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## “Tata Power Q3 FY14 Earnings Conference Call”

**February 7, 2014**



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**MANAGEMENT:**    **MR. ANIL SARDANA –MANAGING DIRECTOR**  
                          **MR. S. RAMAKRISHNAN – EXECUTIVE DIRECTOR, FINANCE**  
                          **MR. S. PADMANABHAN – EXECUTIVE DIRECTOR, OPERATIONS**

**Moderator** Ladies and gentlemen good day and welcome to Tata Power Q3 FY14 Earnings Conference Call. We have with us today from Tata Power Mr. Anil Sardana – Managing Director, Mr. S. Ramakrishnan – Executive Director Finance and Mr. S. Padmanabhan – Executive Director Operations. As a reminder for the duration of this conference 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. Please note that this conference is being recorded. I now hand the conference over to Mr. Anil Sardana. Thank you and over to you sir.

**Tata Power Management** Thank you and good evening to all analyst friends. I am sure you have had enough time to go through the press release and also the presentation that was forwarded by our team to you. I just want to begin by saying that once again a good robust operating performance in the Q3 there has been an all-round good performance in terms of operations, however we continue to have the impact of Mundra and also specific impact of some of the past dues settlements that we have taken in the case Arutmin. And some of those details you have seen are available in the presentation deck that you have got but during the exchange we will be able to respond to other questions if you may have so may I request that we would rather kick start with your questions immediately.

**Moderator** Thank you very much sir. We will now begin the question and answer session. The first question is from the line of Venugopal Garre from Barclays. Please go ahead.

**Venugopal Garre** I think first thing I would like to ask is with regards to this settlement in Arutmin, would you explain to us these Rs.152 crores which is in the other expense which is due to increase provision for future rehabilitation, could you explain to us what it exactly means?

**Tata Power Management** See in the mining company whenever you disturb a particular ground you have an obligation to rehabilitate and leave that ground once the mining is over in an acceptable form. So there is an obligation on the mining company to rehabilitate the land. When we signed the agreement with Thiess the agreement was for over the life of the mine, which means till the mine’s life is there they are the contractor and the rate that we pay them not only included for bringing the coal out but it also included certain amount towards rehabilitating the disturbed land. And hence the net provision so long as the Thiess contract continue to be effective was nil in the accounts. Now, in this quarter it was decided to settle certain pending matters with Thiess as well as take a decision to terminate the contractual arrangement with Thiess, hence what happened was that the areas that have not yet been rehabilitated by Thiess because they are still digging in the mine and the life of the mine is not over became the obligation of the company. If the company desires to do a similar arrangement like Thiess with another contractor this obligation will reflect itself in the books of Arutmin that is the entry you see today which is the obligation of the company to rehabilitate the land before they handover back to the government will be reversed. We have not yet sorted out how supposing we appoint a contractor who doesn’t have responsibility maybe this

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is an obligation we have over the life of the mines and perhaps it should be amortized over their production that is yet to come out of the mines. That's the call we will take when the new contract is awarded and depending on the nature of the contract, the accounting treatment will be appropriately adjusted but as of now it is reflecting itself as an obligation of Arutmin and hence it is reflecting in the P&L and our share of 30% comes to us.

**Venugopal Garre**

But now with the sale of the mine how does it work now coming forward?

**Tata Power Management**

This is as far as Arutmin is concerned. Once we sell the mine all the Arutmin entries will go out of our balance sheet and whichever manner the sale proceeds needs to be treated that is the way it will be treated.

**Venugopal Garre**

Second question again is just to understand when I go through the numbers there seems to be some reclassification in the segment accounts. Could you explain to us how should we be looking at that?

**Tata Power Management**

See earlier the way the segment accounting was being done the revenue that the coal companies earned from selling the coal through our own power company did not reflect itself in the coal segment while all the cost of the coal extraction did reflect itself, which we found was a little inappropriate from the point of view of accounting and hence we have now used what is called inter-sectorial transactions to make the whole segment reflect properly, which is what we have done. In fact the earlier quarter there were queries from analysts how come your coal segment is reading like this and we tried to explain that was on accounting requirement but for better communication we have decided to use the inter segment elimination process to arrive at an appropriate quarter. The total profit between the two segments add up the same number and the distribution has changed the power has gone down a bit and the coal has gone up a bit.

**Venugopal Garre**

I will probably queue in for couple of more questions that I have, thanks a lot sir.

**Moderator**

Thank you. The next question is from the line of Abhishek Tyagi from CLSA. Please go ahead.

**Abhishek Tyagi**

First question now with the sale of Arutmin it will be only KPC which will be there so any difference we should be aware of in terms of realization and cash cost between the two mines that will help us perhaps forecast better if you can give us some ballpark figures in terms of cash cost and realization difference between these two assets?

**Tata Power Management**

The two mines are very different in terms of realization per ton because the GCV values of the mines are different, strip ratio issues are different. If you wait till the Arutmin transaction is done it will help us to share the numbers better. They are different in the sense that applying them pro rata is not a correct way of doing analysis. You will need a separate figure but once we complete the transaction we will definitely share this.

- Tata Power Management** In fact once we complete the transaction whatever figures you will get will be KPC figures so you would automatically make out the difference.
- Abhishek Tyagi** My second question was on Mundra. What was the fuel mix during the quarter and also the fuel cost if you can share per unit for Mundra during the quarter?
- Tata Power Management** The fuel mix was about 73% towards the coal and you asked the unit cost. The total fuel cost was Rs.2.8.
- Abhishek Tyagi** And this eco coal supply for Mundra won't get impacted because of the transaction of Arutmin, right?
- Tata Power Management** As of now nothing gets impacted in terms of coal supply but the mine stays and off take stays.
- Abhishek Tyagi** The way your release reads this sale would be effective from 26<sup>th</sup> of November is that sir?
- Tata Power Management** The transaction is targeted to complete itself on 31<sup>st</sup>.March'14 In terms of value what we are saying is that everything is as of 26<sup>th</sup> November. From then on the consideration is non-subject to any value adjustment. However, if there are any affects or liabilities that come upon that's sustaining to our holding period till 26<sup>th</sup> November their values will be adjusted. So the 26<sup>th</sup> November is relevant for that; we may roll it off to end November from an easy accounting point of view but that is the understanding that beyond that no adjustments of increase profitability, net profitability, net current assets all those will not happen if they pertain to periods after that cut-off date.
- Abhishek Tyagi** Just last question from my side, this Rs.154 crore provision which you have made for rehabilitation, now with this Arutmin being sold off this could be written or back in the future period. Is that possible?
- Tata Power Management** See the way the profits on the sale will be reported very clearly if there are any reserves that we have in our balance sheet pertains to Arutmin to that extent profit will be reported less because the reserves will be dropped to zero. If there are losses that are reported already in our books which we have till the transaction takes place that will reverse itself in terms of increase profits on the transaction.
- Moderator** Thank you. The next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.
- Mohit Kumar** Can you please share the operating parameter of the coal mines?

- Tata Power Management** Yes we will for the quarter 3 the total coal sold is 23.4 million the revenues per ton FOB is \$66.6 compared to \$71.6 a year ago. The cost of production is \$37.4 per ton in Q3 compared to \$41.3 a year ago.
- Mohit Kumar** My second question is kind of pertaining to the sale of Arutmin. What is the tax treatment for this transaction?
- Tata Power Management** The tax treatment there is no tax in Mauritius except. As far as Indonesia is concerned there is an effective 10% tax as withholding tax.
- Mohit Kumar** We have invested in Arutmin and Kaltim Prima Coal through a SPVs so when you say 30% sales, you are going to say Arutmin does it mean that we are also selling our stake IndoCoal?
- Tata Power Management** Yes, IndoCoal was a common trading company for both KPC and Arutmin it will now be made into two IndoCoal, one pertaining to Arutmin and one pertaining to KPC and we will be selling IndoCoal that pertains to Arutmin that is why we have said that the transaction completion is subject to certain CPs and subject to certain reorganization.
- Moderator** Thank you. The next question is from the line of Vishal Biraia from B&K Securities. Please go ahead.
- Vishal Biraia** Can you help us understand the ROI that you will make at \$500 million of sales price?
- Tata Power Management** We will do so when the transaction is complete and we sit with auditors to fully understand how the accounting entries have to be made because some of the profits that lie in the reserves may had to be reversed but they are non-cash increase so I will share with you when we complete the IRR both on cash basis and on reported profits.
- Vishal Biraia** What was the realization at Mundra UMPP?
- Tata Power Management** 2.60.
- Vishal Biraia** What was the PAF?
- Tata Power Management** What sorry?
- Vishal Biraia** The availability factor.
- Tata Power Management** Availability is 69%.
- Vishal Biraia** Was it lower because of the fire that we had there?
- Tata Power Management** That's correct.

- Moderator** Thank you. The next question is from the line of Bhavin Vithlani from Axis Capital. Please go ahead.
- Bhavin Vithlani** My question is on the notes to account number three this is on the receivables with respect about aggregating Rs.6800 crores the group share of Rs.2000 crores if you can help us understand this better?
- Tata Power Management** This is an issue that we had from the day we acquired the coal mine. The coal mines have to pay royalty and later on the government had introduced a methodology saying you have to pay VAT. As per the CCoW agreement no additional taxation can ever be brought into and hence there has been litigation between the industry not just the company and the government due to which while we were paying VAT we held back an equivalent royalty amount. This is the situation that existed six years ago when we acquired the company. Unfortunately the government hasn't yet resolved the issue even though the company or the industry had won at certain judicial Court because that's why you will find this appearing every quarter since we acquired the coal mines.
- Bhavin Vithlani** Any rough assumption if we could get between KPC and Arutmin for this Rs.2000 crore number
- Tata Power Management** I won't be able to give it to you now maybe we will send it you.
- Bhavin Vithlani** Fair enough. What would be the debt on the coal SPV companies and with the transaction how do you plan to use the proceeds, you pay off the debt means any obligation that you have?
- Tata Power Management** We have 790 million debt in the coal SPV. Our intention is of course to reduce the debt from the proceeds of the sale.
- Bhavin Vithlani** Of the 790 is it possible how much was for PTBA?
- Tata Power Management** PTBA you are talking about the other coal mines we acquired recently?
- Bhavin Vithlani** Right.
- Tata Power Management** We never did any borrowing. What we did was the original acquisition we borrowed later on we raised the hybrid bonds and had kept the money, bit difficult to know whether we bought those mines from the profits of the coal mines, from the hybrid or from the loan. Effectively we don't have any loans directly against that acquisition of the new mine.
- Moderator** Thank you. The next question is from the line of Ankit Fitkariwala from Jefferies. Please go ahead.
- Ankit Fitkariwala** I have just one question. Regarding the provision that you talked about for Arutmin, so can we assume that this is one time thing and other expenses will go back from normal from next quarter or does it have any impact on Kaltim also?

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- Tata Power Management** No that is why we have in the analysis sent to you carved out what we believe are not repetitive expenditure exceptional item and reported it in our analysis to you.
- Ankit Fitkariwala** Just one last question. These \$500 million USD which you have received for Arutmin-
- Tata Power Management** We have not received we have signed an agreement.
- Ankit Fitkariwala** Yes, I just wanted to know that will this be used in any way to pay off Mundra debt?
- Tata Power Management** This is the amount we received by coal SPV, the statement we have made is it will go towards reduction of consolidated debt hopefully improving the debt to equity ratio and the credit rating going forward.
- Moderator** Thank you. The next question is from the line of Shankar K from Edelweiss. Please go ahead.
- Shankar K** Just wanted a clarification there have been new reports saying that you are also trying to raise equity money via the rights issue, can you please clarify on that?
- Tata Power Management** See we have always maintain that the companies are always looking at various funding option some belong to selling of assets, some belong to debts, some belong to equity or the quasi-equity instruments. So you will always hear in the news reports various things as we speak. We will share the shareholders as and when appropriate decisions are taken or they are proposed to be taken by our board.
- Shankar K** The reason why I asked that because in the last call you said that you planned to raise around Rs.4000 to Rs.5000 crores through a combination of equity and debt and pursuant to that you did this transaction of Arutmin so which is by and large very close to that money, so despite that if you are still trying to raise the rights issue is that the question was.
- Tata Power Management** We had just signed this agreement we will review as we go forward the transaction and what our final needs are and take it appropriate decision.
- Shankar K** But doesn't this relax the entire need for to that extent this transaction if it materializes and as and when it materialize it?
- Tata Power Management** This does relax, I don't know whether the entire or otherwise.
- Shankar K** Okay so after this kind of a transaction how much more money you would be looking at to raise?
- Tata Power Management** As I told you once we complete the transaction we will review our full requirement and discuss with the board to see whether we need to do something more and if so what type and when.

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**Shankar K** One more small clarification. The group did this transaction of TTSL with Docomo there was this commitment, there was some trigger which is getting effective on 31<sup>st</sup> March and based on that if we have to buy them back there is some kind of a liability so is it possible to spell out what will be our liability be if-?

**Tata Power Management** See whatever we can share with you are all very clearly expressed in the notes to the account, I don't think there is anything more to add at this point.

**Shankar K** No, the Docomo deal which happened three years back?

**Tata Power Management** Even that.

**Shankar K** And lastly what would be the stance of the management with respect to the Mundra UMPP, what I want to gather is while the compensatory tariff order is awaited. Do we have some kind of a time level up to which assuming that if it gets delayed beyond a certain limit or the losses are beyond a certain limit we take a stance that we might not operate it further or something of that sort, because Adani power seems to have that kind of a target in mind in that sense, it is more of a time target?

**Tata Power Management** We have only said that our planning for finances. Can you share the Adani's target you are saying there is some time target.

**Shankar K** Fiscal '14, beyond fiscal '14 if they don't get any kind of a compensation they are unlikely to do anything further, they are more of a time target.

**Tata Power Management** I see.

**Tata Power Management** See what we have done in our funding is that while the CERC judgment may come in order for us to collect our compensatory payment in may take time and hence the funding is being done. I am assuming till 31<sup>st</sup> March 2015 we continue to get the same tariffs in terms of actual cash payment.

**Moderator** Thank you. The next question is from the line of Sumit Kishore from JP Morgan. Please go ahead.

**Sumit Kishore** My first question is on Maithon, your presentation mentions that 150 megawatt has been tied up and if I had higher merchant realization during the quarter could you please comment on the same and also what is the receivable position for the thermal power plants, Maithon and Mundra?

**Tata Power Management** See as far as Maithon's position is concerned you are right out of 300 which was not tied up 150 megawatt has been tied up on long term basis. In fact we have almost tied up the balance 150



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megawatt also but for it to become effective we will make those announcements in a few days' time. Your next part of the question was in terms of the merchant sales being higher, that is correct. As far as receivables is concerned in the Maithon situation that you are talking about I don't think so there is any specific issue of concern and therefore I don't have the figure readily available with me right now. There is no matter of concern, it's just typical billing.

**Sumit Kishore** And the 150 megawatt which has been tied up, is it on a cost plus basis?

**Tata Power Management** It is on the same CERC tariff.

**Sumit Kishore** And second clarification on the \$500 million for the Arutmin deal you mentioned there is 10% withholding tax applicable in Indonesia so in a ballpark what kind of outgo does that imply for Tata Power.

**Tata Power Management** 10% of \$500 million to me works to be \$50 million.

**Sumit Kishore** So, it's 10% on the full amount \$500 million?

**Tata Power Management** Roughly, we are saying roughly that is the accurate amount if there are some optimizations possible we will definitely look at it when we are implementing the transaction.

**Moderator** Thank you. The next question is from the line of Venkatesh B from Citi. Please go ahead.

**Venkatesh B** My first question is sorry to repeat the same question. Related to this Arutmin settlement there are two items right Rs.152 crores and Rs.79 crores so both of these items will be onetime right in other expense and in coal processing charges.

**Tata Power Management** That's not coal processing charges, there are three items. There has been some rate issues with the contractor whose contract being terminated. They were settled that was applicable over a four-year period it will get settled this quarter; all of it appears in this quarter that is one amount. The second amount is of course the rehabilitation about which we have had fairly long conversation and the third amount is the taxes that Arutmin has to pay. Their assessment for two years were reviewed and completed, there had been some disallowances in the expenses, due to which the new tax that has to be paid has to be paid with penal interest as per the laws of that country. So all these three are non-repetitive to the nature. They have nothing to do with the quarterly P&L of that quarter.

**Venkatesh B** Okay so we can see the Rs.79 crores and the Rs.152 crores where is the third item?

**Tata Power Management** See, we see Page #18 of the analyst presentation that we have sent you, where we have talked about in the coal companies due to Arutmin it talks about future rehabilitation after this contract starts adjustment including interest and depreciation of the rupee. It also includes the rate change.

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- Venkatesh B** Okay so it is just these two items which will need to adjust for Rs.152 crores and Rs.79 crores to get the recurring underlying EBIT, am I correct?
- Tata Power Management** Yes, but from where are you getting this Rs.79 crores from?
- Venkatesh B** This is there in the coal processing charge, higher due to three settlement claims since 2010.
- Tata Power Management** Yes, okay it has got into coal processing charge, fine that's right.
- Venkatesh B** Now that this is the first time this quarterly result has been restated so can we in a way-
- Tata Power Management** The segment reporting.
- Venkatesh B** Yes, segment reporting so can we now say that if somebody is interested in only in the coal business this is the true representation of how the coal business is performing and not what it was being shown previously.
- Tata Power Management** Yes.
- Venkatesh B** The other thing which I would request you to share is what was the production in the coal mines in this quarter?
- Tata Power Management** The coal mine production is 19.2 million in the quarter.
- Venkatesh B** And what was the depreciation in the coal SPV in the quarter?
- Tata Power Management** Depreciation for Q3 is 63.8 million for 100%.
- Venkatesh B** 63 point something million right so it's around 64?
- Tata Power Management** Yes for 100%.
- Venkatesh B** What is the overall consolidated debt in the company and what is the likely repayment that you need to do over the next year or so, overall consolidated debt?
- Tata Power Management** We have 40,178 in the consolidated debt and I think the repayment in the next one year which comes in current liability is about Rs.5000 crores.
- Moderator** Thank you. The next question is from the line of Pulkit Patni from Goldman Sachs. Please go ahead.
- Pulkit Patni** Can you please explain the details of the transaction in terms of when do we expect the money to be received is it onetime or is it going to be in tranches?

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- Tata Power Management** It is one time when the transaction is complete, meeting with CP and the approvals needed and the restructuring that we talked about.
- Pulkit Patni** And can you also explain which of the Bakrie Group companies has this transaction been entered into, is it Berau Coal or is it some other entity of their?
- Tata Power Management** No it is not Berau Coal we had the company is called Long Haul one of the Bakrie holdings.
- Pulkit Patni** And the last question is, in terms of the leverage which is there at the Bakrie Group, I just want to understand is there any liability or any guarantee that will continue to be on our books or does everything go away completely with the closure of this transaction?
- Tata Power Management** We do not have any guarantee even today and hence there is nothing that will come or go.
- Moderator** Thank you. The next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.
- Mohit Kumar** This question pertains to Rs.185 crore entry which is for income to be recovered in the future termination in respect of earlier years, is it pertains to prior year or something which is to be considered as exceptional item, how do we see it?
- Tata Power Management** Yes, it is for the prior period so what you said, how do we see it means?
- Mohit Kumar** No, since it's a prior period right so this will be recovered, so this is after post some tariff order for Mumbai Discom.
- Tata Power Management** That's right it is from APTEL which has given order in our favor and therefore it comes by virtue of that.
- Mohit Kumar** And have we claimed any insurance proceeds from insurance for the loss of due to fire at Mundra UMPP, whatever there was interruption loss or whatever the profit.
- Tata Power Management** No, I am just coming to that but there was basically the loss has happened because of the fire, wasn't a loss that they really entailed anything above the minimum threshold that is covered in insurance, so more in terms of timing that we had to make sure that we reinstate everything which is more secured and will not have a possibility of recurrence.
- Mohit Kumar** My last question pertains to Maithon. Is it that railway line which is pushed which have been build is it complete?
- Tata Power Management** No, the railway line continues to have challenges or land allocations and the land process is taking longer time particularly as we know there are big changes in the law and therefore some part of the land now it's taking longer process than before.

- Mohit Kumar** When do we expect this to be completed in the sense, can you give us some sense of time line?
- Tata Power Management** Well, the time line that continues to be by this year-end.
- Moderator** Thank you. The next question is from the line of Vishal Biraia from B&K Securities. Please go ahead.
- Vishal Biraia** Could you please outline the CAPEX plans for FY14, FY15, FY16 or whatever is possible?
- Tata Power Management** Just hold on.
- Tata Power Management** We will get you that figure separately.
- Vishal Biraia** Sure and my next question was on the Georgia Project what is the capital cost for the 185 megawatt and when do you plan to commence the construction.
- Tata Power Management** The total project cost is around \$400 million and the project is likely to complete by 2016 calendar year.
- Vishal Biraia** And what is the amount of equity that Tata Power needs to put here?
- Tata Power Management** 40% of 30%.
- Vishal Biraia** 40% of 30% of \$400 million, right. I will come back for CAPEX question later, thank you.
- Moderator** Thank you. The next question is from the line of Amit Sinha from Macquarie. Please go ahead.
- Inderjeet** This is Inder here from Macquarie. I just wanted to understand the legal process on the ECERC. So, one CERC is expected to out any order any time soon.
- Tata Power Management** You are asking us or telling us?
- Inderjeet** I am asking what's the legal process from here on, is CERC likely to give out an order anytime soon. Second part of your question is we understand one of the members of the CERC is retiring, if the order does not get passed before it retire this whole process have to start again and that I would say the third part of the question is, does this whole recent move by governments to reduce tariffs in Maharashtra and Mumbai and in Delhi does it have any impact on how these renegotiation of tariff on that front? Thanks.
- Tata Power Management** Let's deal with the first part. As per the CERC part is concerned CERC has already given an order long back which was April 2013 this order which you are perhaps referring to, one which you are saying is expected or is the one which is the ratification or conclusion basis the committee's recommendation right. So, therefore there is no fresh order we are talking but this is

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more in regard to that implementation vis-à-vis the committee recommendation this is first part to your question. The second part of your question was with regard to the fact whether some member is retiring, etc., so I don't know what is the legal implication of the such changes because two members also resigned since the first order came in 2013 and if I go by what is the generic point of view that I mentioned that the order had already come, this is only an implementation methodology which the committee recommended which the CERC has to announce and therefore maybe the changes in the bench doesn't change anything, that's what would be my assumption but I am not an expert to know what exactly will be the legal viewpoint. You mentioned the third part, can you be a little more clear on that you said Delhi, Mumbai tariff.

**Inderjeet**

Now, we have seen moves by the government to reduce tariffs and we also understand that this entire ratification process was supposed to evolve a consensus from all the involved states. Now, have these states agreed already because again newspaper carried lot of articles about state of Maharashtra having objections and it was sent back to the cabinet so has the approval from the states come in for this implementation of this committee reports?

**Tata Power Management**

Inder you need to appreciate that as far as distribution companies are concerned they have no direct impact or no direct relationship on tariff matters vis-à-vis the state government, it all gets implemented or implementable once the directions comes from the regulatory commissions. Now, to be very specific as far as Delhi is concerned we have a letter of information or intimation from Delhi Electricity Regulatory Commission with regard to subsidy being offered because the subsidy was already there for up to 400 units consumption, the subsidy amount has changed, now it has become up to 50% and to that extent the regulatory commission has given us the guidelines and we are working on that part. However, they have also said that the subsidy amount has to come in advance from the state government which is awaited, okay. Now, as far as Mumbai is concerned there is no such instruction nor intimation. Your news is as good as ours in terms of what we read in newspapers but until we get clarity from the state commission we would not be able to implement nor comment on that.

**Inderjeet**

Okay I understand that you point the legal point about SEBs or discoms not being in direct control of the state government but I think it was widely reported that the Maharashtra, the matter went to the state cabinet to decide whether they want to allow a renegotiation of tariff so obviously there is involvement the state government rather than just being held an issue only to discom?

**Tata Power Management**

Inder to sorry to butt in, but I think while my response was quite clear in the first statement but I wanted to add for your benefit. See this is not tariff negotiation, see you are trying to get a perspective differently, there is a subsidy element that's been talked about for a particular class of customer or for all type of customer.

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**Inderjeet** Sorry to interrupt, I am not asking about the subsidy being given, I am asking about the Mundra tariff order for that point of view. So, on that point, the point I am asking is that given on one hand the states want to reduce tariffs whether has the consensus of all parties being involved has come through for the CERC to implement its order and if I may add can CERC go ahead implementation of this committee recommendation, even if the consensus is not been evolved.

**Tata Power Management** Again I guess you are reading too much into different perspective. As far as Maharashtra who talked about cabinet and other stuff, those are principles of indoor management for them to decide something, as far as we are concerned MSEDCL is the beneficiary and MSEDCL has filed an affidavit with CERC which is in public knowledge. As far as your point of view whether CERC can decide on a matter where some point of view was expressed by different beneficiaries my sense is that is where CERC is, CERC get all the inputs from different stakeholders from committee, from us, from beneficiaries and then ultimately decides what way they want to implement their first orders of April 2013 that's exactly the process, I am assuming we are going through.

**Moderator** Thank you. Ladies and gentlemen due to time constraints no further questions can be taken. I now hand the floor back to Mr. Anil Sardana for closing comments if any, over to you sir.

**Anil Sardana** Okay, I didn't notice that we were done with the number of analysts. So, thank you once again, my thanks to all the analysts who were there in the call and once again I appreciate your having spent time on this call. Just in case if you have any further information feel free to write to our analyst relationship team and they will certainly respond to you in quick time. We will join you for the similar call next quarter, thank you so much and have a good day.

**Moderator** Thank you. On behalf of Tata Power this concludes this conference. Thank you for joining us and you may now disconnect your lines.