"Hindustan Zinc Limited's Q3 2020 Earnings Call"

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Moderator: Ladies and gentlemen, good day and welcome to the Q3 FY'20 Earnings Conference Call of Hindustan Zinc Limited. 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 touchstone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Preeti Dubey from Investor Relations Team. Thank you and over to you.

Preeti Dubey: Thank you, Stanford. Good afternoon, everyone and thank you for joining us for Hindustan Zinc's Third Quarter Fiscal 2020 Results Call. For our call today, we have with us Mr. Sunil Duggal – CEO and Mr. Swayam Saurabh – CFO. "Mr. Duggal will present an Update on Business Performance" while "Swayam will present Financial Performance", after which we will be happy to take your "Questions." Over to you Mr. Duggal.

Sunil Duggal: Thank you, Preeti, and a warm welcome to all of you. I am happy to share with you that Hindustan Zinc has been declared as a "Disclosure Champion" in FTI Asia Disclosure Index 2019 with a perfect score of 10 and is among the top-23 companies in Asia and top-5 companies in India. This Index is based on non-financial voluntary disclosure and cover areas of performance about quality, sustainability, risk management, etc., As our commitment towards maintaining highest corporate governance, we have progressively improved our disclosures in our annual report and have been voluntarily publishing sustainability report for the last four years now and tax transparency report for the last two years. I encourage all of you to visit our website to read these reports to understand the extent and quality of our non-financial and financial disclosures. This recognition compliments our ranking in Dow Jones Sustainability Index where we are placed first in Asia Pacific and Fifth globally in metal and mining as well as our membership in FTSE4Good Index Series for the third year in a row.

Now, coming to Operations: Production for our mines has progressively increased during the year. Agucha delivered 22% growth year-to-date and has achieved a run rate of 4.1 mtpa in Q3, has on track to achieve its target run rate of 4.5 mtpa in Q4. Zawar continues to deliver good performance with ore production up 16% year-to-date. SK mine has started recovering from geo tech challenges which affected production volume and grade during first half of the year. Both volume and ore grade improved in Q3 and shaft fully operational, the mine is set to deliver good performance in Q4.

Coming to our Projects now: We are in final phase of our mining expansion project to deliver 1.2 mtpa of mine metal design capacity. At Rampura Agucha shaft and auxiliary equipments have been commissioned and waste hauling has begun. Our hauling is expected to start in February, which will complete the shaft project. There is a final nod given by MoEF environment clearance for expansion of Rajpura Dariba mine to increase ore production from 1.08 mtpa to 2 mtpa and ore beneficiation from 1.2 mtpa to 2.5 mtpa is expected in February.

We have set up a Digital Collaboration Center at Udaipur which brings complete operational data of all our locations on a single analytics platform. This will enable improvement in productivity, equipment and effectiveness and ore to metal ratio. I am proud to say that this center qualifies to be amongst the world's top integrated technology centers.

In our mine of the future initiative at SK mine, we have launched Advanced Analytics to predict the health of equipments which will help in improving OE up to 10%. Furthermore, underground traffic management system has been implemented, allowing for improved turnaround time and safety. In our journey towards realizing the potential of our 1,000 crores from minor metal, we are in advanced stages of setting up facilities to extract copper, cadmium, cobalt, antimony, nickel, bismuth as well as residual zinc. The current ancillary unit generates Rs.150 crores additional value annually. We are firming up partnership with leading global technology suppliers and execution expert to augment the capacity of minor metal production in next two years to realize the full potential.

Now, to give you an update on market: The fundamental outlook for the zinc market remain strong with exchange metal stocks at historically low of about four-days. The negative sentiment which prevailed this year initially by the US-China trade war has reversed with key trade deals being signed off between the two countries. This pushed zinc prices higher during the quarter. The refined zinc market continues to remain in deficit with zinc demand higher than zinc production by about 500 kt in 2019. The mine production in 2019 was lower by about 600kt as compared to expectation at the beginning of the year due to several reasons including environment issues in China, slow ramp up, new projects, R&R divisions and operational issues. These issues have also impacted mine production estimates in 2020 and 2021 which are now lower by more than a million ton. A similar trend was seen in smelter production for which forecast production has also been impaired, down by over 1 mt for the next two years versus expectation at the start of 2019. Moreover, zinc projects adding supplies have deleterious elements like silica, manganese, mercury, arsenic, etc., Penalties for impurities along with elevated treatment charges at current prices level are stretching margins and will discourage ongoing expansion. With China's massive belt and road initiative, India's strong push on infrastructure to boost GDP, coupled with other global infrastructure projects, the demand for zinc has potential to grow. Any boost in demand will be difficult to accommodate at current level of inventories. Looking ahead, we are confident that improving demand with positive momentum from resolution of trade dispute and continuing deficit in zinc market will support higher zinc prices.

Our strategy for India is to provide quality value added zinc products for the alloy and sheet steel producers to grow our market share and secure better premiums. We are on track to increase our value added product portfolio to 25%, driven by strong demand for these products in the market.

In line with Prime Minister's outlay plan to spend about $1.5 trillion to upgrade and build infrastructure, the Indian railways is setting target to galvanize rail tracks and is speeding up replacement of asbestos sheets with galvanized roofs. This has opened a new opportunity to significantly increase in demand. Moreover, we expect this year budget to fuel consumption growth in key sectors which should eventually drive zinc demand to high single-digit growth.

Now, turning to our Quarterly Performance: Mine metal production at 235 kt was up 5% sequentially on account of higher ore production across all mines and better overall grades. Mine metal production in Q3 and YTD declined from a year ago due to lower ore grades offsetting higher ore production. From a year ago, Agucha, Zawar and SK mine increased ore production in Q3 while Kayad and RD mine are operating at near capacity at EC limits. Ore grade at Agucha and Kayad were down in Q3 due to expected transition to low metal bearing areas. Integrated metal production was 219 kt in Q3, up 4% sequentially and down 9% from a year ago while YTD production was down 3%, integrated zinc production at 178 kt was in line with mined metal production during the quarter. Lead production at 41 kt was lower due to some temporary operational issues at DSC lead smelter, that led to lower rate of production and consequent increase in lead mined metal stock. Silver production at 149 tons, benefited from higher silver grade at SK mine, though lower lead production impacted silver production.

Now to Update You on Expansion Projects: As mentioned earlier, we expect to begin ore hauling from Agucha shaft in February. The shaft will also provide an opportunity to explore Galena Zone under the shaft. At Zawar, the two back-fill plants are under commissioning and back-filling of voids is expected to commence in February 2020. In addition to improving mine stability, this back-filling will allow us to recover the left out high grade ore from old pillars, improving volume and grade. The Fumer plant in Chanderia is undergoing hot commissioning and expected to produce first metal by February. The debottlenecking of our smelters to 1.13 mt was completed during the quarter and further debottlenecking to 1.2 mt is underway.

Now, I request "Swayam to provide you an Update on Financial Performance."

Swayam Saurabh: Thank you, Mr. Duggal and good afternoon, everyone. Revenue for the quarter was Rs.4,672 crores, up 4% sequentially on higher zinc and silver volume, improvement in metal prices as well as rupee depreciation. From a year ago, revenue was lower by 16% due to lower metal production and lower zinc prices which declined by 9% while lead and silver prices have recovered with silver up by about 20%. Revenue for the quarter was also lower due to build up in refined zinc inventory which will add to revenue in Q4. For the nine months period, revenue was lower by 9% on account of an average 9% decline in LME prices, lower volume, partly offset by higher silver prices and rupee depreciation.

On the cost side, imported coal prices improved further during the quarter with linkage coal reaching about 22% in the overall mix. This led to reduction in power cost sequentially as well as from a year ago despite a 50% increase in electricity duty on captive power plants from July 2019 by Rajasthan government. Zinc cost of production excluding royalty increased sequentially to $1,077/ton while higher production improved the fixed cost leverage. CoP increased on account of higher mine development expenses to secure our production profile and a one-time R&M expense at Dariba zinc smelter which suffered a roaster breakdown. Roaster in back-in operation and hence is not expected to have any impact on Q4 production. As compared to last year, CoP in Q3 and year-to-date was further impacted by lower grades, increase in cement prices and a softening acid prices globally. The EBITDA for the quarter was at Rs.2,288 crores, up 8% sequentially and down 20% YoY and for the nine months it was down 13% to Rs.6,888 crores. Net profit for the quarter was at Rs.1,620 crores as compared to Rs.2,081 crores in Q2 and Rs.2,211 crores in Q3 last year. The sequential decline is due to one, low investment income in Q3 as we had significant mark-to-market gains in Q2 due to rate cuts and two, effective tax rate of 23% in Q3 versus exceptionally low 0.3% in Q2 which was due to reversal of Rs.365 crores on revision of estimate for deferred tax liability pursuant to Taxation Law Amendment Ordinance 2019. Excluding the impact of tax reversal and exceptional MTM gain the net profit for the quarter would have been 8% higher, reflecting higher volume and LME improvements. As compared to a year ago, net profit in Q3 was impacted by higher depreciation and amortization expenses on account of higher ore production and higher capitalization and also lower investment income due to mark-to-market gain last year. From the year-to-date, net income was at Rs.5,466 crores, down 8% on account of lower EBITDA and higher D&A expenses, partly offset by higher investment income due to higher corpus and higher rate of return and lower tax rate due to Rs.365 crores reversal as mentioned earlier.

Now, I will request Mr. Duggal to wrap up today's presentation.

Sunil Duggal: So now to sum up, our major mining expansion project will be operational in the current quarter to achieve 1.2 mtpa mine metal capacity. With ongoing ramp up of mines we expect to deliver much better performance in Q4. The deficit in refined zinc market, low stock levels and the expected growth in zinc demand, zinc prices are expected to improve in the near future.

With this, I open the floor for the questions. Thank you.

Moderator: Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. The first question is from the line of Pinakin Parekh from JP Morgan. Please go ahead.

Pinakin Parekh: Just taking a step back, in the last couple of years we have seen delays in the mining projects, great slippages. When I look at the zinc cost of production without royalty, the FY'17 average was around Rs.55,000, in FY'18 it was Rs.60,000, then Rs.70,000 in FY'19 and now it stands at Rs.76,000. Now sir going forward over the next two years, even if we assume that 1.2 mtpa is fully ramped up, can we go back to the cost of production that we saw for zinc in FY'17 and '18 between the Rs.55,000 to Rs.60,000 range or is this plus Rs.70,000 per ton is the new normal given the geology that is there and the other issues?

Sunil Duggal: Whatever we face is more like a temporary issue. Grade is a combination of what we mine from which area. So within the same mine, we have the differential grade depending on which section of the ore body we have. So, there is a defined sequence because of which some committed grade is developed and the certain event happens like we said the geo tech issues which were there in the SK mine, so we had to revise our sequence of mining so that we can actually get the ore production. So, it temporarily impacted the grade, but going forward the grades from Rampura Agucha, which was also a sequential event, so going forward, when both the paste fill plants are commissioned and our development happens in a manner that we design our stopes sequence in a manner that it gives the average grade for the year and which is as per the plan. So what we have done in the last three quarters is that we are putting up a huge focus on the development of the mine. So if I give you the trend, there is about 30%, 40% rise in the mine development from quarter-to-quarter. And we also are giving a better focus on defining the ore body by exploration drilling. This also gives us an opportunity to do the structural mapping of the mine in which we can predict what is the advanced ore we have to give and definition of the ore body better by which we can make a better design and we expect the better grade where we can reduce the dilution. So, this is what the definition of how shall we get hold off our ore grades. But apart from that, there is volume rise, the SK mine, the shaft has got stabilized, the shaft which gets stabilized in Rampura Agucha will give us the opportunity to do the additional hauling and the additional development and from a deeper level we will be able to take out the ore. But along with that, as we have told you that we have difficulty in the mine which should improve our OEE. So all these projects are getting matured. Digitization of the mines both in SK and Rampura Agucha completed to the extent of 60%, 70%. And when the digitization gets completed, so it gives us a more utilization of machines, remote operation of the machines and the improvement of OE. So, all these opportunities are there, but along with that as we have set ourselves on the journey of minor metal like we are saying that we already see some opportunity and some of the projects also catching some steam, some of the projects are being put in the pipeline. When we get actually all these projects commissioned and we get a credit of around 800 crores to 1,000 crores, this will also give us a credit in our cost and ultimately cost will come back. But as you are also talking about the constant rupee, it also have the factor of depreciation of rupee because our large part of the cost is connected with the dollar cost because we import 80% of our coal and there are other commodities which consume which have a global bearing on us. So, a combination of that what I am trying to say is that we have the internal plan that how shall we claw back the cost or rather come back to $900 or $875 in a couple of years from now.

Swayam Saurabh: If I can add to that, so the reference cost of $800 or below $800 has one more impact. It is a shift from open cast to underground. When you do, you typically have a cost increase simply because you are going deeper and mine development cost goes up. But going back to what Mr. Duggal said, from the current levels, once we go higher, we will have let us say better volume leverage, about 35% of our total cost is fixed. So that would drive cost down. Second is indeed minor metal. Third I think is equally important and we have been talking about it for last one or two quarters. Mine digitization will eliminate some of the inefficiencies. What that will do is some of the inherent cost of going deeper will get compensated more than compensated by doing that. So if I can do a simple math for you, incremental mine development was the reason why cost went up in Q3 versus Q2. So at 1.040 level, it is possible to go down to around 900 by a combination of holding grade right, delivering on minor metal credit and essentially a volume uptick which will give me a better leverage. So it is possible to go around 900.

Pinakin Parekh: So just to clarify, the cost reduction from plus $1,000 or Rs,76000 to below Rs.65,000 a ton. That is a two year schedule that we should look at. It is not going to happen in the next two to three quarters, right.

Sunil Duggal: Steadily quarter-on-quarter it will happen.

Moderator: Thank you. The next question is from the line of Amit Dixit from Edelweiss. Please go ahead.

Amit Dixit: The first question is on the projects that we have. If I look at fumer, RD mine, backfill plants in Zawar, they seem to be delayed by a couple of months. So February '20 is a very critical month for us as I get during this concall, lot of milestones planned then. Is there a possibility of these projects getting delayed any further or is the delays are all done?

Sunil Duggal: There is no further delay if I would explain about the Rampura Agucha shaft, the shaft is up and running, hauling the waste. The ore passes which is a pass created underground which has to drop the ore from a higher level to the shaft level, this is being drilled and the progress is such that it is going to get completed in next four to five days time. So this project is almost in the last ticking stage. So there is no further delay which is expected. As far as the paste filling is concerned, the commissioning is going on, cold commissioning is going on and these plants are almost completed. So these plants will start filling the mine at any point of time. So there is no further issue in this. As far as fumer is concerned, the hot commissioning is already going on, we should get the metal any day.

Amit Dixit: The second question is essentially you mentioned that you are going to hit galena rich zone in Rampura Agucha. So does that imply that you will get more of lead output from Rampura Agucha and henceforth the lead output and silver would get a fillip from this particular mine as well?

Sunil Duggal: That is what the plan is. Presently what we are doing is we have made exploration drive there and the high speed drilling machines and high technology machines are already deputed there. So we are drilling and we are defining the ore body there. So along with that mine plan how to reach from the shaft bottom to the ore body that plan is going on. So I think when the ore body will be fully defined or broadly defined, we will be able to define that how we have to approach the ore body and that development work to reach the Galena Zone, will start in about three months time from now and in about a year's time will start touching that. After that the stoping will start. But you are absolutely right, this is a high lead zone where the silver content varies from somewhere 150 to 400 ppm and average silver is more than 200 ppm. In the time to come, we will definitely have a mine within mine, the mine which is a main ore body, a mine below the main ore body which is a Galena Zone. So we will parallely start operating both the mines within Rampura Agucha mine.

Amit Dixit: This cost of production also has some one-time repair and maintenance due to roaster breakdown. So is it possible to quantify the same, how much was the cost due to roaster breakdown?

Swayam Saurabh: One-time cost would be about Rs.16 crores; $10 per ton.

Moderator: Thank you. The next question is from the line of Ritesh Shah from Investec Capital. Please go ahead.

Ritesh Shah: Sir, my first question is how should one look at full year volume guidance? I think past consecutive quarters, volumes have not come at least to the expectations of the street. Sir, how should one look at that? Full year this year, that is for Q4 because we had indicated 950 kt plus for this fiscal. So how does that stack up now because the implied Q4 ask is quite high. And my second question was how should one look at it next year and if you could give some color on mine wise split and grades that we are looking at?

Sunil Duggal: As far as next year is concerned, our endeavor is to at least make the mine plan which is close to the capacity and we are on a black board to design the mine wise grade/sequence and the ore production will do. We will come back next quarter when our business plan exercise will be completed. As far as the volume of this quarter is concerned, as far as MIC is concerned, we are confident that we will be as close to 950 as possible. Our silver will also be almost as per the guidance. But looking at some of the smelter slowdown or the lead smelter issue which we faced in Q3 and the roof of one of the smelters, the roaster which we face in Q3, there could be some volume variation and we could be around 910-920 in year as a whole for refined metal.

Ritesh Shah: When you indicate that for silver will be on track with the guidance, is this on the basis of like we already have some lead inventory which is there, ore inventory which is there and hence you are confident on the numbers?

Sunil Duggal: Yes, so one is the lead inventory, another is that the sequence of mine where the good grade from SK mine delivering the high silver content, the silver content from quarter-to-quarter has grown. Last quarter also we had the high silver content; it was about 120 ppm and this quarter we are expecting even higher silver. So the flow of higher silver and the lead inventory. And what we are also thinking is that one of the pyrosmelter we have the option to run either on lead and zinc together. So this quarter we will be fully running on lead. So this will give us the additional volume of lead and definitely the silver. So that is why we are confident that we should be reaching almost close to our guidance of silver 650 MT.

Ritesh Shah: Sir, my third question is any update on Bamnia Kalan and that is what we had indicated in a couple of prior quarters that you are about to start drilling over there and we see some good scope over there?

Sunil Duggal: So the exploration drilling is going on in a big way. So, after the exploration drilling will be completed, we should have a sufficient drilling to have the R&R which gives us the visibility of designing the portal and the decline and make a mine plan. So I think it will take another quarter or so before we will be able to make a mine plan for that.

Ritesh Shah: Sir, any clarity on SK north and south? I think there was certain clarity from a legal side that we were awaiting.

Sunil Duggal: The ordinance has come which says there is some priority for the deep seated metal. We are trying to take the clarification and it also says that some rules could also be framed around that. So we will try to take some clarity, but we definitely have some the preferential right on that. So we will come back to you as we get the clarification on that.

Ritesh Shah: Sir, you had indicated on the fertilizer plant, basically will have EC in the next quarter. So sir, any capital allocation plans firmed up over here?

Sunil Duggal: The MoEF presentation was made and the principal nod has been given. So we will get EC in this month any day. So in the meantime we are preparing ourselves, looking at the technologies, our teams are visiting where the plants are established and we are doing the internal working and we will plan as we progress and finalize the technology and the partner.

Ritesh Shah: Sir, have you firmed up on the size and you had indicated that the hurdle rates are significantly better than the yield. So sir, any number that you can share over here?

Sunil Duggal: Around 0.7 mt or so will be the size of the plant we will be putting in the first stage.

Ritesh Shah: Indicative CAPEX?

Swayam Saurabh: Indicative CAPEX, I cannot give you the figure right now because this will go public and I do not want to do any spoiling our own negotiations.

Moderator: Thank you. The next question is from the line of Sumangal Nevatia from Kotak Securities. Please go ahead.

Sumangal Nevatia: Sir, first question is with respect to the cash flow. I just wanted to understand 3Q flows better. So operational cash flow appears to be around Rs.2,200 crores but still cash balance is flat sequentially. So if you could just share how has the cash flow been?

Swayam Saurabh: EBITDA was Rs.2,288 crores. The change in working capital was Rs.(-1,100) crores and that is the combination of customer advance which needed to be refunded, we are sitting on high stocks of finished goods as well as on concentrate side, which would correct itself in Q4. Sustaining CAPEX about Rs.750 crores. Net cash outflow is about Rs.500 crores. Net interest income which is lower than Q2 is at Rs.379 crores and growth CAPEX is Rs.430 crores. If you add them up, you basically come to that flat number.

Sumangal Nevatia: So this sustaining CAPEX, what should be the annual run rate because this is over and above the $300 million growth CAPEX which you guided, right?

Swayam Saurabh: That is correct.

Sumangal Nevatia: What should be the annual number this year and run rate to expect next year?

Swayam Saurabh: It should be about 250-300 million annually and large part of sustaining CAPEX is mine development.

Sumangal Nevatia: That is a bit higher than what we were building in. Has this increased in the last couple of quarters or this is just a one or two years thing or sustainable going forward from a three, five years point of view as well?

Swayam Saurabh: If we look at the quarter numbers, we are focusing significantly on driving additional mine development, a message which we also communicated in last quarter. So we are investing additional in mine development to do mine development faster which would make our volumes projections more reliable. So it should stay in this range for some time in future.

Sumangal Nevatia: Second question is with respect to coal supply. If you could just share what was the linkage supply import mix, etc., and how the cost trends in the coming quarters impact our CoP from the coal front?

Swayam Saurabh: The coal indeed has given us benefit from an average of Rs.8,400 landed last full year. We are almost 15% lower and sequentially quarter-over-quarter the coal prices have come down. As on Q3, the linkage mix was 22% while on a YTD basis linkage is about 25% of my total coal.

Sunil Duggal: Just to update you further on this, the differential between the linkage coal and the imported coal is going down. So, the advantage we used to get last year on the usage of the linkage coal is not that much because the linkage coal price has gone up and the imported coal prices have come down.

Sumangal Nevatia: So going forward, there is further cost deflation expected from coal?

Swayam Saurabh: So part of the reason imported coal went down was global demand/supply situation, something we expect to continue. And also there have been significant focus globally on driving green energy, non-coal energy. So we expect coal prices to remain soft in coming quarters as well.

Moderator: Thank you. The next question is from the line of Vishal Chandak from Emkay Global. Please go ahead.

Vishal Chandak: If I look at the premium that you get over the LME on the zinc, on a sequential basis, it has cost almost like $35? If you could just help us understand how this premium moves and what impacts us?

Swayam Saurabh: The effective premium will be earned is a combination of actual premium and the import parity which is charged to my customer. Import parity is a factor of FX and going LME because basis that, that gets determined. Actual premium which is our reference is a combination of a few metal exchanges in Southeast Asia. Premiums are under a little bit pressure. We have seen premiums coming down by about $20, $25 over last two quarters. But we strongly believe looking at current zinc stock and also the fact that mine supply is lower than what has been forecasted, putting similar pressure on refined metal supply, we think premium will catch up soon.

Vishal Chandak: Secondly sir, I think you mentioned that smelter capacity would be about 1.13 million in next year while the mined capacity would be 1.2 million. So the balance we should assume would be part of concentrate sales.

Sunil Duggal: If we take the recovery into account, it comes almost at the same level and we are also further planning to take this capacity up to 1.2 mt considering that we would also have the additional flow of the metal from the fumer and recovery improvements.

Vishal Chandak: So we should not be building any ore concentrate sales next year?

Sunil Duggal: No need to build any such assumption.

Moderator: Thank you. The next question is from the line of Rajesh Lachhani from HSBC. Please go ahead.

Rajesh Lachhani: Sir, just a few clarifications on the question that my colleague asked earlier. So just on the sustaining CAPEX of 300 million you said was largely driven by mine development expenses. However, our CoP has increased because of the mine development. So basically this is part of the normal expenses and it is not a separate CAPEX. How should we understand that?

Swayam Saurabh: If you see the mine development cost process, there is a part which needs to be developed before we can take the ore out. So we work parallely on multiple phases, multiple levels. That part where there is a timing difference on my ability to take ore out is capitalized, that itself sustaining CAPEX. The development which I need to do, the prospects I need to create to enter the ore and actually drill and take production out is the development which is in revenue which has gone up 35% versus last quarter. So, it is basically the whole process. The closer I go to my actual production is revenue. The decline development and related developments are all capital.

Sunil Duggal: And plus we also need to replace our mining equipment in a cycle. So depending on which mining equipment comes in which cycle and how many equipments we have to replace, so that also defines the sustaining CAPEX. But, going forward what we are also doing is that these equipments are being maintained by the OEMs and these OEMs used to take the responsibility of the equipment for four years of maintenance, we are discussing with them and almost finalizing that how these equipments can give the life up to six to seven years. This will also optimize our CAPEX going forward.

Rajesh Lachhani: If you can just throw some light on the trend of the mine development expenses, how much was capitalized earlier two, three years back compared to now, so that we can understand the trend and what it could be going forward?

Swayam Saurabh: We will take this question offline and Preeti could provide it separately.

Moderator: Thank you. Ladies and gentlemen, that was the last question. I now hand the conference over to Ms. Preeti Dubey for closing comments.

Preeti Dubey: Thank you, everyone. If you have any further questions, please contact me.

Sunil Duggal: Thank you.

Swayam Saurabh: Thank you.

Moderator: Thank you very much. Ladies and gentlemen, on behalf of Hindustan Zinc Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines.