

Operator

Ladies and gentlemen, good day and welcome to the SJVN Q2 FY'13 Earnings Conference Call, hosted by Prabhudas Lilladher Private Limited. As a reminder for the duration of this conference, all participants' lines will be in the listen-only mode. There will be an opportunity for you to ask question at the end of today's presentation. Please note that this conference is being recorded. At this time, I would like to hand the conference over to Ms. Rupa Shah of Prabhudas Lilladhar. Thank you and over to you ma'am.

Rupa Shah

Yeah, thanks Inba. Good afternoon everyone. It's a privilege to host the conference call for SJVN. From the management side, we have today Mr. R.P. Singh, Chairman & Managing Director; Mr. A.S. Bindra, Director, Finance; Company Secretary, Mr. Das and other senior persons of the management. So we can start the call by some initial remarks from the management side, and then we can proceed to the Q&A. Over to you sir.

A.S. Bindra, Director, Finance

Thank you very much. So good afternoon to you all. Overall up to half year ended September 2012, the generation has been reduced by 10.65% due to ejection in river discharge by around 21%.

The operational income has been reduced by 6.65% and profit before tax has been reduced by 7.37%. This is all due to the lesser discharge of river discharge in river Sutlej. And if you can see, the profit after tax, that is that for the quarter ending September 2012 it is 387.03 crores as against 411.10 crores during the corresponding quarter of previous year, registering a decrease of 24.047 crores.

Similarly, the cumulative profit after tax for half year on 30th of September, 2011 was Rs. 702.30 crores as against Rs. 759.31 crores, registering a decrease of Rs. 67.01 crores. So far the earnings per share concerned, for the half yearly ending 30th September, it is Rs. 1.70 per share as against Rs. 1.84 per share during the corresponding period half year. Thank you very much.

Rupa hello?

Rupa Shah

Yeah Inba, can we start with Q&A?

Questions And Answers**Operator**

Sure, sure ma'am. Thank you very much. Ladies and gentlemen, we will now begin the question-and-answer session. [Operator Instructions]. We have a first question from Abhishek Anand of JM Financials. Please go ahead.

Abhishek Anand

Yeah, good afternoon sir.

A.S. Bindra, Director, Finance

Good afternoon Abhishek.

Abhishek Anand

Yes sir, couple of questions on our P&L as well as on balance sheet. Firstly, sir, as we can see our other expenditure has increased significantly, it's at 34 crores versus last year at 18 crores. Any particular reason for that?

A.S. Bindra, Director, Finance

Other expenses, I think 9.36 crores this has been mainly increased due to the increase in the repair and maintenance expenses and plus we have to -- we had expenses on the CSR. Last year CSR expenses were 5% to 6% of our MAT. This year, CSR expenses will be 1.5% of our MAT. So last year, our profit was 912 crore.

Abhishek Anand

Okay.

A.S. Bindra, Director, Finance

So that was it -- so because of that CSR expenses has increased by 6 crore, more than 6 crore and plus some repair expenses I think gone in the power projects. So 3 crores has been increased because of that.

Abhishek Anand

Sir 3 crore because of?

A.S. Bindra, Director, Finance

Because of repair and maintenance cost on account of inspection of DRP using remote operated vehicle and on WZ, the expenditure was 3.11 crore.

Abhishek Anand

And sir, do we get these expenses in terms of a pass-through while determining our tariffs?

A.S. Bindra, Director, Finance

These expenses are in terms of pass-through and of course CSR expenditure are after the income....

Abhishek Anand

Yeah, yeah.

A.S. Bindra, Director, Finance

--pass-through and we are within our.....

Abhishek Anand

So basically where I was coming from was because in 2Q we usually -- in second quarter we usually have lower other expense if we go back few years actually. So the sudden rise was actually, I was just trying to get a fair degree actually spend more during the quarter. So that was helpful.

So secondly in terms of our balance sheet, I see our short-term provisions actually declining significantly for the first half from the 583 crores have come down to 180.5 crores, any particular reason for that?

A.S. Bindra, Director, Finance

In short-term position there was a provision for the dividend payback.

Abhishek Anand

Okay, okay. So that has actually come down.

A.S. Bindra, Director, Finance

That the dividend we have already paid, so this has been reduced by....

Abhishek Anand

Okay, fine. That's fine. Sir, apart from this sir, could you tell us about the incentives we have earned on availability as well as UI and also what was our availability during the quarter?

A.S. Bindra, Director, Finance

Flat availability factor up to 30th September 2012 was 106.65% again still last year it was a 104.63% because of that, that our capacity incentive has been increased by Rs. 112.50 crore. Last year corresponding half year it was only Rs. 105.50 crore. And plus UI incentive, there is also increase in the UI incentive, UI incentive this year it was Rs. 20.50 crore compared to last year, half year Rs. 6.52 crore. So there was increase of approximate overall Rs. 20 crore increase in the capacity incentive as well as UI incentive compared to last year half.

Abhishek Anand

Okay. And sir, in terms of second quarter, specifically, what was our availability in the second quarter?

A.S. Bindra, Director, Finance

Plant availability factor?

Abhishek Anand

Yeah.

A.S. Bindra, Director, Finance

That's only in the second quarter I have a data for the month -- monthly data than yearly. You can see, note down if you want it.

Abhishek Anand

Sure sir.

A.S. Bindra, Director, Finance

For the second quarter, in the month of July, availability factor is 108%, in the month of August it was 100.22%. In the month, September, it was 107.726%.

Abhishek Anand

107?

A.S. Bindra, Director, Finance

107.726%.

Abhishek Anand

Okay. So sir, we had some issues of silting as well in August, September, this time around where we had to shutdown few of the units. Sir, it didn't impact us significantly in September?

A.S. Bindra, Director, Finance

You can see the plant availability factor in month of August was decreased by 100.221 but it has been decreased in the month of August that is what you are saying it has been decreased because of that factor.

Abhishek Anand

Okay, okay fine, fine. Sir I will join the queue for other questions. Thank you so much.

A.S. Bindra, Director, Finance

Okay. Thank you Abhishek.

Operator

Thank you very much. [Operator Instructions]. Our next question is from Rupa Shah of Prabhudas Liladhar. You may go ahead.

Rupa Shah

Sir just couple of questions from my end. One thing is apart from Rampur, have we finalized or are we looking at any further smaller capacity additions in the Northern and Northeastern front?

R.P. Singh, Chairman and Managing Director

Yes, we are going ahead as I -- two projects in Uttarakhand that is lined up for execution that is 252 megawatt Devsari Hydro Electric Project. And 66 megawatt -- and 60 megawatts Naitwar Mori Hydroelectricity in Uttarakhand.

If--from that we are likely to get a project in our Nathpa base of 80 megawatts capacity. And for your kind information, we have already gone for the wind power plant also and we're going 447.6 megawatt wind power plant in district Ahmednagar of Maharashtra.

Rupa Shah

Okay. Okay sir. Yeah, thanks.

Operator

Thank you very much. Our next question is from Rakesh Vyas of HDFC Mutual Fund. Please go ahead.

Rakesh Vyas

Yeah, hello sir. Sir can you just repeat the capacity incentive and UI incentive for both the second quarter and the first half?

A.S. Bindra, Director, Finance

Second quarter -- first half, up to 30th September 2012 plant availability factor was 106.65% it is for the half yearly.

Rakesh Vyas

Okay.

A.S. Bindra, Director, Finance

And for the monthly if you want to say for the second quarter, July to September, in the July it was -- the plant availability factor was 108.15%. In the month of August, it was 100.221%, in the month of September, it was 107.726%.

Rakesh Vyas

Sure. And sir what was the capacity incentive and UI incentive?

A.S. Bindra, Director, Finance

Capacity incentive for the half yearly ended 30 September 2012 was 112.50 crores. Compared to last year half yearly, it was 105.50 crore and UI incentive was 20.50 crore. Compared to last year half yearly, actually it was 6.52 crores. So there was totally approximate 20.98 core was in more than the last half year.

Rakesh Vyas

Okay. Got it. Sir secondly, after the grid failure, have we seen any impact on the UI because what we are also hearing is that power grid are putting restrictions on the over supply into the grid and beyond the particular megawatt they don't allow the supply into the grid. So have we seen any impact of that at all?

R.P. Singh, Chairman and Managing Director

That is no -- broadly there is no much impact on this. But as you know that we are operating our plant as per the schedule be given by NRDC. So even if they ask whatever schedule they are giving it based on our declaration that we are maintaining. So there is no much impact on this, however, if we are so far the capacity index is concerned, capacity index is concerned, there is no impact at all.

Rakesh Vyas

Sure. No, I got a point. But I was just wondering in terms of generation.

R.P. Singh, Chairman and Managing Director

It is with NRDC and we have to obey their directions and we are operating our plant according to their directions only.

Rakesh Vyas

Okay. But sir just wanted to understand, see the rated capacity is 1,500 and we can actually operate at 1,600. So after grid failure, are we operating at 1,600 or we are being restricted to 1,500 megawatt only?

R.P. Singh, Chairman and Managing Director

There was some period I believe the data is -- the total data is not there. But for some period, it was that grid allowed 1,500 megawatt. NRDC allowed 1,500 megawatt to be generated and it has been generated according to their schedule also.

Rakesh Vyas

Okay. Got it. And sir, secondly on the wind power, if you can just highlight the economics now because earlier the incentives on wind power pertaining to accelerated depreciation or the generation based incentive. Now both of them doesn't hold. So what kind of returns do we expect on wind asset?

R.P. Singh, Chairman and Managing Director

Let me tell you even these two things have not been considered. We have placed the order for 47.6 megawatt of wind power plant in some time in this first week of October. And at the return, the IR which has been established while evaluating the rate and its approval thereof, it was over 13%.

Rakesh Vyas

Okay.

R.P. Singh, Chairman and Managing Director

Without considering GVS or whatever we have set this.

Rakesh Vyas

Okay. Got it. Great sir. Thank you so much, I'll join the queue.

R.P. Singh, Chairman and Managing Director

Thank you.

Operator

Thank you very much. [Operator Instructions]. Our next question is from Jayshree D of Pari Washington. Please go ahead.

Jayshree D

Good afternoon Mr. R.P. Singh, good to talk to you after a long time. What will be helpful if you can you just outline the current status of the Rampur Power project, what's the status on commissioning actually, what's the likely time line you are looking at? That's my first question, then I'll follow-up with some more questions.

R.P. Singh, Chairman and Managing Director

Okay. You are talking about Rampur Hydroelectric Project?

Jayshree D

Yeah, that's right.

R.P. Singh, Chairman and Managing Director

Rampur Hydroelectric Project, the execution part, the progress, execution is going on in full stream. And our target date of completion is September 2013.

Jayshree D

Okay, but do you think you can meet the deadline?

R.P. Singh, Chairman and Managing Director

We are quite hopeful, we are putting our best effort to meet the deadline.

Jayshree D

Okay, okay. And my next question is recently you have circulated a postal ballot to introduce thermal power as one of the items in your memorandum in articles of association. Could you just talk a little bit about that what prompt us this sudden change and then what prompt us this change. And are you looking at any of those thermal power projects. If else where are you in terms of the time line as well as in terms of the capital outlay and so on and so forth?

R.P. Singh, Chairman and Managing Director

Let me tell you that our MO element--

Jayshree D

Yeah.

R.P. Singh, Chairman and Managing Director

Restricting us to go for the thermal. What I'd like to tell you that SJVN seek to diversify into transmission, already diversified and doing the transmission in Nepal.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

Two, SJVN has already diversified into renewable already ordered for 47.6 megawatt of wind power and likely to go for a 5 megawatt of solar power in Gujarat. And number three area that we are diversifying into thermal, we have said the regions as you know our NTPC they have gone for a hydro project and our other hydro PS even like like NHPC have gone for thermal project.

Jayshree D

Okay.

A.S. Bindra, Director, Finance

Also wanted to diversify thinking of the power scenario in the country, and we are hopeful of getting a project in the state of Bihar 13, 20 megawatt 2 into 660 megawatt super critical units and we are trying for that

Jayshree D

Okay. And what's the time line you are looking at actually to close this deal and then the time line for execution?

R.P. Singh, Chairman and Managing Director

It is too early to give the time line let SJVN signs MOU with the Government of Bihar.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

And there will be coal linkages.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

And when the time line -- so far the project time line is concerned, that is 36 months maximum, the project will be ascending and will start generating.

Jayshree D

Okay That's very helpful on the transmission project which you have touched upon in Nepal, can you just elaborate a little bit on that, what's the transition project you are talking, I mean you are talking about is transmission project between Bhutan and India, is it the one you are talking about?

R.P. Singh, Chairman and Managing Director

We are executing 900 megawatt Arun III projects.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

Sorry in Nepal I am sorry, in Eastern Nepal.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

Execution of that Arun III project has to be made by SJVN and we are diversified. We are linking Arun III project to one of the grid services of India at Muzaffarpur.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

300 tonne kilometer and it comes to Muzaffarpur via Dhalkebar services in Nepal and that is why we are -- we have already diversified into transmission and we have already done the project reports, submitted to the authority here in India and we are going ahead.

Jayshree D

Okay. And what is the CapEx on this transmission project?

R.P. Singh, Chairman and Managing Director

What is the question?

Jayshree D

Capital expenditure on this transmission project?

R.P. Singh, Chairman and Managing Director

Capital expenditure, it will be approximately, all approximately 800 crores.

Jayshree D

Okay. And SJVN has to fund the entire capital expenditure 800 crores?

R.P. Singh, Chairman and Managing Director

No, 800 crores I said the transmission capital investment.

A.S. Bindra, Director, Finance

For the Arun III project there will be approximate -crores will be there. Total cost of the Arun III project.

R.P. Singh, Chairman and Managing Director

You had asked about the generation and transmission both or only transmission?

Jayshree D

No, no I am talking about only about the transmission.

R.P. Singh, Chairman and Managing Director

Yeah it is 800 crores as I said approximately and the transmission per unit willing charges it is coming approximately Rs. 0.50.

Jayshree D

Okay. And there is 800 crores is basically the CapEx which has to be incurred by SJVN or is there any other third parties are involved in this?

R.P. Singh, Chairman and Managing Director

It is SJVN and it will be done by resources of SJVN and after taking debt from any....

Jayshree D

Okay. That's fine. And what's the total CapEx involved in this Arun III on the generation side?

R.P. Singh, Chairman and Managing Director

The total CapEx which will be something around 6,000 crores if you say in total linkage, linkage will be little less than 6,000 crores if you combine both.

Jayshree D

Okay if I combine both it will be 6,000 crores. Okay that's fine. And what's the time line you are looking at for this Arun III, is another 2017-'18 or what's the time line?

R.P. Singh, Chairman and Managing Director

Arun III we are waiting for the project development agreement to be made with the Government of Nepal and made by March 2013.

Jayshree D

Project development report?

R.P. Singh, Chairman and Managing Director

The day we will get project development agreement all activity for the infrastructure are self-financed and it will be taking two years to establish all the infrastructure there and thereafter five years for the completion. So now it extends to be accomplished by 2020.

Jayshree D

Okay that's fine. Got you. That's very helpful. Yeah that's it. I will come back and join the queue if I have any more questions. Thank you.

Operator

Thank you very much. Our next question is from Abhishek Puri of Deutsche Equities. Please go ahead.

Abhishek Puri

Hi sir, good afternoon. Just couple of questions. One on what is the CapEx plan for current year? And secondly, if you can share the total energy charges at secondary energy that has been booked in the second quarter?

A.S. Bindra, Director, Finance

Secondary energy will start only when we start the total generation will be 6612. Still we are generating only 5376. So secondly, there is no secondary energy at this moment.

Abhishek Puri

Okay. That will start from third quarter onwards?

A.S. Bindra, Director, Finance

Third quarter or maybe once we complete 6612, thereafter it will start.

Abhishek Puri

Okay.

A.S. Bindra, Director, Finance

There will be no secondary.

R.P. Singh, Chairman and Managing Director

So I think it is clear. See the design energy of the plant is 6,612 million.

Abhishek Puri

That's right.

R.P. Singh, Chairman and Managing Director

Generation, the design energy has been completed in secondary energy. So today we have generated -- so far generation is concerned 5,000 today if you can see 5000....

A.S. Bindra, Director, Finance

And let me tell you this 5642 today.

R.P. Singh, Chairman and Managing Director

Today I am talking about 5646. So 5642 even up to the last generation up to 12 O'clock midnight yesterday. So there is no secondary energy.

A.S. Bindra, Director, Finance

So 6600.

Abhishek Puri

Sir just to understand correctly you don't do a pro rata secondary energy booking in these numbers because I think the other companies do that. NHPC books for secondary energy right from the first quarter onwards based on a pro rata basis.

R.P. Singh, Chairman and Managing Director

Let me tell you that so far we understand that CRC firm. Secondary the generation all the comes after you achieve the design energy. I cannot comment upon the procedure being adopted by any other company.

Abhishek Puri

Okay. So my second question was on the CapEx side if you could share the CapEx numbers for the current year, how much we will spend and how much do we intend to spend in FY13?

R.P. Singh, Chairman and Managing Director

Well Director of Finance will respond to you.

A.S. Bindra, Director, Finance

CapEx is 796 crore during this year. Out of this 796 crores, up to 30th September we have already spent 321 crore, the balance is going to be spent but we are going to achieve this 796 crore during this year to 725 crore.

Abhishek Puri

Sir my last question on the regulatory front. Do you expect the regulatory changes to be in favor of the hydro power sector because I think you and probably the other hydro power sector constituents have been representing to CRC in terms of rolling out higher incentives for the hydro project sector. So do you expect any favorable regulations in your discussions which are coming up for the policy formulation 2014 to '19?

R.P. Singh, Chairman and Managing Director

That discussion is going on for the last one year.

Abhishek Puri

Okay.

A.S. Bindra, Director, Finance

We are expecting but we can't say unless and until something comes in black and white, so what will come in black and white one can't say anything. So what will be happen in the government of India and what will be the total because they are not seeing only the hydro, they are seeing what will be effect on the thermal and other effects also. In that concern they would issue whatever the guidance they issue. Of course, we are expecting them that because it is a too much generation period is too much so we get something benefit for the IDC during the period also. That is why they may take into consideration but we can't say at this moment what will be happen.

Abhishek Puri

But can you elaborate what kind of incentives does the hydro sector bonds to compete with the thermal sector?

A.S. Bindra, Director, Finance

See there is 15.5% what we are getting, we are getting from the date after commercial operation.

Abhishek Puri

Right.

A.S. Bindra, Director, Finance

So whatever we spend during the generation period that equity amount no benefit we get, no, nothing. Of course whatever the debt cash we get the interest benefit on that but on equity we don't get anything benefit during generation period.

Abhishek Puri

Okay

A.S. Bindra, Director, Finance

We are telling them that something should be there for the generation period also on the return of equity. That is why we have already I had told you one year discussions are going on but till date we can't say what will be happen. So we cannot say anything to that.

Abhishek Puri

Thank you so much and all the best sir

A.S. Bindra, Director, Finance

Thank you

Operator

Thank you very much. [Operator Instructions]. Our next question is from Jayshree D of Pari Washington. Please go ahead.

Jayshree D

I just have a couple of follow up questions. Can you give me the actual date position on debt by project wise and Nathpa and Rampur what you have incurred as debt basically what's the debt outstanding, loan outstanding?

A.S. Bindra, Director, Finance

Rampur?

Jayshree D

Yeah Nathpa Jhakri and Rampur?

A.S. Bindra, Director, Finance

For the Nathpa Jhakri our debt as of 30th September 2012 there is a 435 crore it is still outstanding.

Jayshree D

Rs. 435 crores?

A.S. Bindra, Director, Finance

That's what is outstanding up to 30th September 2012.

Jayshree D

Okay. And okay and what's the total for Rampur?

A.S. Bindra, Director, Finance

For the Rampur Hydroelectric Project, it is a 1,445 crores.

Jayshree D

1,445 crores, okay that's very helpful. My next question is on the receivables front looks like there is a little bit of a stress is there on the receivable, could you just comment on that? Are you getting paid regularly by all the state electricity boards including the UP and as well as other states?

A.S. Bindra, Director, Finance

If you see our data as on 30th September an amount of -- more than 670 crore is outstanding.

Jayshree D

Okay.

A.S. Bindra, Director, Finance

Most of the states I would say presently they were not paying much overall but now they have started paying. As of today if I say just 670 crores has already been reduced to 497 crores.

Jayshree D

Okay

A.S. Bindra, Director, Finance

Whatever we have during this October itself plus more than 170 crores we have received from them. So they have started paying, so we are getting...

Jayshree D

Okay

A.S. Bindra, Director, Finance

As well as past dues from them.

Jayshree D

Okay, that's very helpful. And my last question is how high can this plant availability factor actually grow. If you could just help us help us -- help me understand that will be very helpful?

R.P. Singh, Chairman and Managing Director

You mean to say that you like to understand plant availability factor?

Jayshree D

No how high can it go basically the plant availability factor because we have been talking about this 106%, 107% number for some time now and you folks are doing a very good job in terms of keeping the plant available actually. How high can this number go that's what I am trying to understand?

R.P. Singh, Chairman and Managing Director

I will start with as on today.

Jayshree D

Yeah.

R.P. Singh, Chairman and Managing Director

Plant availability factor stands at 106.872%.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

Plant availability factor is 106.872%.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

As you know and you said how it has exceeded 100% that is your question?

Jayshree D

Yes.

R.P. Singh, Chairman and Managing Director

Your question is this, okay. So there you know that hydro plant.

Jayshree D

Yeah.

R.P. Singh, Chairman and Managing Director

Normally designed for 10% continuous overload.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

And it all depends if the machines are alright we can -- there machine can may be declared up to 110%.

Jayshree D

Okay.

R.P. Singh, Chairman and Managing Director

And that is how our plant availability factor even today is 106.872%.

Jayshree D

Okay, that's very helpful, okay. Okay sir, thank you.

R.P. Singh, Chairman and Managing Director

Thank you very much.

Operator

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

Rakesh Vyas

Yeah, thank you so much sir for the opportunity again. Sir, few questions. On the wind side, just wanted to understand, have we signed the PPA for the offtake from wind?

R.P. Singh, Chairman and Managing Director

PPA will not be any issue, PPA will be signed after we take the position of the land, after the parcel of the land. And the parcel of the land is the first activity being made and after that, we'll go for the PPA to be signed with the GESCOM in Maharashtra.

Rakesh Vyas

Okay. And when do we expect this transfer of land sir?

R.P. Singh, Chairman and Managing Director

Transfer of land is, the order has been placed in the first week of -- it's under process. It can be anytime from now, maybe by say by November it is to be over by November. It is likely to be over by November.

Rakesh Vyas

Okay.

R.P. Singh, Chairman and Managing Director

So there is no issue here in the land. So there is no issue for the transfer, it's only a formality which is being done.

Rakesh Vyas

And I believe the land parcel will be given by the equipment supplier himself. Is it?

R.P. Singh, Chairman and Managing Director

You have rightly understood. That is also -- that is in the scope of the equipment supply.

Rakesh Vyas

Okay. Great. And sir secondly I believe that the first two, three months this year had lower generation largely on account of delayed monsoon and various other factors. But have we see any impact in the current quarter, post September have we started to see lower generation again or it is a quite normal?

R.P. Singh, Chairman and Managing Director

I will put it this way. Our plant the only plant which is operational now in Nathpa Jhakri Hydro Power Station of 1,500 megawatt.

Rakesh Vyas

Yeah.

R.P. Singh, Chairman and Managing Director

That catchment area of Nathpa Jhakri Hydro Power Plant is not merely rainfall, note that as well

Rakesh Vyas

Yes. True.

R.P. Singh, Chairman and Managing Director

Or when there is a cold which is we are willing now that there is a hardly cold, so that that river discharge even today is less compared to last year.

Rakesh Vyas

Okay.

R.P. Singh, Chairman and Managing Director

So, so far that is why. And as you said that river discharge during the first quarter it may be due to rain may be due to rain, that rain also, that monsoon valuable. But nevertheless that the discharge, river discharge this year has been less as compared to last year and that is why there is a letter generation. But let me tell you here that even we see here also we will be exceeding our design energy what we project today and we are going to exceed our design energy of 6,612. So additional generated may not be much compared to last year but it is going to ahead of the design energy.

Rakesh Vyas

Okay. So the current water flow is good for design energy, you may not exceed that much, like what you have been doing for last couple of years. This year, the generation would be much closer to design energy, is that a right understanding sir?

R.P. Singh, Chairman and Managing Director

Our design energy but to what extent that's the timing issue...

Rakesh Vyas

Sure, sure

R.P. Singh, Chairman and Managing Director

It's difficult to predict now.

Rakesh Vyas

Got it. But sir what are you seeing practically sir the discharge is it significantly lower compared to the normal cycle?

R.P. Singh, Chairman and Managing Director

No. Actually what is happening its not that normal cycle actually you know this is the plant is designed based on 90% dependably.

Rakesh Vyas

Yeah. Sure. Are we seeing the discharge at closer to those levels or we are seeing much better...?

R.P. Singh, Chairman and Managing Director

I think entirely it's based on 90% dependable year of the 30 years or 40 years. So you once you have achieved design energy means

your design capacity you have already achieved.

Rakesh Vyas

Sure

R.P. Singh, Chairman and Managing Director

Excess energy that it all depends on the river flow and if the river flow is less your excess energy is less or more depending on the river discharge.

Rakesh Vyas

Got it. Got it. Sir just on that point itself, currently are you allowed to generate more than 1,500 megawatt if you have river discharge at all?

R.P. Singh, Chairman and Managing Director

Currently see number one, that this energy there's two parts, the sales of two part, the 50% for the energy 50% for the plant availability factor.

Rakesh Vyas

Yes sir.

R.P. Singh, Chairman and Managing Director

Plant availability factor what we declare the ability of energy and we are getting it. So far the energy part is concerned that energy part is concerned now the river discharge is lesser, lesser in the sense it is genuinely in the returning to hydro graph say around 10 million, 11 million, 12 million units per day compared to 36 million, 39 million and 40 million units had been earlier. So that energy part is whatever income is that there in the river and we are generating it.

Rakesh Vyas

Okay great. Thank you so much sir and best of luck.

R.P. Singh, Chairman and Managing Director

Thank you. Thanks very much sir.

Operator

Thank you. [Operator Instructions]. Our next question from Abhishek Anand of JM Financials. Please go ahead.

Abhishek Anand

Yes sir just a follow up on the previous question. Sir if I look at October generation I think it's down 20 odd percent Y-on-Y sir any particular reason for that, are we still experiencing lower water flow?

A.S. Bindra, Director, Finance

Just our the CMD has already explained at this moment again the discharge of water is less because there is a snow there and that snow still going on. So now it is we are generating between 8 million to 10 million units per day. It is lesser than the last year. So

our generation compared to last year it is -- of course plant availability factor is more than the last year but the generation of course is lesser than the last year.

Abhishek Anand

Okay, sir just on the progress of Rampur. Sir could you give us the CWIP figure specifically for Rampur and as well as for the company as a whole?

A.S. Bindra, Director, Finance

For the Rampur, we have total we have spent approximate 2,000 crores we already spent up to September 2012.

Abhishek Anand

Okay.

A.S. Bindra, Director, Finance

And the total -- all others except Rampur if we exclude the Rampur, in others it will be only approximately 200 crores will be CWIP in Nuri, Kesari, Natwar, Arun III. If you add all those, it will be around 200 crores in CWIP.

Abhishek Anand

Sure sir, sure, thank you so much sir.

Operator

Thank you very much. Our next question is from Jaishree D of Pari Washington. Please go ahead.

Jayshree D

All of my questions are answered. Thank you very much, yeah.

Operator

Thank you. As there are no further questions from the participants, I would now like to hand the floor back to Ms. Rupa Shah for closing comments.

Rupa Shah

Yeah I would like thank the management to just take out time for this call from their busy schedule and the participants for the call.

R.P. Singh, Chairman and Managing Director

Thank you Rupa.

A.S. Bindra, Director, Finance

Thank you.

Operator

Thank you very much. Ladies and gentlemen on behalf of Prabhudas Lilladher Private Limited, that concludes this conference call. Thank you for joining us. And you may now disconnect you lines.