra:** Please, because in the consolidated expense was more than consolidated compared to Q1 and in the yearly also, quarter and year both. So, please give this figure.

**Rajiv Rattan:** Our team will note it down and get back to you on this.

**Moderator:** Thank you. The next question is from the line of Manav Mehta from Axis Securities. Please go ahead.

**Manav Mehta:** Sir, I have a couple of questions. The first question being sir, if we see year-on-year, we see that the operating profit margins have been reducing, comparatively. So sir in future what do we look ahead at, do we look as our operating profits would increase or how do we see it?

**Rajiv Rattan:** It's a function of the PPA, the function of power tariff structure. So it will be similar to the past, but at times some of the escalable components go into litigation which take time to realize. So there is a time lag effect, which might be one of the reasons why you are seeing this. But essentially, how do we look at this business, the business is to be looked at from two sides. One is that this plant itself, this is a fabulous plant which will run till the time that there is coal in India, PPA runs till 2040 and then after that, also the plant will run until the coal is being burnt in the country, that is one part. Second part is that, soon we will be in a situation where cash will be coming out and we will have to start deploying. Now we talked about two options of deploying that cash. Both of those options will again increase our EBITDA whether we do it in thermal or we do it mineral or we do it in both. So from here on, we are looking at a growth story. So that is how one should look at the company as such. So, I just wanted to draw your attention to both sides.

**Manav Mehta:** Okay sir got that. So sir basically we are looking forward that these rates are dependent on the tariff rates as per PPA. And mean we don't have much outlook on what the future could hold, but we are obviously looking out for a growth story. Sir but my second question would be regarding our operating profits are continuously increasing, sir, but as we see sir that the PAT is, profit EBITDA is not increasing so drastically right because of our heavy interest payments. So, in this quarter, we see that the interest payment is only of Rs.239 crores while as in the previous quarters we see around Rs.700 crores as interest payments. So, sir in future how do we have an outlook of our interest payments. So, do we see that, until when do we have our profit before tax to be negative?

**Rajiv Rattan:** Now, profit before tax will not be negative going forward. So, because Amravati by itself earlier, there were when Sinnar was getting consolidated and there were all kinds of issues coming from there. So, that is in the past now, and Amravati standalone debt is reducing so interest cost will keep on reducing and hence PBT will only increase. And Important thing, we would like to highlight here is that because of historical losses, we actually have a tax shield for next few years. So all these profits will not have income tax.

**Moderator:** Thank you. The next question is from the line of Amandeep Sharma from EX. Please go ahead. As we are not receiving a response from the current participant, we will move to the next question which will be from the line of Nishant Sharma from Nuvama PCG. Please go ahead.

**Nishant Sharma:** Sorry, I have joined a little late. Just wanted to understand on the exceptional item that we have reported and going forward, how our performance on the bottom line would be faring, while we have seen that the most of the up move was because of the reduction in interest cost, going forward how do we see our operations move forward. Thank you.

**Rajiv Rattan:** So, earlier there were losses because of Sinnar come again. So that is a thing of the past. So that will not be happening in future. So you will see consolidated and standalone numbers to converge. And going forward our interest cost continue to dip and the Amravati plant as debt reduces. So, our profit will only increase and we talk about the expansion scope, where we discussed renewables and thermals. So we will be looking at both the options in coming times. So that will only add to the bottom line.

**Nishant Sharma:** Okay, sir and on the exceptional items. Sorry, I missed that.

**Rajiv Rattan:** Exceptional item is effect of deconsolidation of Sinnar plants from here. So that is basically coming from there.

**Moderator:** Thank you. The next question is from the line of Hiral Nandu from Kalpvruksh Capital. Please go ahead.

**Hiral Nandu:** Just a few follow up questions, just couple of points for the clarity purpose. When we say we have a tax field for the past losses, so for tax purpose what would it be that amount approximately?

**Rajiv Rattan:** It's 2000, 3000 crores of losses, we can get back with the exact number but it's very substantial.

**Hiral Nandu:** Great. And secondly, when we say the relation and there is a escalation which takes under next quarter, it takes time to getting build. So, currently we are billing at what around 3.8 or something, realization rate is around 3.8?

**Rajiv Rattan:** Yes.

**Hiral Nandu:** And can it go to what, Rs.5 or Rs.6 with escalation because the current market rate is quite high?

**Rajiv Rattan:** No, it can't go to Rs.5 or Rs.6, but yes it is inching up as we are based on the escalable component. And it can eventually go to beyond 5 or 6 but not like tomorrow, that can't happen.

**Hiral Nandu:** Certainly. So even that can be one factor for increase in the revenue right?

**Rajiv Rattan:** Yes.

**Moderator:** Thank you. The next question is from the line of Tushar an Individual Investor. Please go ahead.

**Tushar:** My specific question is about, my first question is about in the auditors comment we saw that one subsidiary has a loss of 23.8 crore, possibly that is Poena Power, can you please inform details on this and also whether it's a one off loss or it's a recurring loss?

**Rajiv Rattan:** That's a onetime loss basically, there was a capital work in progress that was written off. So this is like whatever had been spent on the land so far, we were putting it as, auditors were putting it as capital work in progress. And then this time around, we just clean them up because our request to the auditors was to remove this, to clean up everything.

**Tushar:** Understand sir. And sir what will happen with Poena Power going forward, is it likely to generate revenues or will it be, if it's a non-revenue generating subsidiary, will that be shut down?

**Rajiv Rattan:** As mentioned about the Punjab land, but I can just repeat that, so 800 acres in Punjab and agricultural belt and it's very difficult to replicate today. Even like we would not be able to acquire that land and anywhere in the country. It's very important chunk and it will be put to commercial use. Sometime in future I cannot really put a date but yes, it is a sizable land, if anybody wants to set up a meaningful project they will have to come to us. We are working with the state government on various options on what can be done on that land. And all we

can say is that yes, at some point in time it will get used commercially which will result in end returns to RattanIndia Power.

**Tushar:** Got it sir. And all this land you will take up which is sitting in Poena Power?

**Rajiv Rattan:** The Punjab land is in Poena Power.

**Tushar:** Got it. Second question was on merchant sales. We noted that last year the 28 megawatts was sold. And what we have indicated is that this year may be up to 100 megawatts could be sold, what is the unit rate realization in merchant sales last year in FY24. And what is your estimate on the rate we will get in FY25?

**Rajiv Rattan:** So we started this only recently, only last quarter so In January it started so it's not that this year is the whole year of merchant and since January, our average rate would be about Rs.7 or so. So, that is a function of the exchange, the prices which are there for everybody to see. But fundamentally, what I can say is that, fresh capacities are not getting added if at all, it will happen only in government sector. And any new project that needs to be set up takes about five years time on a brownfield and takes about seven years time on a greenfield and inland water allocations are very, very difficult to happen because of the pressure on water or the population for the purposes of usage by other industries or even for domestic uses. So water usage is huge in power plants, in land, on port they can use sea water, but in land its a big issue. So with that backdrop, exchange prices are not likely to come down, this is what we see.

**Tushar:** Last point was on EBITDA. While you clarified that the EBITDA is a function of the PPA. In the last, when you look at last three years, two years, EBITDA. Last year EBITDA was 1100 crores year before that it was 1160 crore. So do you see EBITDA now stabilizing around 1000 crore per year or do you think it will go back to 1100, +1150?

**Rajiv Rattan:** The EBITDA will be around 1000, 1100 only from year-to-year it might change slightly, but it will be ballpark in that range only.

**Tushar:** Got it and last question is on the interest on long term debt. By when do you think all the long term debt will be completely paid off by the company by when, when will be the company be free from long term debt because we see total long term debt at 3000 odd crore in the balance sheet. So by when will it be pull, all the debt be fully repaid?

**Rajiv Rattan:** So, we want to do it as early as possible. But it is a step at a time and next year sometime it should happen.

**Moderator:** Thank you. The next question is from the line of Chinta Ramakrishna, an Individual and Retail Investor. Please go ahead.

**Chinta Ramakrishna:** Good evening Rajiv sir. Thanks to the entire RattanIndia leadership team for keeping the Amravati running with maximum capacity. And good that we have started these quarterly investor call. Can we expect this good culture having this quarterly investor call continue in the future also?

**Rajiv Rattan:** Yes, we could do that.

**Chinta Ramakrishna:** And regarding the Nashik NCLT project, the NCLT process has some certain timeline to complete once the process starts. So could you share some information by what day the NCLT started and what will be the cut off time to complete the process?

**Rajiv Rattan:** You are right that there are timelines around the process. But, if you see the practical side of it, because of reasons beyond anybody's control the processes usually go longer than those timelines. And it could be a year or two that processes take so I'm just speaking from the past phases. And it is going to take a bit of time, in our case you asked for the start date, that start date is around Jan or Feb of 24th. So, we recently started.

**Moderator:** Thank you. The next question is from the line of Namit Arora from IntGrowth Capital. Please go ahead.

**Namit Arora:** My question is around the organization. The macro opportunity is very large, and you are executing to capitalize on the opportunity if you could give us some color on, if you made any recent additions to the management team or anything in the pipeline. Given the scale of the opportunity, do you need to beef up the management. Thank you.

**Rajiv Rattan:** Sorry, I missed that. There was a problem on the line on my side.

**Namit Arora:** My question was that, the macro opportunity is very large, to capitalize on it towards executing but do you need to beef up the management team have you added any recent senior hires or anything in the pipeline, just some color on various functions for the organization and if you are looking to augment it through capitalize on the macro opportunity. Thank you.

**Rajiv Rattan:** Our team is fully capable of taking on expansion. And at relevant time, we will add more to the team. We are very frugal operators, so we don't like to waste money. And we will hire at the right time if more people are needed. But as of now for the things that we are doing, our team is fully geared up and capable. And we have deep management bandwidth.

**Namit Arora:** Got it, thank you. I have just one more question. Are there any things that you worry about, anything that you are sort of focused on carefully, in terms of anything in nature of worries or challenges, as founders and senior management anything that you focus on specifically?

**Rajiv Rattan:** From our side, the worst is behind us. That's all I can say, it has not been easy, it has been very, very challenging time. And to actually resolve Amravati first itself was a big challenge.

Thankfully, we were able to do it in the right manner. Unfortunately, Sinnar resolution did not happen in the way that we wanted. But going forward, things are brighter and brighter. And basically, from our side, all the big issues that we have to solve for we have already solved, now we can just look forward and focus on expansion after the debt is paid off.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as a last question for today. I would now like to hand the conference over to Mr. Simran Jeet Singh for closing comments. Over to you, sir.

**Simran Jeet Singh:** Thank you all for joining the conference call hosted by Almondz. And you may now disconnect your lines. Thanks a lot.

**Rajiv Rattan:** Thank you so much.

**Moderator:** Thank you. On behalf of Almondz Global Securities Limited, that concludes this conference. Thank you all for joining us.