

Operator

Ladies and gentlemen, good day and welcome to SJVN Q3 FY14 earnings conference call, hosted by Prabhudas Lilladher. 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. Please note that this conference is being recorded. I now hand the conference over to Ms. Rupa Shah from Prabhudas Lilladher. Thank you and over to you.

Rupa Shah, Analyst

Good afternoon, everybody. I welcome you to the SJVN Q3 FY14 results conference call. We have with us, Shri R.P. Singh, the Chairman and Managing Director of SJVN. He is accompanied by Shri A.S. Bindra, Director, Finance and other senior person in the management. We'll start the call with some initial remarks by the CMD and the Director Finance, and then open the floor to the Q&A. Over to you, sir.

A.S. Bindra, Director, Finance

Thank you. The revenue from the operation during the quarter ending December 2013 is 387.44 crores against the previous quarter ending 2012, amounting to 357.97 crores. So revenue, as I said, increased of 8.23% over the previous year.

Other income during the quarter ended December 2013, this year is 49.52 crores against the previous year -- previous quarter in the last financial year of 53.45 crores. That is decrease of 3.93 crores, equivalent to 7.35%. Income has been decreased due to increase in rate of investable funds. Average rate at December 2013 was 9.28% compared to the As far as expenses is concerned, the employee cost has been increased by 1.67 crores due to normal increase in DA and annual increments.

Finance cost has had a decrease of 6.25 crores, mainly due to repayment of borrowings. Previous year it was 369.80 crores and current year it's left to 151.16 crores. Other expenses has been strong, an increase of 3.78 crores due to increase in insurance of NJHPS, Nathpa Jhakri Hydro Power Station, amounting 2.98 crores and repay at 2.25 crores.

Profit before tax is 251.45 crores against 225.39 crores for the corresponding quarter of previous year, that is increase of 26.06 crores. Profit after tax is 210.93 crores against 192.06 crores for the corresponding quarter of previous year, that is an increase of 18.87 crores is equal to 9.83%. The EPS fair value of INR10 each for nine-month period ending December 2013 was INR2.34 per share against the corresponding nine-month period of previous year probably at INR2.16.

Fiscal progress, gross generation during the quarter ended December 2013 was 1,069.79 million units achieved and against 922.303 million units during the corresponding quarter of previous year. The plant availability factor during the quarter ended December 2013 was 104.32 against the normal average of 82%.

And I believe that is the highlight of this financial year or Q3. Rupa?

Rupa Shah, Analyst

Yeah. We can start with the Q&A.

Questions And Answers**Operator**

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Deepak Agrawal from Elara. Please go ahead.

Deepak Agrawal, Analyst

Yeah. Good afternoon, sir, and congrats for the excellent set of results.

R.P. Singh, Chairman & Managing Director

Thank you.

Deepak Agrawal, Analyst

Sir, just few housekeeping questions. Can you give a breakup of the incentive income in this quarter on a secondary energy anyway?

R.P. Singh, Chairman & Managing Director

Yes. Can you repeat your question, sir?

Yeah. Can you give a breakup of the incentive income earned during this quarter on link to availability and secondary energy?

Unidentified Speaker

During this quarter, there is no secondary energy, because secondary energy starts when we generate 6,612. That 6,612 has been achieved during the year, generally after December 2013. However, there is UI service charge, UI profit is there. UI amount is -- we have -- it is 7.97 crore, against the previous year it was 4.55 crore in the last year and there is increase -- because of a plant availability factor, there is a -- capacity charges is 53.19 crore up to December 2013.

Unidentified Participant

53.19 crore?

Unidentified Speaker

Yeah, 53.19 crore for the quarter ended December 2013. Capacity charges because of plant availability factor.

Unidentified Participant

Versus last year?

Unidentified Speaker

Last year it was 60.36%, there was margin, basically because plant availability factor was, during this year is marginally decreased, because we have started a repair and maintenance during the month of December itself instead of -- normally we are starting in the month of January. So that's why -- but however it will be during this quarter, current quarter January to April. March it will be -- come to the last year. Up to -- last year it was 175. It will come to the same -- same amount it will come there overall.

Unidentified Participant

So what was the availability last year against 104.32 this year?

R.P. Singh, Chairman & Managing Director

Last year, it was at 108.30%.

R.P. Singh, Chairman & Managing Director

If you consider the machine availability, let me tell you what is the PAF as on today. Let us expand it till now. Till yesterday night 12 o'clock, the plant availability factor last year was 106.682, which has been 105.483%. This is due to the numbers of machines maintained up to today. Last year was two machines, whereas we have already maintained high machines till today. Last year, it was four machines left over, which normally takes eight to 10 days per machine.

Unidentified Participant

Okay. My next question is on -- can you comment on the progress of your two plants under construction, which is Rampur and wind project?

R.P. Singh, Chairman & Managing Director

Wind project, the 25 numbers of windmills. Wind, we have already erected 51 numbers. Out of that 25 numbers of windmills has started generation. This is for the windmills. Number two, Rampur hydroelectric project, now that we are to -- the commissioning of the plant has just commenced and we are hopeful of commissioning at least two, three machines in the -- in this financial year of '13-'14 and remaining three, four machine in the year '14-'15.

Unidentified Participant

Okay. Any change in the product -- project cost estimate versus 3,400 crores --

R.P. Singh, Chairman & Managing Director

Exactly this is the same as it was.

Unidentified Participant

Okay, okay. Thank you.

R.P. Singh, Chairman & Managing Director

Thank you.

Unidentified Speaker

Thank you.

Operator

Thank you. The next question is from the line of Abhishek Anand from JM Financial. Please go ahead.

Abhishek Anand, Analyst

Yes. Good afternoon, sir. Sir, firstly, sir, I would like to know your comments on the basic CERC's draft norms, where our availability has been proposed to increase from 82% from -- for Nathpa plant to 90%. Sir, what in your view is the probability of it being actually increased or maybe kept at 82%?

See, before as -- before as we'll comment on your lease point, we'll have to go back into the history. The NathpaJhakri plant originally the normative value should have been 85%, which due to the (inaudible) water of Satluj river, this has -- and considering the time of ability of the machine in a number of days, shutting down of the machine, it was (inaudible). But due to the best maintenance and management of (inaudible) NathpaJhakri hydro station -- our hydro and NathpaJhakri hydro power station, that in general, our ability of the machine is 100% of above 100% for the all these periods.

Now it is -- now they have -- they put 90% which we are telling them due to for some good reasons we have been maintaining our machine very well. So -- but whether or not they will consider it of 85% that is the time that that will be in -- the time to fix. But at

present even if it is 90% as it is (inaudible) we are contesting it and we are taking up the matter at the appropriate level.

Abhishek Anand, Analyst

Okay, sir. Sir, secondly sir -- sir, could you help me out with your implementation of your Buxar Thermal plant, at what stage you're in and what's the progress there?

Unidentified Speaker

See, let me tell you, there are three -- there are three basic stages in the beginning of a thermal plant. We have signed MOU with the government of Bihar and project came with -- came in the list of (inaudible) number one. Number two, we have already established our office at project as well as the project manager's officer at Patna and Chausa respectively. Actually, the land acquisition of the -- for the plant is being done by the government of Bihar city and we they have done more than 60% and rest is expected to be done shortly. (inaudible) that the project and the total soil investigation and the DPR is to be revised and for that we have hired services of NTPC and that a lot has been given to NTPC.

Number four, there's a real connectivity for which the proposal is under submission to SJVN and it has been awarded (inaudible) proceeded further and shall be given to rights. Number four, pipes I will say, which I should have said number two, the coal block already allotted and negotiation for JV formation for the coal block is underway.

Number six, at technical specification for the major packages is under 50% [ph] in-house and will be vetted by the consultants who selected for the purpose. So what we believe that things are moving in the right and the right direction and there is no reasons that the project will be commissioned as targeted during 2018-2019.

Unidentified Participant

Sir, do you see any -- sir, in a hypothetical scenario where the coal block gets delayed, do you see the commissioning being done in time and maybe the project is being implemented on --

R.P. Singh, Chairman & Managing Director

Very good. Let me tell you. While signing the MOU, there were three considerations of how the coal is concerned, the fuel of the plant is concerned. Number one, allotment of the coal block, which has been achieved. Number two, getting the taperings coal linkages for intervening period of three years, up to three years. And number three, there will be blending of coal up to 20% and the boilers of that plant shall be (inaudible). And for that three -- in the three directions we are working.

We are also -- we do not foresee any reason, even if our plant is completed and coal block, (inaudible) hypothetical situation is not developed then it will be -- the coal shall be supplied by the tapering coal linkage up to three years being provided by coal linkage.

Unidentified Participant

Okay. And sir, a broad timeline will be roughly five years from now?

R.P. Singh, Chairman & Managing Director

Five years, you can say five years roughly, because one year will be taking at least for the infrastructure. Infrastructure means, a piece of land, putting up the fence, labeling and all the -- it takes normally eight to 10 months. Eight to 10 -eight months from the date of acquisition of the land which we expect shortly, say margin, we expect.

The second thing is, in no case that commissioning of the plant gets 36 years -- say 38 year -- 38 month, I'm sorry, 38 month. I'm sorry, it is 48 months. So that 48 months is more than sufficient to commission our both the machines from the date land is developed and land is -- land is developed and it is fenced.

Abhishek Anand, Analyst

Yes, sir. And sir, the next query for my side will be on the receivables front, have you seen any improvement or has there been --

what's the receivable position at this point of time, especially greater than 60 days?

Unidentified Speaker

Abhishek, as far as receivable is concerned, there is a decline in the receivable. However, there is a position with regarding BYPL. There is, of course, receivable is approx -- within 60 days is approximately 100 crore. But total it is 158 crore only within for the six years. So out of 158 crore, 100 crore is on account of only these two agency. Other two agencies -- other agencies are not much happening. These two agencies are, of course, there is a decrease, but these two agencies, it is increasing.

Abhishek Anand, Analyst

Sir, 158 crores is more than -- greater than 60 days --

R.P. Singh, Chairman & Managing Director

You can figure the total outstanding as on date is approximately 370 crores only.

Abhishek Anand, Analyst

Okay. So this figure I think was 100 crores at the end of September. I think it has increased to 158 crores by the end of December.

R.P. Singh, Chairman & Managing Director

Yeah -

Abhishek Anand, Analyst

Sir, this is primarily due to the daily discounts?

R.P. Singh, Chairman & Managing Director

Yes, yes, yes. Mainly because of these daily discount only.

Abhishek Anand, Analyst

Okay, okay, fine. Fine, sir. If I have more queries, I will join in the queue. Thank you so much.

R.P. Singh, Chairman & Managing Director

Thanks, Abhishek.

Operator

Thank you. (Operator Instruction) The next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.

Mohit Kumar, Analyst

Hello.

R.P. Singh, Chairman & Managing Director

Yes, Mr. Mohit.

Mohit Kumar, Analyst

Yes, sir. Sir, regarding -- I have couple of questions. First of all, regarding Rampur, has it filled the entire HRT?

R.P. Singh, Chairman & Managing Director

No, we have filled the PRT, that is from our target to collection gallery and from this collection gallery to unit number one.

Mohit Kumar, Analyst

Also when do we expect this milestone which is a major milestone to be completed?

R.P. Singh, Chairman & Managing Director Mohit Kumar, Analyst

Okay. Sir, my second question regarding the wind power plant at Khirvire. Sir, how the -- what is the project cost and how it has been funded? Has it funded entirely through cash?

R.P. Singh, Chairman & Managing Director

Yes, it is entirely from -- an equity from the internal resources it has been funded, and total cost is approximately 300 crores.

Unidentified Participant

Okay. And what is the -- and to be have a PPA with -- PPA for this particular power plant and --

R.P. Singh, Chairman & Managing Director

It is underway. The machine we have commissioned 25 numbers of -- 25 numbers of windmills as on date. And we have applied for BPA which we are likely to get.

Unidentified Participant

And this is with Maharashtra discom, am I right?

R.P. Singh, Chairman & Managing Director

Yes.

Unidentified Participant

But I heard that they are not signing any wind PPA anymore. Is that my understanding correct?

R.P. Singh, Chairman & Managing Director

Yes, they are signing it. They are signing it. They are -- the energy rates has also been declared as 581, INR5.81 and they are signing it.

Unidentified Participant

Okay, sir. Sir, that you told that capacity charge for this quarter is 53.2 crore, and versus 60 plus is for last year. Is that number correct?

Unidentified Speaker Unidentified Participant

This is for nine-month, right, sir?

Unidentified Speaker

Yeah, this is the additional -- capacity incentive you can say. That is 53.19 and this is 60 point --

Unidentified Participant

Yeah. And that's the additional 53.19 for the quarter?

Unidentified Speaker

Yeah, for the quarter.

Unidentified Participant

Okay, sir. And the UI charges was 7.8 -- 7.9 crore versus the last year 4.5 crore.

Unidentified Speaker

7.97 against 4.58 crore.

Unidentified Participant

Is there any -- has the Khirvire secondary energy charge wise?

Unidentified Speaker

The secondary energy will be during this -- current financial year, current year.

Unidentified Participant

Okay, okay. I got it, sir. Got it.

Unidentified Speaker

So 6,612 we were starting.

Okay, sir. Thank you. Thanks for answering my questions, sir.

Operator

Thank you. The next question is from the line of Rakesh Vyas from HDFC Mutual Fund. Please go ahead.

Rakesh Vyas, Analyst

Yeah, hello, sir. Good afternoon. Actually few questions from my side. First on this wind, you said tariff is 5.81. So is that -- because in Maharashtra we have a zone wise tariff. So is there enough clarity that this line -- the project lies in 5.81 tariff zone?

Unidentified Speaker

Yes.

Rakesh Vyas, Analyst

Okay. So there is no dispute provided we sign the PPA we'll get this tariff. That we understand.

Unidentified Speaker

We have already started applying as per the procedure of government of Maharashtra.

Rakesh Vyas, Analyst

Sure. Sir, what would be the total investment you envisage in the Buxar plant?

Unidentified Speaker

Buxar plant, approximately 8,000 --

R.P. Singh, Chairman & Managing Director

8,000 crore.

Rakesh Vyas, Analyst

And this project cost was appraised when, sir? Is it the latest project cost appraised?

R.P. Singh, Chairman & Managing Director Rakesh Vyas, Analyst

And this probably would exclude the coal mine development cost. This is only on the plant. Is that?

R.P. Singh, Chairman & Managing Director

It is only on plant. Coal mine development, we only consider the fuel charges. But what will be considered for the fuel charges (inaudible).

Rakesh Vyas, Analyst

Got it, sir. And we have signed PPA with Bihar government for 85%, so what will happen with the remaining quantum, sir?

R.P. Singh, Chairman & Managing Director

That will be to -- to our understanding, that will be (inaudible) unallocated share with the government of India.

Rakesh Vyas, Analyst

Okay. So it will remain as unallocated -- in normally what happens with the CPSU?

R.P. Singh, Chairman & Managing Director

Yes.

Rakesh Vyas, Analyst

Okay, fine, got it. Sir, if the new draft regulations were to be finalized at 90% availability, what in your estimate is going to be the impact, sir, on the profitability?

R.P. Singh, Chairman & Managing Director

90%.

Rakesh Vyas, Analyst

Currently it is 82, the availability, normative availability. If that is revised to 90% as per the draft regulation, how much impact do you think we will have to be around our profitability?

R.P. Singh, Chairman & Managing Director Rakesh Vyas, Analyst

Sure.

R.P. Singh, Chairman & Managing Director

One. Then in a simple terms, that what we said that in that additional earning --

Rakesh Vyas, Analyst

Correct.

R.P. Singh, Chairman & Managing Director

That will be reduced to 8%. Now additional earning has start just up to 82 in terms of PAF, plant availability factor. It will be with up to 90%, if that draft regulation is imposed, but this is number one. Number two, let me tell you. Cost varies, cost varies because the hydro station, everyday there's -- if the loan is repaid --

Rakesh Vyas, Analyst

Yeah. So fixed charges come down.

R.P. Singh, Chairman & Managing Director

So fixed charges come down, energy charge will come down. So this is actually -- it's all the same old formula. So, broadly if you say, there will be little less earning. But that earning is not less that is going to happen -- our total consideration of the plant for another 30, 40 years.

Rakesh Vyas, Analyst

Okay. Sir, I believe last year the additional earning on availability was close to 220 crore.

R.P. Singh, Chairman & Managing Director

Yeah.

Rakesh Vyas, Analyst

And how much it has been so far in nine months?

Unidentified Speaker

Nine months it is 175.58 [ph] crores -

R.P. Singh, Chairman & Managing Director

I can only tell you that this year also on account of this availability, (inaudible) come as that the things move only left 52 days. So the earning will not be less than the last year figure.

Unidentified Participant

Okay, got it, sir. Got it. Sir, on the solar project, this large project that has been envisaged, what is the status and when do we expect the actual execution on that project to start?

R.P. Singh, Chairman & Managing Director

Yes. MOU has been signed. MOU had been signed on 29th of January. A second (inaudible) JV formation of all the six TSUs will be there, JV formation. And then JV formation means there will be a special purpose (inaudible) development of that project and the first Phase I 1,000 megawatt has been kept off. And tentatively, tentative completion for this 1,000 megawatt has tentatively fixed as two years.

Unidentified Participant

Two years?

R.P. Singh, Chairman & Managing Director

Two years plus one year for the JV formation and that SPV --

Unidentified Speaker

Infrastructure facility.

R.P. Singh, Chairman & Managing Director

Infrastructure facility to all these things. So total it will be three years.

Unidentified Participant

Okay.

R.P. Singh, Chairman & Managing Director

-- how the things are moving and it is going to be a very, very large capacity solar, thermal plant in not only in India, it is largest of the world, even the Phase I. So it will be a good proposition for SJVN to be participating in that.

Unidentified Participant

And sir, how would you sell this power that will generate?

R.P. Singh, Chairman & Managing Director

This is all connected to grid. Like all other sources, (inaudible) as you're selling it. It will be to the grid. It will be (inaudible) and it is all connected to the grid.

Unidentified Participant

No, no. What I'm trying to understand is, is there a PPA that has been signed for this 1,000 megawatt or is it that NVVN is going to buy this power and pool it along with the other power available? I'm just trying to understand, is there a PPA at all on this?

R.P. Singh, Chairman & Managing Director

Let me tell you, there is a different regulation work on this (technical difficulty) in this country. You might have heard about renewable energy certificate, REC.

Unidentified Participant

Yeah, yeah, sir.

R.P. Singh, Chairman & Managing Director

You might have heard about REC also. However, I can only tell you at this stage that all (inaudible) is being made and on the -- that is already we have started working and the cost of generation from this mega solar power station shall be kept at around INR5.5 per unit. And for that we think whatever as per regulation, this PPA and what not, REC and what not, that shall be done and there will not be any problem. The power will come, the cost will be INR5.5 and it will pull. No problem, it is grid connected --

Unidentified Participant

Okay, got it. Sir, what normally is the threshold you expect in terms of IRR project, IRR or equity IRR in this large project?

R.P. Singh, Chairman & Managing Director

Not, no. That the IRR will be around the same figure as we are getting it into the -- on the hydro and thermal, not lesser than that. It will be much more than that.

Unidentified Participant

Oh, okay, okay. Sir, any update on the two projects Luhri and Dhaulasidh? Because we believe large part of clearances was already available for at least Luhri?

R.P. Singh, Chairman & Managing Director Unidentified Participant

Oh, okay, okay. But we received initial TEC, right? We -- if this is the case --

R.P. Singh, Chairman & Managing Director

No, no. (technical difficulty) for Luhri we have received so far.

Unidentified Participant

No TEC? Okay. But we received the environment and forest clearance?

R.P. Singh, Chairman & Managing Director

Yes, environment and forest clearance we have received.

Unidentified Participant

Okay. And in terms of Dhaulasidh, TEC was received and it has been again submitted?

R.P. Singh, Chairman & Managing Director

We had some revision in the part. That cost has also been updated and it has been cleared by CEA and it is in the Ministry of Power for getting approval.

Unidentified Participant

Okay. So effectively we do not expect construction either of these two projects to start in next 12 months?

Unidentified Speaker

We are hopeful of Dhaulasidh, but not before getting the Cabinet approval of the part.

Unidentified Participant

Okay. And sir, Cabinet approval for NathpaJhakri received cost is still pending?

R.P. Singh, Chairman & Managing Director Unidentified Participant

Yeah.

R.P. Singh, Chairman & Managing Director

-- to get it the cost of the revision pool. Revision, I think, the (inaudible) report and finalize (inaudible) report.

Unidentified Participant

Sir currently we are getting the tariff based on revision three, this is what CERC has approved and you have filed a petition, for revision four but revision is pending. I'm just trying to understand, CERC probably has completed the hearing or deserve the order, on this petition. So even before the RE 4 is given to us, can CERC go ahead and change the cost?

Unidentified Speaker

Yes, CERS is already to you, get it approves from the Ministry of Power and then come to us.

Unidentified Participant

Oh, okay got it. And sir what would be the normative availability for Rampur project?

Unidentified Speaker

Normative availability is again it was -- which is a regulatory concept. It will be a hit, it should be normally 85%.

Unidentified Participant

Okay. So normally in TEC, this clarification is not given. I'm trying to under -- I've not seen TECs anytime. So--

Unidentified Speaker

No, in TEC, it is 82%.

Unidentified Participant

In TEC it is 82%. Then you expect that it would be 85 by regulator.

Unidentified Speaker

Around 85% because that is how we have to we understand it is for some types of --.

It will be less than the Nathpa Jhakri because when I was in Nathpa Jhakri, the commission this project may or may not commission. However whenever Nathpa Jhakri is closed, this project has to be closed. So this will be lesser than the Nathpa Jhakri. That has to be there.

Unidentified Participant

Sure, that's what I wanted to understand because this is tandem project so if Nathpa Jhakri is expected or -- stopped talking about 90%, I was just wondering as to can this be 90% at all.

Unidentified Speaker

This will be lesser than that, because when the Nathpa Jhakri commissioned this project, may or may not commissioned, but this project has to be closed.

Unidentified Participant

Got your point. Thank you so much I'll join back in queue. Thanks a lot.

Operator

Thank you. The next question is from the line of Vishal Jain [ph] from LIC India. Please go ahead.

Unidentified Speaker

Good afternoon, sir. I'm Vishal. My question is respect of Nathpa project whether we have entered into PPA for full capacity or whether --

Unidentified Speaker

Nathpa Jhakri project or Rampur project?

Unidentified Participant

That Nathpa.

Unidentified Speaker

Nathpa we have already PPA assets have been signed, and we will be selling their power as per the PPA agreement.

Unidentified Participant

And nothing is unallocated?
For the last 10 years it's going on.

Unidentified Participant

Okay. And what about that PPA with Jammu and Kashmir? As per my knowledge it was entered on May 2009 for five year. Is it so?

Unidentified Speaker

At this moment I don't have the knowledge. It is not well, we have to extend that PPA or --

Unidentified Participant

Okay, means it will be revised or as it is?

Unidentified Speaker

Yeah.

Unidentified Participant

Okay. Thank you sir, thank you very much.

Operator

Thank you. The next question is from the line of Mohit Kumar from IDFC Securities. Please go ahead.

Mohit Kumar, Analyst

Hello? Sir this question pertains to our other questions like -- and the Uttranchal project, what is the progress of all of them?

Unidentified Speaker

What do you talk about all of the

Unidentified Participant

Arun-III of

Unidentified Speaker Unidentified Participant

What was Uttarakhand sir, there were three piper --,

Unidentified Speaker

There was (inaudible) taken place in the last year June. So Supreme Court has for the time being has stopped any -- to be sold, to the projects, any projects Uttarakhand, and we are adding the projects all the policy, we need to, we've given -- yet, but again for the Supreme Court it is, kept under hold.

Unidentified Participant

Sir is there any other hydro power projects where we will, because we will start the construction in near future?

Unidentified Speaker

Yes, yes we are having two hydro projects in Bhutan. One we are going to assign that maybe and we have to start by Wangchu in hopefully this year. And the second is (inaudible) these three project put together, is something around 2000MW or above 2000MW

of hydro. And that project in Uttarakhand, that also we -- that ultimately, we are -- that after that agreement -- give you back and I'd Supreme Court, then we can go ahead with the project, with our project as we are -- to start that project in these -- element we could not?

Unidentified Participant

They expect all of this to be some part of it to start. In FY'14?

Unidentified Speaker

Actually, that is not of these project, shall be in the next Financial Year, do not be in this Financial Year.

Unidentified Participant

Okay. That's it sir, thanks.

Unidentified Speaker

Thank you.

Unidentified Speaker

Thank you.

Thank you. The next is in the line of Abhishek Anand from GM financials. Please go ahead.

Abhishek Anand, Analyst

Yes sir, Thank for taking my question again. Firstly sir given the plans in Solar Power and Parts of Thermal Power project, sir if you could help us out with the CapEx in the next two three years, in -- projects and may be other Construction projects under Construction project?

Unidentified Speaker

Were there as next few years I can say --. Not for the next two, three years for next year I have a at this note with me. For next year further Buxar Thermal we have INR436 crore.

Abhishek Anand, Analyst

INR436 Crores.

Unidentified Speaker

Yes for -- project it is 295. That is a better payment, we can say. Now you wanted -- and once year it will around --INR65 cores for the (inaudible) project was a project in Bhutan.

Unidentified Participant

And sir, in solar project, what will be our equity contribution?

Unidentified Speaker

Total amount of 1,175 crores will be in the next year. It will be 1,175 crores CapEx will be there.

Unidentified Participant

In solar project?

Unidentified Speaker

In all the project.

Unidentified Participant

In total project? This includes the solar project?

Unidentified Speaker Unidentified Participant

But in solar sir, you will be hardly any CapEx in FY '15 because we are going to form JV and it's going to take another year. Sir, what will be our equity contribution in the complete project and what will be the yearly run rate for that?

Unidentified Speaker

Yes, for the solar project, as a whole share is only 16%. And for the first stage of -- so that we have capital of only INR20 crore for the next year as a CapEx.

Unidentified Participant

You're right sir, and over all in the CapEx in that?

Unidentified Speaker

Overall it will be around 244 crores.

Unidentified Participant

Okay. Fine sir, second sir on the PNL side, maybe I have missed this point. Other income has declined a bit on sequential as well as on annual basis, any particular reason for that?

Unidentified Speaker

Over debt, we are -- our CMB has intimated because of there is a decrease in the rate. Last year our average investment was in the rate 9.46%. This year our average investment was 9.28%. But there was a marginal decrease of INR3 crores because of that. 3.9.

Unidentified Participant

Okay. So it's primarily because of the decline in base rates?

Unidentified Speaker

Decline in base rates, yeah.

Unidentified Participant

And sir, finally sir, in terms of trends in UAE income for us, usually we have seen that in third quarter we usually see a decline but this time we have actually increased it significantly it's almost 8 crores versus in second quarter we had some two odd crores and first quarter we had 3.3 crores. Any particular reasons for this increase?

It is mainly due to the generation that inflow is more, we are generating more. --available and more we have the net more, this year compared to last year, the generation inflow is more, so we are generating more.

Unidentified Participant

Okay, so it's primarily because of that -- it's not getting scheduled, is that the case. Because then you sell it in --

Unidentified Speaker

No, it's not scheduled on a daily basis, we did in -- on a daily basis, see, we pick our target, we call it as MOU target, and that obviously, all the time for Nathpa Jhakri six -- and so this year also that designer is as been fixed based on all these critically calculation in last week that's why it said too high, which also we have cross today, even 22 days ahead. So, it is -- due to more improve.

Unidentified Participant

Okay sir, its saw UA [ph] income increases primarily because of the generation increasing by 16%, is that the case?

Unidentified Speaker

Not UA [ph] nothing to do with -- based on this.

Unidentified Participant

Sir, no sir I'm actually asking about the UA [ph] income specifically, it's gone up to INR8 crores in the quarter.

Unidentified Speaker

I understanding things, gentlemen UI is not be of the considered at a income, UI comes by buy two up that at any given point in time we are supplementing the greet, and as for the greet condition UI is able to us, in we are --, this (inaudible) a better management because of that we are since getting it to be.

Unidentified Participant

Okay. That will be all. Thank you, so much sir.

Unidentified Speaker

Thank you.

Operator

Thank you. The next question is from the line of Rakes Vyas from HDFC Mutual Fund. Please go ahead.

Rakesh Vyas, Analyst

Yeah. Thank you for the opportunity again. Sir, can you help us with, what is the cost estimate that's been approved by Central Government on Rampur project so far?

Unidentified Speaker

Yeah, we hear to help you only, we are giving you all these figures to help you only. Number one, that the received cost estimate of 3397 includes has been cleared by CA and (inaudible) we have put a INR3397 cores of cost, where as rupees 3187 plus Identity expensive has been, clear by the CA and has been sent to Ministry of Power, for approval. Still yet to be approved.

Rakesh Vyas, Analyst

Sir, what was the last approved by government?

Unidentified Speaker

INR2047 crores. On the BPR cost.

Rakesh Vyas, Analyst

Okay. Why I'm asking this sir is because, now that you are likely to commission this project for provisional Tariff would start as in when you finally petition and unless you get the approval from the Government on the new project cost, This Tariff will based on this INR2050 [ph] crores, cost.

Unidentified Speaker

You are very right sir, and that revised cost is estimate is under approval by Government of India.

Unidentified Speaker

As I already said, -- I'll had been cleared by the CA and now it is lying with our Mystic power and we are -- that is to be clear by us. urgently.

Rakesh Vyas, Analyst

Okay, okay. And sir secondly, you highlighted that the receivables from Delhi discoms, two discoms is actually increasing significantly, like last year are we looking at regulating the power to these discounts at all?

Unidentified Speaker

We have already regulated the power of BYPL, already we are regulating the power and BYPL and we are the thinking about BYPL also and we have given them the notice also.

Okay. What we are hearing is they are in loggerheads with NTPC as well, so I'm trying to understand.

Unidentified Speaker

I've gone to the Supreme Court against the NTPC also.

Unidentified Participant

Exactly. But effectively we haven't done the regulated power for both of these so far. So we have done only for the one discom.

Unidentified Speaker

We have done only for discom because another discom -- whatever the present use are there, that they are paying as not the backlog. So we are thinking about that.

Unidentified Participant

Okay. And sir, did last year they paid the surcharge?

Unidentified Speaker

Yeah, we have not ignored anybody without a surcharge we have already received a surcharge from everyone. Not a single party we have ignored the surcharge.

Unidentified Participant

Okay, got it sir. Thank you so much and best of luck sir.

Operator

Thank you. The next question is from the line of Praveen Ravinarayanan from Pari Washington. Please go ahead.

Praveen Ravinarayanan, Analyst

Hello good afternoon. I missed this point about Rampur. What's the status in Rampur and --

Unidentified Speaker

Please repeat the question.

Praveen Ravinarayanan, Analyst Unidentified Speaker

What is --?

Praveen Ravinarayanan, Analyst

Rampur, what's the status?

Unidentified Speaker

Rampur project is almost complete. And that commission has just commenced.

Praveen Ravinarayanan, Analyst

The commission has commenced already? Okay.

Unidentified Speaker

Yes we have started filling the water from Raipur site.

Unidentified Speaker

Already our CMB is -- between two to three units, commissioned during the current year, and balance unit will be in the next year, next financial year.

Praveen Ravinarayanan, Analyst

Okay, thanks. That answers my question.

Operator

Thank you.

Unidentified Speaker

Already 45 minutes have passed.

Unidentified Speaker

We can close the call.

Operator Unidentified Speaker

As already given in the opening comment also, that our project is going as per the excellent (Technical Difficulty) we have got the -- this year, for 2011 we have got the award from the -- Power. Already we have started that generation activity from the wind power also and likely to achieve the Rampur power also for the -- itself the project is going ahead, as per our target and get going well thank you.

Operator

Thank you, on behalf of (inaudible) that concludes this conference. Thank you for joining us and you may now disconnect your lines.