



# NAVA BHARAT VENTURES LIMITED

NAVA BHARAT CHAMBERS, RAJ BHAVAN ROAD, HYDERABAD – 500 082. TELANGANA, INDIA

NBV/SECTL/97/2022-23

May 23, 2022

Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block  
Bandra Kurla Complex, Bandra (E)  
MUMBAI – 400 051  
**NSE Symbol : 'NBVENTURES'**

Dept.of Corp.Services  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street  
MUMBAI – 400 001

**Scrip Code: '513023'/'NBVENTURE'**

Dear Sirs,

Sub:Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015: Transcript of the Conference call with Investors.

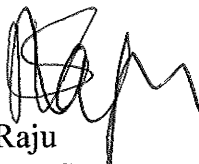
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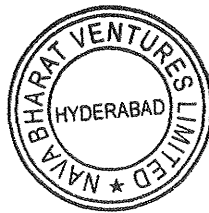
Please find enclosed the transcript of the Conference Call with Investors / Analysts held on May 17, 2022 on the operational and financial performance of the Company for the quarter and year ended March 31, 2022.

Kindly take the same on record and acknowledge the receipt.

Thanking you

Yours faithfully  
for Nava Bharat Ventures Limited

  
VSN Raju  
Company Secretary  
& Vice President



Encl : as above



### **Q4FY22 Earnings Call for Nava Bharat Ventures Conference call**

Event Date / Time : 17/05/2022, 11:00 HRS

Event Duration : 52 mins 23 secs

#### **CORPORATE PARTICIPANTS:**

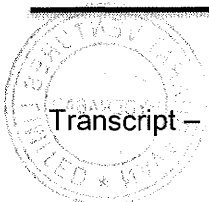
**Mr. Ashwin Devineni**  
Chief Executive Officer

**Mr. GRK Prasad**  
Executive Director

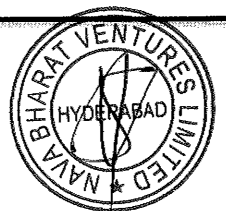
**Mr. Nikhil Devineni**  
Senior Vice President

**Mr. Sultan A Baig**  
Chief Financial Officer

**Mr. VSN Raju**  
Company Secretary & Vice President



Transcript – Q4FY22 Earnings Call for Navabharat Ventures Conference call



## **Moderator**

Good morning, ladies and gentlemen, I am Moumita, moderator for the conference call. As reminder, all participants will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star (\*) and then zero (0) on your touch tone telecom. Please note this conference is recorded. I would now like to hand over the floor to Mr. Mohit Kumar from DAM Capital. Thank you and over to you, sir.

## **Mohit Kumar**

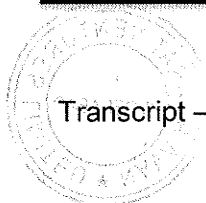
Thank you, Moumita. On behalf of DAM Capital, we welcome you all to the Q4 FY22 Earnings Call of Nava Bharat Ventures Limited. From the management side, we have Mr. Ashwin Devineni CEO, Mr. Sultan A Baig, CFO, Mr. GRK Prasad, Executive Director, Mr. VSN Raju, Company Secretary & Vice President and Mr. Nikhil Devineni, Senior Vice President. Without much delay, I'll hand over the floor to Mr. Ashwin Devineni for the opening remarks, which will be followed by Q&A. Over to you, sir.

## **Ashwin Devineni**

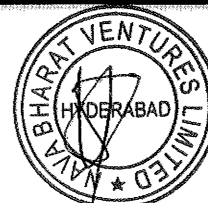
Thank you Mohit, and very good morning to everyone. Thank you for joining us for our year end and quarter 4 results discussion. I hope everyone is keeping safe. I believe all would have gone through our results and press release. It is particularly gratifying to be celebrating the company's golden jubilee when the business outlook looks promising. Our FY22 standalone performance is a testimony of our resilience strenuously built over the last five decades, and over several commodity cycles. I will begin the session by giving a quick run through of our businesses and corporate plans.

The manganese alloy business reported robust growth during FY22 on the back of extreme high demand from the steel industry coupled with advanced procurement of manganese ore.

The onset of the 60 MW IPP from June 2021, brought about resurgence in the Odisha Works. The Company's subsidiaries secured exploration rights on a manganese ore concession in Ivory Coast, West Africa, affording further value and opportunities.



Transcript – Q4FY22 Earnings Call for Navabharat Ventures Conference call



A significant margin play in the power business was seen with spurts in IEX rates and short-term trades, though coal cost and availability will continue to remain a major concern.

The Zambian coal mining business attained traction with higher volume and better realisations.

The Zambian subsidiary expects a lasting solution on the power offtake front to emerge soon paving way for sustainable business and Capex.

The 300 MW power plant is running at full capacity post the major overhaul of the two units in Zambia.

The monetization efforts concerning the land assets of the company got revived through a favourable judicial order in Telangana aside from regulatory clearance in Andhra Pradesh.

I trust that all of you have gone through the detailed statements of the financial results filed with the stock exchanges and uploaded on our website. I will now look forward to an active interaction with all of you on this call for any further clarification. Thank you.

#### **Moderator**

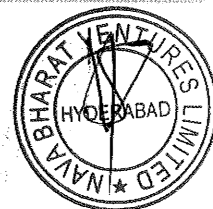
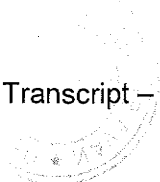
Thank you, sir. Ladies and gentlemen, we will now begin the question-and-answer session. Press \* and 1 on your telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing \* and 1 again. Sir, our first question comes from Mr. Srinivasa Rao Mandava, individual investor, please go ahead, sir.

#### **Srinivasa Rao Mandava**

What is the state of our arbitration proceedings and what grounds they have gone for appeal in the interim Arbitration Award?

#### **Ashwin Devineni**

As you probably know, there was an interim order for about \$250 million, which they have appealed but discussions are currently underway with ZESCO to recover that amount. As regards



the grounds for appeal, I think the matter is in the middle of arbitration, so I'm not at liberty to talk about the particulars and details of arbitration on this call.

**Moderator**

Our next question is from Mr. Bharat H Shah, an individual investor.

**Bharat H Shah**

The management in the last 40-50 years has created a good infrastructure in our country. So, in future whether we're going for a big expansion in India because there is a lot of scope in power sector and other our related activities. Could you please tell us in detail about this?

**Ashwin Devineni**

I think as a company in the last 40-50 years, we did create a lot of value and we have a fairly significant presence in India. In terms of expansion, we're always looking at new opportunities where we weigh out the benefits and also the risks. So, if there are new promising opportunities and synergies to currently what we do, then we will definitely explore it, irrespective of location.

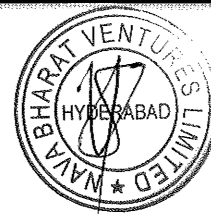
**Moderator:** The next question from Mr. Prem Patel from DAM Capital. Please go ahead, sir.

**Prem Patel:** Firstly, congratulations on a very good set of numbers. So, my question to you is, how much coal are you expecting to sell in Zambia for FY23?

**Ashwin Devineni:** I think what we have forecasted for this year is about 40,000 tons on a monthly basis in terms of outside sales, meaning not selling to our power plant but to outside customers.

**Prem Patel:** Okay. And sir, how are the realisations for ferro alloys and what is the outlook for 2023?

**Nikhil Devineni:** The realizations for ferro alloys for FY22 have been outstanding. The average realization per metric ton was up 42% over the preceding year. Going forward, fortunately, we have made a lot of advance bookings for which we are essentially sold out for Q1 and even in Q2 we have very limited quantities available. In the near term, the outlook looks good and moreover



30% of our production is linked up with a large Japanese consumer on fixed indexed basis. So, that insulates us from any major volatility in the market going forward.

**Moderator:** Next question from Mr. Gunat Singh from Counter Cyclic PMS. Please go ahead, sir.

**Gunat Singh:** We have just discussed about the realisations of ferro alloys, and we know that the coal prices are also at an all-time high. So, can we discuss the price trend of coal prices, coal realisation basically, and what we expect them to be in the coming quarters?

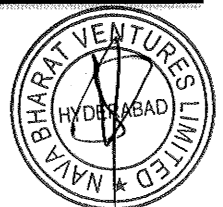
**Ashwin Devineni:** The Zambian coal scenario has to be looked from the aspect of Zambia being landlocked and we can only service the customers in and around Zambia, especially good access to the neighbouring countries. In that respect, the pricing limitation exists. We however have a good price realisation in that particular aspect, and we expect that price to be insulated from all market fluctuations, as had happened earlier too when the coal prices were fluctuating, there was no change in Zambian coal sale realisation. So that way, you could expect a steady revenue line so as coal sales are concerned in Zambia.

**Gunat Singh:** Is there some trend in terms of the coal prices, so when we say the prices are isolated, so is the global coal price going high?

**Ashwin Devineni:** Yeah, that is what I was trying to tell you. The global coal price trends don't have any impact on Zambian coal prices, for a simple reason the Zambian coal can't be brought to export with the logistic cost becoming a major threat. So, though the coal prices across the world have been going up and there has been a steady price line as far Zambian coal operations are concerned.

**Gunat Singh:** All right. I have another question. We discussed about the situation in terms of the recovery of \$250 million from the Zambian government. So, in terms of that, do we have any expectations, like, with regards to the recovery, that when we expect the payment, or any progress made in that scenario?

**Ashwin Devineni:** One thing to note here is that liquidity issue with the utility and the government as it stands. But on a positive note, I think once the new government took over and even the new management of the utility has taken over, we see quite a bit of light at the end of the tunnel because what we've seen is a proactive approach from them to actually say, we want to resolve the situation



both in terms of the arrears and in terms of moving forward with the prospective tariff. What we hear are that efforts are underway for the utility and the government to secure some loans, large financing to liquidate a lot of these arrears. Nothing has been materialized yet, but we are in a constant discussion with the utility now in terms of them, paying us what they owe.

**Moderator:** We have the next question from Mr. Hanish Alluri, he is an individual investor. Please go ahead, sir.

**Hanish Alluri:** How much top-line growth can we expect from mining in FY23?

**GRK Prasad:** I think, there seems to be a little confusion about this coal scenario in Zambia. Let me make it very clear, the coal sales in Zambia happen in and around Zambia and the top line growth has a certain limitation because of the landlock situation in Zambia. It is not comparable to any other mineral, any high-value mineral like copper where some investors tend to do that kind of comparison. You must be able to understand that the coal dynamics are totally different from that of the copper. So, land lock situation of the Zambian subsidiary makes it inevitable that we do the geographical sale in and around Zambia and perhaps to the neighbouring countries. So that way, the top line growth will have that limitation as Ashwin indicated. We expect the ramp-up of sales to be about 40K every month with same kind of price realisation as had happened last year.

**Moderator:** Next question from Mr. Amanjeet Singh from Oculus Capital. Please go ahead, sir.

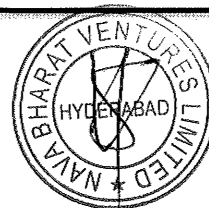
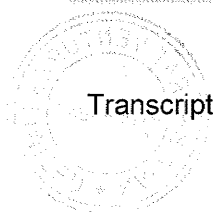
**Amanjeet Singh:** What are the discontinued operations that are disclosed?

**Sultan A. Baig:** You may be aware that about two years back, we had shut down our sugar plant operations in Samalkot.

**Amanjeet Singh:** Okay.

**Sultan A. Baig:** We had been running the sugar plant business, but we discontinued that, and we are in the process of disposing those assets. So, the discontinued operations profit is from the recent money being realised in the disposal of the assets.

**Moderator:** The next question from Sonali Rao, SR Equity Advisors, please go ahead.



**Sonali Rao:** Congratulations for the amazing set of numbers. So, my question to you is that, one long and uncertain area is our MCL power plant, so how is management tackling with that and we aren't seeing any progress being made there. We are continuing the operations without cash coming in. So, what would be the inflection point wherein management would take a call off operations wherein an investor becomes viable?

**Ashwin Devineni:** I think, you know, two things. One is from the time that I think the new government was formed and the new management of the utility took over, we have seen significant progress, which I did reiterate, I think on a previous question on the area of the arbitration taking care of it, but on the prospective tariff moving forward, we've actually made a lot of progress to the extent that we are getting various shareholders' approval to formalize probably a new arrangement, which we will disclose once it's closed.

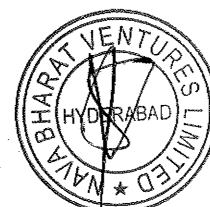
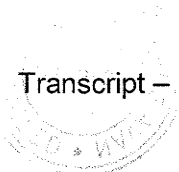
So, that will actually take care of the Maamba Collieries operations moving forward and where shareholders and our partners could possibly see dividends flowing through. Apart from that, although we have been running and continuing operations for the past few years, one thing to note is we are also involved in the operations and maintenance of the Company. And we do see revenue flowing in through the operations and maintenance of the power plant at Maamba which is being done essentially through one of our subsidiaries.

**Sonali Rao:** Okay.

**Ashwin Devineni:** I think in a nutshell, the picture looks a lot better than it probably looked during the last investor call. We've made significant traction, but unfortunately certain developments, we cannot disclose at this point of time until we receive all shareholders approval

**Moderator:** We have a follow up question from Mr. Srinivasa Rao Mandava, Individual Investor, please go ahead, sir.

**Srinivasa Rao Mandava:** In the investor presentation, it is mentioned that the management is foreseeing a very good demand for MFCs in Southern Africa. Are we allowed to use the Maamba coal mine for the production of power in other countries in and around Zambia?





**Ashwin Devineni:** Yeah, so the short answer to that is yes. There's something called the Southern African Power Pool, which is basically a network that connects all the Southern African countries. In fact, in continuation to probably the previous question, we see a lot of opportunity arising because not only in South Africa, but also in Zambia, Congo, and so on, a lot of companies are increasing copper production and melting, which requires a lot of power. So, we are seeing a scenario now where demand for power is increasing tremendously in that region, but the supply is very limited. We see that as an opportunity for our power plant, and we can really utilize it by selling power to other Southern African nations using the Southern African Power Pool.

**Srinivasa Rao Mandava:** One more follow-up question, what is the plan of our monetisation in the 64 acres land.

**Ashwin Devineni:** The ULC court case is something that we've been fighting for quite a long time. And we're glad to announce that the verdict has come in our favour, so as a company, we are looking to monetize this asset. As you probably know that it is very large parcel of land, so the monetization of that could take a little time. I think once that is done as a Company, you know, we would plan on utilizing that money definitely to take certain corporate actions to improve shareholders value and also the fund for growth capital, of our existing verticals and the new verticals that we are getting into.

**Srinivasa Rao:** What about Dharmavaram land?

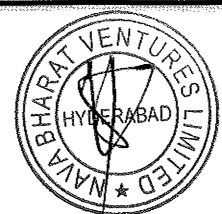
**Ashwin Devineni:** Dharmavaram land unfortunately, there is no much progress and there's nothing for us to report.

**Srinivasa Rao Mandava:** What about the 20 MW power unit over there? Is it operational?

**Ashwin Devineni:** No, unfortunately, that is not operational, because of high coal prices, but we're still looking for ways to operationalize it.

**Moderator:** Next question is from Ms. Monika Arora, from Globe secure. Please go ahead.

**Monika Arora:** Congratulations on good set of numbers and also, many, many congratulations to you for your land parcel getting cleared. So, I just wanted to understand what could be the



realizable value for the land parcel, and by what time we can see the realisation coming in our books?

**Ashwin Devineni:** In terms of the value, I think is little bit premature to say that. We are involving a couple of large real estate brokers, and I think it's still in the initial stages because the verdict recently has come out. And in terms of timelines, like I just said, it will take a little time given the size of the parcel. So, it may take a year or two, but as a company, we are doing our best to monetize it in the quickest possible time.

**Monika Arora:** Okay and my second question is, have we received our partial award from ZESCO of like \$250 million, and are we currently supplying them? Are we still supplying them, given that they have dishonoured our payments? Just wanted to get a clarity on that.

**Ashwin Devineni:** Well, yeah. With respect to first question, no, we've not received \$250 million because they've also challenged the interim award of \$250 million. But discussions are currently underway between our company and ZESCO in terms of how they plan on paying the \$250 million. That process is currently underway in court and out of courts. In terms of continuing to operate the power plant, I think we must realize that it's not like we're not getting anything from ZESCO.

On a monthly basis, we get about \$11 million to \$11.5 million every month from ZESCO, which is not the full payment of the bills, but it is a significant amount, which at least helps us to continue running our operations and servicing interest. Now, discussions with ZESCO are underway, and they have advanced very well to figure out a win-win situation for a prospective workable tariff. So tomorrow onwards, there are no defaults in terms of the monthly billing. And I think as it stands right now, for the total amount billed, we have received 55% of what we have billed from ZESCO. So, the amount outstanding is about 45%.

**Moderator:** The next question from Mr. Naveen Jain from Florintree Advisors. Please go ahead, sir.

**Naveen Jain:** I have a couple of questions. First one is on Zambia operations. So, you mentioned that, you know, you're getting around 11 million - 11.5 million USD every month as payment. I see that your last quarter revenue is about 84 million USD. So, is it on an ongoing basis, we are getting less than 50% of what we are billing from them to the resolution of this?



**Ashwin Devineni:** The 11.5 kind of add has kicked in recently. I think, prior to that, we were getting between eight and nine. ZESCO is slowly kind of improving what they pay us on a monthly basis. And yes, it is 50% or slightly less of what we billed. But I think as I previously mentioned, our discussions are at very advanced stage with them, in terms of tariff that is workable both for ZESCO and for MCL. And I think once that gets all the shareholder approval, we won't be seeing any kind of risk, on the monthly payment.

**Naveen Jain:** Is there a timeline that one can put a full stop on this discussion because it has been ongoing for quite some time?

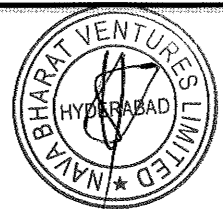
**Ashwin Devineni:** We are very close to resolving it. I don't want to give a timeline, but I will say just a couple of months away, if not earlier.

**Naveen Jain:** Understood. Okay, fair enough. Sir, you know, standalone entity MCs even now we are generating good amount of cash, given the cycle, and now we are net cash also. And plus, we expect some sort of monetization to happen right from the land bank. So, what is going to be the Capex outlook, or the project that we will be looking at, in the standalone entity going forward?

**Ashwin Devineni:** At a macro level, I think we want to undertake certain corporate actions, which will definitely add to the shareholder value. But you know, as a Company now, we finished fifty years and we're moving to the next stage. We are expanding our existing verticals, to have a very dominating presence in the domestic and international market, in terms of what we do. And we are also planting seeds in verticals where we see a very good potential and growth opportunity in the future. So, all that requires capital. So, I think we are looking at both these avenues to deploy the cash that we are currently generating and the cash that will be generated from the monetization efforts.

**Naveen Jain:** Understood. I think in the last quarter, you mentioned about some foray into healthcare if I am not wrong. So, has there been any progress on that front and where will this investment come from the stand-alone entity or is it from largely Zambia operation?

**Ashwin Devineni:** In terms of the healthcare segment, we are present in this segment in a small way where we have been setting up preventive healthcare medical centres. We've set up one, which has been very successful. We've been seeing almost 70% growth on a quarter-on-quarter basis. And we're also in pharmaceutical distribution, some success in niche drug. So, with respect to the



clinics, we do plan, and we see that, especially after COVID, where people are a lot more health conscious, people are getting themselves clean. And, you know, treating their allergies and their deficiencies. We see a big opportunity there and we're looking at probably replicating these medical centres in other metropolitan cities. And second question is with regards to funding. The initial infusion took place from the parent company, so the Zambian company has nothing to do with it.

**Naveen Jain:** How much you have invested so far and what is the plan to invest further into this business? That's my last question.

**Ashwin Devineni:** At this point, the outlay is about \$4 million dollars. And we expect ramp-up also to happen gradually. Our expectation is that may be about \$10 million dollars is what we probably invest in ramping up decent number of clinics.

**Naveen Jain:** Around \$10 million?

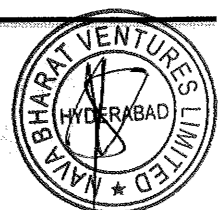
**Ashwin Devineni:** That's right. Could be spread over couple of years?

**Moderator:** The next question from Chetan Shah from Jeet Capital, please go ahead, sir?

**Chetan Shah:** Just one quick question that you nicely articulated the growth plan and all the other things. I just wanted to understand your view on our core business, which is basically ferro and power, and also our Zambia business, the kind of cash flow which we are generating, how do you see this business shaping up in next three to five years in terms of the Capex plan expansion? A big picture apart from the diversification into pharma and other businesses, which you just answered the previous analysts. That'd be very helpful.

**GRK Prasad:** In terms of the existing businesses, where we have been there for the last few decades, our idea is to have a consolidation in terms of integration, and to see that business will sustain notwithstanding the market vagaries, which are very typical of this particular industry. And as far as expansion is concerned, we are looking at as our colleagues have indicated earlier on, the expansion has to come with the kind of input security where the efforts are currently underway.

Once those are crystallized, the expansion plans also we'll get ratified, that's the plan. And in terms of, you know, sizing or anything, we don't have any specific plan. The idea is that we keep this as



the core business activity of the company and look at other areas of growth, which could yield regular income stream, irrespective of how the commodity cycles behave. That's the internal plan of the company, we would probably come back with more crystallized views on this in the coming quarters.

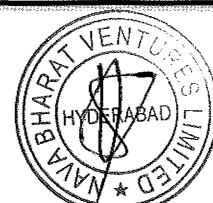
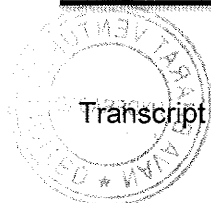
**Chetan Shah:** One last follow-up question on that, when you spoke about your non-core business and pardon me for using that specific word because this is outside of what we're doing over the years, which is a pharma, what kind of capital allocation and opportunity we are looking in that part of the business. Being a shareholder just trying to understand that how are we trying to allocate the cash flow which we generate from our businesses to the new business which has a relatively better visibility in terms of the consistency, vis-a-vis our commodity business. If you can just throw some light on that.

**Ashwin Devineni:** In terms of the non-core businesses, I think the two things that stand out is, one is healthcare, and the other thing is also agriculture development where we're looking at growing avocados and possibly other crops. The reason we're getting into this, as we see a very bright future that they are less government-dependent, and they have tremendous amount of export potential, especially with respect to the agricultural side. In terms of capital outlay for these, we have to come back to you in terms of detailed numbers, but we are probably looking at around \$50 million to \$60 million. But that's spread over duration of time. That essentially, what we're looking at.

**Moderator:** The next question from Ms. Abhisri Shah, individual investor, please go ahead.

**Abhisri Shah:** Congratulations on excellent set of numbers. Basically, I have two questions. What is the roadmap going ahead for the company? Also, what do you see coming forward?

**Ashwin Devineni:** As I mentioned previously, we are at a very crucial juncture. We have completed 50 years and we're getting to the next stage. In terms of where we are going now is one is, we've done very well on our existing vertical. We have a very strong presence, and we plan on expanding that presence in other geographies and there are a couple of things that we're looking at such as mining in Ivory Coast, the Maamba Collieries plan possibly expanding, and other ventures related to what currently we're doing. The second thing is, we discussed this briefly in the previous question is planting seeds in verticals, where we see a very promising future and a growth plan and in terms of that we're pursuing agriculture, avocado growth to be more specific and also the healthcare vertical.



**Abhisri Shah:** What's the power status at our Indian operations? What kind of EBITDA per unit we are making at this point of time?

**GRK Prasad:** The more relevant question would have been what's the cost of coal that is obtained in these power plants. But that seems to be absolutely going haywire with the coal companies resorting to a kind of a discriminatory pricing, and availability also becoming a major issue for us. So, if you consider that the EBITDA margins have been very comfortable, but what we see is in a specific location wise, we suffer some forbearance on account of this higher coal costs, whereas in the other location, at least the Coal India seems to be behaving all right.

**Moderator:** We'll move on with the next question. It comes from Ms. Monika Arora from Globesecure, please go-ahead madam.

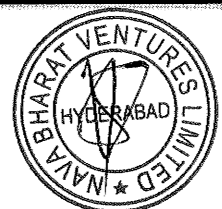
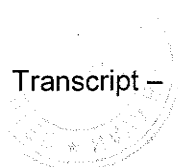
**Monika Arora:** Thank you for taking my second follow-up question. So, as you mentioned, that you are receiving 12 million USD every month. So, any backward calculation you have done, which you think is a win-win situation or let me ask you the other way round, what revised tariff rate, you are targeting. Sorry, so just a directional number. Not exact number I want to know.

**Ashwin Devineni:** I'm not going to get into specifics because these discussions and negotiations are currently underway. But what I can say is definitely I have done calculations when I think what we are close to agreeing with the utility and pending all shareholder approval is something that is a win-win and a workable solution for both parties.

**Moderator:** The next question from Mr. Dwaraka Prasad, he is an individual investor. Please go ahead, sir.

**Dwaraka Prasad:** Congratulations for good set of numbers and for giving me the opportunity. I opined that the company has good cash and doing very well now. Is there any immediate plan for buyback of shares from the company?

**Ashwin Devineni:** There's nothing that we can announce right now, as we mentioned previously. I think we always endeavour to execute corporate action that will improve shareholder value. The Board is deliberating various options and we will let the investors know at the right time.



**Moderator:** We have a follow up question from Mr. Srinivasa Rao Mandava, individual investor. Please go ahead, sir.

**Srinivasa Rao Mandava:** Are there any power purchase agreement for the NBEIL plant and what is the source of coal supply to its 150 MW unit in Paloncha.

**Ashwin Devineni :** Presently, there are no power purchase agreements that are in place. What we have been doing is having power export through IEX.

**Moderator:** We have one question from Mr. Vijay P, he is an individual investor, please go ahead, sir.

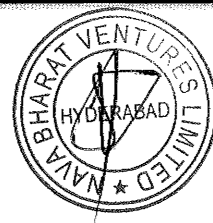
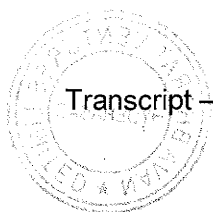
**Vijay P:** My first question is that ferro alloy sales have fallen in Quarter 4 versus Quarter 3. When you are saying at the end in Quarter 3 conference call that we have fully sold out the production. Why was there a fall in sale of silico manganese from 33,000 in Quarter 4 2021 to 24,000 in Quarter 4 2022?

**Nikhil Devineni:** Sure, in Quarter 4, we were indeed sold out. But what happened is that there was a sharp decrease in the production volumes, owing to a major shutdown that we had to take in Quarter 4. So, that's the reason the volumes have come down and as a result, the sales realisation also have decreased slightly.

**Vijay P:** So, when you're saying they're sold out for Quarter 1 2023, is that problem going to come again or we're going to maintain the 125,000 level per year?

**Nikhil Devineni:** 125,000 is the rated capacity of the plant. Now, in every year, we do have certain routine maintenance shutdowns, which are envisaged. To take those into account, the production volumes do drop below the basic capacity of the unit, but going forward for FY23, we forecast to have a higher production volume than what we did in FY22.

**Vijay P:** Okay, next question is from the dividend point, from Rs.90-crore dividend that you paid this year against standalone profit of Rs.381 crore and consolidated profit of Rs.573 crores, it makes 25% of standalone profit and 15% of consolidated profit. Are these percentages going to be maintained in future as we grow?



**Ashwin Devineni:** I think, you know, as a rule that we normally follow for dividend declaration, we've been about 20% of standalone profits. I think, you know, given that this is our golden jubilee year and the profitability that we have attained, we have declared the dividend.

**Vijay P:** So, we are basically this year is roughly about 23%. Is that going to be maintained in future?

**Ashwin Devineni:** Well, what we plan on maintaining, which is a kind of rule, is about 20% of our standalone profits.

**Vijay P:** All right. Power shortage in Zambia is what you have said in the earlier talk today, are there any plans for the expansion?

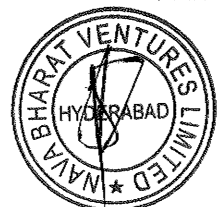
**Ashwin Devineni:** What we've seen actually in the past few months is something that is very promising. We've seen a fair bit of demand, both from the Zambian side and from DRC, which is one of the biggest copper producing nations in the world. It's too early to see right now, I think we need to first resolve the current issue and then have concrete discussions on phase 2. But long story short, I don't think we will rule it.

**Vijay P:** Exactly. That was a point that I was making. What are the chances that Maamba, MCL will be in a Chinese debt trap like Sri Lanka?

**Ashwin Devineni:** No, I think you know, we are comparing apples to oranges here. We have been servicing the interests that the Chinese lenders are completely aware of the situation in fact, they are supportive of the situation. We have been discussing with ZESCO in terms of a workable solution for which we have advanced a great deal. I don't think it's the same situation as what you think of Sri Lanka.

**Vijay P:** Let's hope for the best. Manganese ore mine in Ivory Coast. Where is it located and is it landlocked?

**Nikhil Devineni:** It's not landlocked. Ivory Coast is not a land lock country. And the mine is located about 200 kilometres from its capital.





**Vijay P:** My question was with respect to the experience that we are having similar to Simandou mine in Guinea which is for last 25 years not becoming operational because it is landlocked. There is no access to the mine. There was no such problem with this manganese ore mine, it is accessible by road or rail?

**Nilhil Devineni:** Yes. You have extremely good infrastructure, good roads and highways that connect the port city.

**Vijay P:** Any guideline for when it will be operational?

**Nikhil Devineni:** The exploration works are underway right now, we are making good progress in that regard. Once we have those data available with us, we can then have a finalized timeline for operationalizing the mine.

**Vijay P:** My last question, what is the current land price per square meter in Nacharam?

**Ashwin Devineni:** Are you asking for the price in Nacharam?

**Vijay P:** Yeah, if I had to buy land in Nacharam, price per square meter, that I will have to pay commercial?

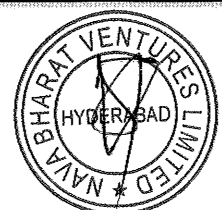
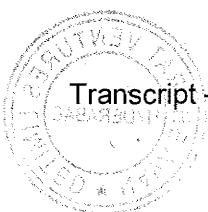
**Ashwin Devineni:** Mr. Vijay, I'm not a real estate agent unfortunately. So, I mean, I don't want to say that prevailing rates.

**Vijay P:** All right. Since you've earlier declined to put what will be the realization on 60 acres, that's why I'm asking, putting my question in a different way.

**Ashwin Devineni:** Yeah, but unfortunately, you know, prices move. I think we are engaging experts that do that work and who can get us the best deal.

**Vijay P:** Thank you very much.

**Moderator:** Thank you, sir. Ladies and gentlemen, this was the last question for this call. I would now like to handover the floor to the management of Nava Bharat Ventures for closing comments.



**Ashwini Devineni**

Hello, everyone. Once again, thank you very much for your participation in the call. I hope we have addressed all the queries adequately. And if there's any questions or clarifications that remain unanswered, please get back to us and we'd be more than happy to provide the answers on a wider investor platform. Thank you all once again and stay safe.

**Moderator**

Thank you, sir. Ladies and gentlemen, with this we conclude our conference call for today. Thank you for your participation and for using Door Sabha's Conference call service. You may disconnect your lines now. Thank you and have a pleasant day.

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**Note:** 1. This document has been edited to improve readability  
2. Blanks if any, in this transcript represent inaudible or incomprehensible words.

