Petronet LNG Limited

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PAN: AAACP8148D GST: 07AAACP8148D1ZI

CS/PLL/LISTING/Reg-30/2023 **Date:** 10th November 2023

The Manager
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

The Manager
National Stock Exchange of India Ltd.
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai – 400 051

Subject: Transcript of Analyst/ Investor Meet held on 03.11.2023

Dear Sirs/Madam,

This is with reference to our intimation dated 31st October 2023 and 3rd November 2023 intimating holding Analysts/ Investor Meet of the Company scheduled on Friday, 3rd November 2023 at 4:00 PM (IST) and uploading video recording post Analysts/ Investor Meet respectively.

In terms of provisions of Regulations 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the transcript of above conference call as Annex-1.

This is for your kind information and record please.

Yours faithfully,

RAJAN KAPUR
Digitally signed by RAJAN KAPUR
Date: 2023.11.10 13:45:55 +05'30'

(Rajan Kapur)
CompanySecretary

Encl: as above

Transcript of Investor / Analyst Meet

Date: 3rd November 2023

Time: 16:00 Hrs IST – 18.00 Hrs IST

Mode: Virtual (Microsoft Teams)

Moderator: Respected and esteemed investors and analysts, the distinguished MD and CEO, Shri A.K. Singh ji and Director Finance, Shri V.K. Mishra ji, a very good afternoon to all of you. We extend a warm welcome to all, to the Virtual Investors and Analysts Meet. It is an honour to have your esteemed presence today. In attendance, we are privileged to have the key members from our management who are here to engage with you and provide valuable insights.

Shri Akshay Kumar Singh ji, MD and CEO,

Shri Vinod Kumar Mishra, Director Finance,

Shri Rakesh Chawla, Group General Manager and President of Finance,

Shri Debabrata Satpathy, General Manager Finance and

Shri Abhishek Kumar, General Manager, Business Development.

Before proceeding further, the audience is advised to kindly read the disclaimer. I will read the disclaimer for you. 'The meeting is intended to give update about the company and its initiatives and is not intended to share unpublished, price-sensitive information in the meeting. Any information shared in the meeting should not be taken as being a representation about facts and projections or

promise of performance, whether financial, operational or otherwise. Nothing shared in the meeting should be considered as an invitation to transact in our securities or an offer of our securities. You may determine that such information may be regarded as forward-looking, but we make no assurance about any projection, extrapolation or interpretation of the same that you may make. The information contained herein should be treated with utmost confidentiality and not used for any other purpose. You are advised to obtain legal advice on the nature and character of the information and on implications of being in possession of the same'.

Once again, we welcome you all. Now I would request our MD & CEO Sir, Shri A. K. Singh ji to kindly present the opening remark.

Over to you, Sir.

Mr. A. K. Singh, MD & CEO: Dear investors and analysts, Good evening.

My greetings to all of you and I welcome all of you on this meet. Let me first apologize for the delay because of some technical glitch in initial start of the meeting. As you are aware that Petronet LNG is primarily in the business of LNG sourcing and regasification. Petronet LNG has two regasification terminals, one at Dahej and one at Kochi. Dahej terminal, which is at present 17.5 MMTPA capacity, is considered as the world's busiest LNG regasification terminal and presently it is running almost at its full capacity. During the last 17 years, consecutive years PLL has been paying the dividend to all its shareholders. I would like to highlight that both the terminals, that is Dahej and Kochi terminal, have been proud recipient of British Safety Council's five-star rating in occupational health and safety for 2023, becoming the only LNG terminal in India to achieve this feat. Both these terminals achieved this distinction in their maiden attempt in July 2023. This achievement reflects a strong commitment and focus of the company management towards health, safety and well-being of its employees and other stakeholders as well as the overall sustainability of the organization. Keeping in view of expected growth in demand of LNG, PLL is preparing itself to be future-ready. It is undertaking various expansion projects along with charting significant diversification plan to usher into the next level of growth. As a part of that, as you are aware that board of director of Petronet LNG in its meeting as on 30th October 2023 has approved investment in petrochemical project with a cost of Rs. 20,685 crores. The project consists of PDH, that is propane dehydrogenation to produce the propylene of 750 KTPA, the polypropylene of 500 KTPA and ethane and propane storage and handling facilities at Dahej, Gujarat. The approved PDHPP petrochemical project is being developed as an integrated project with existing LNG terminal at Dahej. As you are aware that as a part of expansion plan of our business, Petronet is executing the development of third Jetty at Dahej, which has a unique feature of handling LNG, Propane and Ethane. This project is under execution phase and is expected to be completed by 2025-26. Also, as a part of expansion project, Dahej terminal is being expanded from 17.5 MMTPA capacity to 22.5 MMTPA capacity and it is expected that this expansion will be completed by March 2025. Petronet is also at advanced stage of completion of construction of two LNG tank at Dahej, which is targeted to be completed by May 2024. Also, PLL is executing a FSRU-based 4 MMTPA capacity LNG terminal in the east coast of country at Gopalpur. Apart from these expansion projects already undergoing, these petrochemical projects, which has been integrated with our existing LNG terminal at Dahej, is based upon the feedstock as propane. As we know that for conceiving any mega project, there are certain essential requirements and feed is one of the main requirements that if the feedstock is available at reasonable cost and handling and storage, it gives lot of comfort for execution of the project. This Third Jetty, which will have a propane handling facility and propane being the main feedstock of the PDHPP plant, the control of the feedstock will be exclusive under the PLL and we will have a much ease of operations and optimizations of our operations through the third Jetty-. The main product of this petrochemical project is propylene, polypropylene, hydrogen is the by-product and also

we envisage that we will be handling ethane and propane or tolling and the services provided to the third party. This project is not only the polypropylene project, it has a major facet of different businesses included in the overall project. The PLL is in possession of 47.7 hectares of land adjoining to our existing energy terminal, which is already developed, graded and boundary wall completed. The first in the country and probably maybe in the world, the cold energy of the LNG is planned to be utilized in the petrochemical complex for improving the overall economics of the complex. The existing manpower of the Petronet at Dahej, which consists of almost more than 100 chemical engineers, degree holders and even the diploma holders will be gainfully utilized in this petrochemical complex because it is an integrated project. The PLL expertise in upstream sourcing, particularly LNG, will be very much handy for sourcing of upstream propane or even for ethane. The best part of this location of project is that the ecosystem in Gujarat is very, very conducive to execute the project on time. Pre-project activities have been already undertaken and we are very confident that all the statutory permissions will be placed on time and it will not be a hurdle for timely execution of the project. The raw water and the arrangement of effluent treatment and discharge has already been secured.

I would like to just share a few highlights of the projects. I am quite conscious about not sharing the UPSI information, but I think these are the general in nature and we have already shared that the total project cost is of 20,685 crores, which includes all the soft costs like IDC, escalation, contingency, margin money, everything has been appropriately factored into the total overall project cost. The overall project cost is targeted to be completed in four-year time and capital will be phased out during the execution of the entire duration of the project. The project has been conceived based on all the parameters for any projects which is set by our board and it envisages to get better than the company benchmark of 16% of equity IRR. Availability of cash reserve with the company will meet our equity obligation. Our project cost is benchmarked with similar type of project in country and estimates have been worked out very realistically. The project management and monitoring system and mechanism will ensure that there is no time and cost overrun for this project. PLL has considered historical pricings of products and feed while evaluating the projects and to the large extent the price risk including volatility has been taken care while evaluating the project and at the time of approval of the project. As far as the demand of polypropylene is considered, before conceiving the project, a thorough analysis and the study was undertaken to establish that what is the down the line when the project is completed after four years, what are the plant coming in the country, how the requirement of product is growing in the country and what is the demand supply gap. I would like to share with you all concerned about the demand supply gap. We established that by the time our project is completed, we will be able to meet maybe less than 10% of demand supply gap and still there will be a scope for many PP plant to come in the country. There is a sufficient demand and we don't foresee any headwind related with the demand in the country for the polypropylene. As far as the sale of the propylene and hydrogen is concerned, we have already secured the demand and we are confident that there is no risk related with this proposal. So far as the ethane handling is concerned, we have established that in the country there is a huge demand of ethane and there is a limitation of handling and storing. And Dahej terminal being well located, this will be a major game changer in the country where we ensure the sufficient availability of ethane and we don't foresee any risk related to utilizations of ethane facility being developed at Dahej. Coming to the funding and the rating side, PLL enjoys the best domestic and international credit rating. Both ICRA and CRISIL have rated PLL as AAA stable whereas Moody’s has rated Baa3 which is equivalent to India's sovereign rating. Looking into balance sheet of company, the project can be easily financed. So, with these initial remarks, I think we expect that there sould not be any apprehension in anybody's mind on the project. Techno commercial viability which has been thoroughly analysed, debated and then this decision has been taken at the highest level of

the company by the board. Thank you very much and we are happy to take any questions, any query related to this project or any other business of the company.

Moderator: Thank you so much sir. Before we proceed with the Q&A session, with all your permission, I would like to share few guidelines to make this Q&A session truly fruitful and beneficial for all. Kindly use the raise hand feature or chat function to indicate your interest in asking a question. I will call on participants in the order in which they indicate their desire to speak. I humbly request to kindly provide your introduction before the question. Please limit yourself to one question per turn to ensure that all our esteemed guests receive a chance to participate. Kindly keep your questions concise and to the point. We are now open to questions and we will begin with Mr. Amit Murarka. Sir, kindly unmute your mic and proceed with your question.

Mr. Amit Murarka, Axis Capital: Hi, good afternoon. This is Amit Murarka from Axis Capital. So, just the first question is like, can you just highlight the quantum of synergies that you see between the LNG and the Petchem? I mean in amount terms, rupees, crore terms, if you could just highlight and where do they come from?

Mr. A. K. Singh, MD & CEO: So, as I shared in my initial remark that this project is an integrated project with the LNG terminal. It is not a pure greenfield isolated project. For any project of such size, the feed and the product is a very important part of locating the plant. If you see that propylene and hydrogen, these are almost one third of our products. Consumers are just in the nearby area.

Mr. Amit Murarka, Axis Capital: What is the synergy, Sir, with the LNG? I understand the location part, but like as an LNG company, what is your synergy when you do this project is what I wanted to check. And also, if you would quantify it in rupees, crore terms, let's say 50 crores will come from this area or 100 crores will come from this area and the operating cost savings part, just like that I meant.

Mr. A. K. Singh, MD & CEO: See, synergy is that this is a part of diversification. Definitely it is not a LNG. But since LNG is energy, right? What is the LNG? LNG consists of methane, ethane, propane, right? Propane is one of the constituents of the LNG. Methane is one of the constituents. Right now, we are sourcing the rich LNG where we are extracting ethane and propane from the LNG at nearby ONGC plant and that ethane and propane is being supplied to the petrochemical plant. So, for any petrochemical plant nowadays, hydrocarbon, the feed, whether it is a naphtha base or it is an ethane base or it is a propane base. So, ours is a propane based petrochemical plant. Now propane is already we are handling It is a co-mingled form. Now it is a separate one. Second part, the huge cold energy of the LNG, that is -160-degree temperature, is being wasted when we heat up and make it gas. And when you conceive a petrochemical complex, you need a refrigeration system where you have to cool down to separate propylene and hydrogen. So, you need a huge energy to refrigerate the outcome of the reactors and that is being substituted by the cold energy of existing LNG plant, which is wasted. So, this is gainfully utilized in the petrochemical complex. If you ask the exact economics and detailing that I may not be able to, but I can definitely say that two major things of the LNG synergy is the third jetty. Third jetty was conceived for handling the LNG cargo. We are expanding the Dahej terminal from 17.5 to 22.5. So, we need jetty. When the jetty was conceived as a part of the LNG jetty, the propane and ethane handling has been conceived, which is unique. Nowhere in India will find these three things is handled on one jetty. So, this is making the synergy of handling of the feedstock. Also, the cold energy integrations and to the large extent various utilities, which are available at our existing LNG terminal will be properly utilized in this petrochemical complex. So, there is a huge synergy and that is the technical part. I would not like to go into detail on that because it is a long explanation that what is the real advantage of integrations of the existing plant. So, to some extent I have clarified you.

Moderator: The next question is from Probal Sen ji. Sir, kindly unmute your mic and proceed with your question.

Mr. Probal Sen: Thank you for the opportunity and thank you for hosting this call. Sir, I had a very basic question and please forgive me if the calculations seem too simplistic. Our understanding is that if I look at 21,000 crores of investment, very simplistically to make a 14% pre-tax ROC, you need to basically make on a 0.75 million ton of sales volume, which is the capacity of the plant. Somewhere around $650 a ton of EBITDA is what needs to happen. Now I understand that as you mentioned in your opening remarks, this is not just a straight petrochemical plant in the sense that you will have 0.75 million ton of product sale via propylene and polypropylene, plus you will have some hydrogen sales as well as ethane and propane tolling. But just to give a context, the way we have seen even for the largest integrated petrochemical player in the country, EBITDA per ton today is at about $250 to $270 a ton. So, just kind of wondering where the optimism is coming from in terms of the fact that we can make the EBITDA. To put it in another way, can we get a sense of this investment broken down into various components? You mentioned of course about margin money and some of the other costs in the result call as well. But some breakup of why it is costing 21,000 crore, just to get a sense of where the EBITDA breakeven is in terms of per ton.

Mr. A. K. Singh, MD & CEO: See, when I say this 20,000 crore is the total project cost, what does it include, I already mentioned to you. When we execute the project in a four-year period, there will be some dollar appreciation, depreciation, escalations. All those factors have been taken into account for CAPEX calculations. It doesn't mean that exactly we are going to incur that expenditure. This is an estimation on assumptions. Now, whatever the best assumptions anybody does in the country, any consultant, they do the estimations based on accuracy level of plus minus 10%. Based on their capability, it could go minus 10% also. That is the reason we say plus minus 10%. We never say always that it will be more than that. All it depends on how you efficiently execute the projects. What are the geo-political situation when you are executing the projects? Many a times that also external factor make impact on your overall assessment. But as on today, the DFR, that is the Detailed Feasibility Report, which has been prepared by our PMC consultant, they did a lot of analysis to arrive at the reasonable CAPEX and OPEX of this project. First and foremost, requirement is that you have to have clarity on the technology which you are going to use. Unless and until you have a technology clarity, you will not be able to do the proper assessment of the projects. So, as a part of the exercise, all this detailing of the technology selections, their costings has been taken into account. And thinking into all the uncertainty factors, when you do the project sensitivity and analysis, you consider many factors which goes against you. But you never consider what are the factors which will be in your favor. You can list out many factors which can improve the financials of the projects. But always when the management take a call and approve a project, they analyze the worst-case scenario. If anything goes against your assumptions, still this project should withstand. And I can say with conviction that all this due diligence has been carried out. All the sensitivity has been carried out. And against all odds, this project stands, is beneficial. That's why this project has been approved and we are proceeding for execution.

Moderator: We move forward with the next question. I would request S. Ramesh Sir to kindly unmute your mic and proceed with the question.

Mr. S Ramesh: Good evening, gentlemen. Thank you very much for taking time off and thank you for taking us through the project details. So, just a couple of questions. One is, can we get some insight in terms of where you're sourcing the propane and ethane from and what will be the benchmark pricing based on which you will source that? The next thought is, can we have some idea in terms of the fixed operating costs for the propylene-polypropylene unit and the ethane-propane tolling units? And a

third question, if I might squeeze in, if you look at China and the rest of the world, there's a certain amount of capacity they have based on propane dehydrogenation to propylene and polypropylene. Although it's something like 10% of the overall capacity. So, in terms of the regional and global demand and supply, at this point in time, there seems to be some challenge on the spreads. So, how do you see the regional and global demand supply for propylene and polypropylene and the relative movement of propane prices compared with propylene prices and polypropylene? Because they have different factors and dynamics in terms of each independent market moving separately. So, if you can take us through your thoughts on this, we will be grateful.

Mr. A. K. Singh, MD & CEO: Yes, good question. First of all, I would like to share on the availability of propane and ethane in international market. When we did the analysis before conceiving the project, that is the first thing you must do the due diligence on where from the propane and ethane will be available, how much quantity is available, what is your requirement. Predominantly, the ethane is being sourced across the world from the US. They have a huge capacity to supply. There is a huge means that demand supply gap., even if you go up to 2030, the supply is much more than the demand. So, there is no dearth of the availability of the ethane in the US because of the shale revolutions and some local requirement of removing the heavier hydrocarbon from the natural gas to transport through the pipeline. So, it becomes a byproduct for them and they even sell lower price than even the LNG. So, we are getting the ethane and propane in the rich LNG, but you can get even the cheaper than the ethane and propane when it is stripped out, particularly in the US. So, that is the first part that we looked into that what is the availability and what is the price level. I think Mont Belvieu that index is used for the sourcing of the ethane and we are already in the country ethane is being sourced. I think everybody will be aware about the ethane coming to the country. So, we don't see any reason that ethane sourcing is a challenge. Coming to the propane, as we know that our country almost imports 50% of LPG, that may be in the tune of 14-15 million tons per annum. And what is LPG? 50% propane and 50% butane. You can say the country is already having a well-established import mechanism to handle 7-8 million tons of propane. And our requirement of propane is around 1 million tons because 750 KTA that is 0.75 MMTPA is the product requirement. But we need more volumes for the feedstock. So, predominantly the propane is being sourced from the Middle East. And they have that Saudi CP indexes is being used by various importers in our country for sourcing the propane. But nevertheless, there are other suppliers also available. It is not that only the Middle East, even the US is also equally competitive if you go for the mid-term or long-term sourcing. So, that propane and ethane availability and the sourcing is not seen as a challenge. But definitely, the ethane shipping is some challenge that we need to take on-time decisions so that by the time the project is completed, the ship is available to bring that. And we have realized that sufficient time is available to arrange for the ship so that when the project is completed, that is not the constraint. Now, I think you wanted to understand the economics of this project. See, it is not simple. Definitely, it is not a PP plant. I wanted to convey that it has many other ingredients mixed up. And at definitely appropriate time, we will share through the proper mechanism. I am slightly concerned about UPSI, somebody should not say. But I have all the details available, which I can very well convince at any forum that the project financials are very, very good. That much I can confirm.

Mr. S Ramesh: I understand that from a project perspective, I understand that. But if you can't share the operating cost, fine. But in terms of demand supply, you must appreciate. We just look at the Indian demand and supply to get attractive. But globally, just about a couple of years ago, China apparently was making negative margins on PD, propylene dehydrogenation projects. So, if you look at the regional demand and supply and the global demand and supply, if you can share how the operating rates will move for propylene and polypropylene, that will give us some sense in terms of the comfort you are drawing. Because at the end of the day, the pricing will be benchmarked to regional and global

pricing. Even if the Indian demand supply is tight. So, that is the sense I wanted to get. If you can share that, I would welcome that.

Mr. A. K. Singh, MD & CEO: At present, it is in the public domain. Almost 80 million tons of polypropylene is being consumed across the globe. Now, India is consuming around 6 million tons. This is in the public domain. You can refer it. 6, 6.1, 6.3 something polypropylene. Sorry, not propylene, polypropylene. Now, the demand projection, you will get a lot of analysts report that global growth of PP, polypropylene is projected around 3.5%, 3.6%, 3.8%, something like that. But India, it is projected 10 to 11% CAGR. Why? Because our consumption is almost total plastic. If you take the whole kitty, including the polyethylene, PVC, polypropylene, all combined, we are at one third. India, like we consume one third energy. Petrochemical also we consume one third. And see our economic growth and our population. Definitely, India growth will be much higher than the global growth. All forecasts are in that line. That gives the confidence that India has a great appetite. Or as we say that 3 trillion will become 5 trillion and by 47 it will become 30 trillion. And it is our highest GDP in the world. So, there is no reason we should be pessimistic about the growth of the demand. And all indications are there that petrochemicals demand will be much higher than the global growth. So, still whatever has been conceived, the projects, will not be able to meet the growing demand of the country. There will be some more projects coming. It is not that this is the end of the projects and people are not thinking of that. So, we are convinced that gives us the confidence that demand will not be the challenge. Definitely, execution of project is a challenge. We take the challenge. Definitely.

Mr. S Ramesh: In your considered opinion, you are saying even if there is increase in supply, the growth in demand will take care. And you are confident about maintaining the spreads required to generate the kind of returns you are expecting. Is that a correct interpretation?

Mr. A. K. Singh, MD & CEO: Right, right, right.

Mr. S Ramesh: Thank you very much and wish you all the best. I will come back to the queue.

Mr. A. K. Singh, MD & CEO: Thank you. Thank you.

Moderator: Proceed with the next question from Maulik Patel. Sir, kindly unmute your mic and proceed with your question.

Mr. Maulik Patel: Thanks for the opportunity. Sir, apart from this, let us say you start the construction around by the end of this financial year and it will take 4 years. The project will commission sometime in, let us say, 2028. What we historically have observed that such kind of a large project will take another 1 or 2 years for stabilization. Now the challenge comes that even currently the BPCL has a Kochi project, Kochi Pet Chem project. They are struggling to get the utilization of 100% even after 1 year of the commissioning. The concerns come up is that one, is that your stabilization beyond the commissioning phase of 4 years will be there for another 1 or 2 years. And number two, currently you are an annuity driven company where you get a 5% escalation every year in your Dahej and enter the Kochi in future. And also the volumes and the price is largely not there. In future, you will become a part of the global Pet Chem where the volatility will be there in the spread. Plus, you will have a significant debt on the books. The concerns of the investors come from the fact that steady earnings will become highly volatile going forward.

Mr. A. K. Singh, MD & CEO: Thank you for this question. First of all, for any process plant project, when we do the DFR, we have to assume the capacity utilization in different year. This is based upon the previous experience of similar type of project that has been taken into account. So, let me clarify that it is not that day one we are telling the 100% capacity utilization is happening. So, we have taken into

account while analyzing the financials of this project for the revenue generation. Second thing that regarding the pricing, crack, volatility, stable business, I would like to share that, this is a, PP is a commodity. So, for any commodity business, there is a cyclic nature of the pricing. Never ever the fixed pricing mechanism exists. But when you analyze and conceive a project, you go on the historical data, not on the future. Future is not, best of the analysts cannot project what will be the price of the crude next year. It is very difficult. So, whatever has happened during last 3 years, 5 years, 7 years, 10 years, you look back and analyze. And then you take a call. So, like any project which is conceived in the country, we have gone through the same processes of conceiving the project based upon the historical data of all aspects of the projects, not one. And that gave the confidence that this is a good project. And we can say with full confidence that once this project is completed, which will take at least 4-year times, which we have conceived from day 1. From today you can say or 3 days back you can say the 4-year time cycle has started. So, the timeline is that by October 27, the project is targeted to be commissioned. It is not that mechanical completion, it is commissioning. And we are quite confident that we will be able to achieve this time cycle. There are various reasons to believe that. Unlike the other projects, you mentioned that the Kochi project. I know, I am aware about the many projects. Why does the project get delayed? What is the reason? There must be some reason of delay in the project. And those things need to be arrested on time. The decision has to be taken on time. And a lot of positive things in this project is there. That's why everybody is confident that this project will not have any delay.

Mr. Maulik Patel: Sir, just last question. Will you set up an SPV for this project or it will be part of a Petronet standalone company only?

Mr. A. K. Singh, MD & CEO: As of now, it is a Petronet. Nothing other than Petronet has been conceived.

Mr. Maulik Patel: Have you thought about partnering with any of the PSUs other for this project?

Mr. A. K. Singh, MD & CEO : Right now, no.

Moderator: Thank you so much, Sir. We proceed with the next question from Sabri Hazarikaji. Sir, please unmute your mic and proceed with your question.

Mr. Sabri Hazarika: Yeah, thank you. Am I audible?

Moderator: Yes, Sir. You are audible.

Mr. Sabri Hazarika: Yeah, so, Sir, just a few questions with respect to Unit economics. Firstly, how much propane would be required to run this plant? I think 750 is the product capacity, but how much propane import will happen for this?

Mr. A. K. Singh, MD & CEO: I think around 15% more. I am not very specific on that. Then what is the final product? In PDH technology, it is also in the public domain, the conversion of propylene is very high. In no other technology, almost 85% of propane is converted to propylene. And 15% is different, off-gases, hydrogens, other things are there. But all are valuable and all are effectively utilized in the plant. So, 85% conversion of propane into propylene is one of the unique things of this technology, which is called on-purpose technology. If somebody wants propylene, they consider this is the best technology. If you go to any other naphtha cracking, you will get very small percentage of propylene. If you go FCC process in the refinery, you get very less quantity of propylene. If you want more quantity of propylene, I think PDH is the only option to give the high conversion.

Mr. Sabri Hazarika: The second question is, you are not giving any indication of the operating fixed cost and also the EBITDA per metric ton, right? Are you giving any guidance for that? Or even the EBITDA margin for that matters on a percentage basis?

Mr. A. K. Singh, MD & CEO: We have all the details available, but I would not be able to share here. Only thing I can give you confidence that all aspects have been thoroughly analyzed before taking these decisions. And definitely all parameters are above the set target to conceive any project. That much confidence I can give you.

D Satpathy: Sabri to add to that, right now, though all the numbers are there, but right now there are certain sensitivities. That's why we are not able to give the numbers. As and when the time comes, we will share with you the relevant numbers as will be relevant during those times.

Mr. Sabri Hazarika: Right, sir. And you just gave that 19% will be the project IRR, is that right?

Mr. A. K. Singh, MD & CEO: I think we have not. But if you have come across from somewhere.

Mr. Sabri Hazarika: I thought in the media report, I think it came. But yeah, but officially it's not there, right? Officially you are not disclosing any numbers, right?

Mr. A. K. Singh, MD & CEO : I can say it is above the hurdle rate, but what percentage of the hurdle rate that we are not informing you. Our requirement is that equity IRR should be more than 16%. It is above that. This is the benchmark figure for a company conceiving any project.

Mr. Sabri Hazarika: Okay, the equity IRR of 16% could be like project IRR of 12%, so that is the right number.

Mr. A. K. Singh, MD & CEO: No, no, no, I am not telling that. 12 or 19, I am not telling what is the IRR of this project. I am telling that our company benchmark for conceiving any project is that equity IRR should be above 16%. And this project qualifies for that. How much above, I will not be able to, but it is definitely above that.

Mr. Sabri Hazarika: Okay, and sir, ethane and propane handling will be additional revenue streams, is that right? That will be like a tolling thing which will be on top of that, if you are not using this capacity.

Mr. A. K. Singh, MD & CEO: Definitely, definitely, definitely. That is a different model of handling propane and ethane.

Mr. Sabri Hazarika: Ethane will be on top of this actually because propane can be used directly also in the plant, but ethane will be an additional…

Mr. A. K. Singh, MD & CEO: Apart from using in the plant, some propane will also be used on the tolling model.

Mr. Sabri Hazarika: Okay, got it. And sir, last question, your life of the asset should be how much… Yeah, just last question. Life of the asset could be like 25, 30 years or more than that?

Mr. A. K. Singh, MD & CEO: I think we have conceived this project on 25 years. Definitely, that this project can run for 50 years, 100 years also. Like the refinery, Barauni refinery was built up in the 60s and is still running.

Mr. Sabri Hazarika: Okay, Sir, thank you.

Mr. A. K. Singh, MD & CEO: With certain modification and augmentation of the assets, you can definitely enhance the life to 50 years, 75 years.

Mr. Sabri Hazarika: Thank you, sir.

Moderator: Thank you so much for your question, Sir. Now we proceed to Mr. Kirtan Mehta ji's question. Sir, kindly unmute your mic and proceed with your question.

Mr. Kirtan Mehta: Thank you, sir, for holding this call and thanks for the opportunity for the question. The first question was about the technology that we have selected for this plant. Would you be able to highlight the technology that we have selected for this plant?

Mr. A. K. Singh, MD & CEO: If you ask me, I can go on hours together to explain the technology, but I can tell you what is the process of selection of technology, that you go for the global tenderings, ask for the details, and you work out the financials, and whichever technology, which is a proven one technology, it must be operating somewhere, that technology, it must be proven one, and the technology which gives the highest NPV of the project, you select it. So, the same process has been followed here to select the technology. And once you select the technology, then considering that technology, you do the detailed costing of the projects, operating cost, capital cost, everything is worked out, and then the financial sensitivity is done. So, that everything has been done before the approval of the project.

Moderator: I request Mr Amit Rastogi to kindly unmute his mic and proceed with the question.

Mr. Kirtan Mehta: I have, sorry, a couple of more questions. Can I complete it?

Moderator: Sir, if we can, humbly request you to ask the question later on, because we are bound by time right now, sir.

Mr. Kirtan Mehta: Just one more question. In terms of the ethane and propane handling, we are envisaging as a utility system, so would we be entering into long-term contract with the off-takers, with a take-or-pay arrangement, and what would be sort of the charges that we are envisaging in relation to, if it will be compared with the Dahej utilization, re-gasification charges, would it be sort of a proportion of that, in terms of the magnitude?

Mr. A. K. Singh, MD & CEO: Again, these commercial things, sorry, I will not be, but definitely it is a profitable business, I can tell you. It is not that when we are building up the infrastructures, it is going to give a good return, and so far as the long-term versus the spot, all type of arrangement will be there, but majority will be on long-term basis, because the requirement, when you source the ethane, right, it is a long-term. Nobody is sourcing ethane from US, that today we will bring one ship, and then after six months we will stop. In general, ethane is on long-term basis, but propane, as you know that, propane is just like LPG, 50-50% propane and butane. So, propane is being sourced on spot basis also, or some short-term basis also, and we can look for long-term basis also. That is also possible. So, now, once the project has been approved, we will be moving forward for all these tying-up operations.

Mr. Ketan Mehta: Thank you, Sir.

Moderator: Thank you, Sir. A humble request to kindly limit yourself to one question per turn. I request Amit Rastogi Sir to kindly unmute your mic and proceed with the question. Amit, Sir.

Mr. Amit Rastogi: Thanks. Yeah, thank you. Sir, thanks for hosting this call, and I can understand from your confidence that we are quite confident about the profitability of this project and execution of this project. However, sir, there has been consistent feedback from the investors' community that if we are confident about the profitability, we have a good amount of cash in hand, then what was the need to reduce dividend last year? So basically, while we may be saying in all the words that the profitability of this project will remain robust and all, but our actions are actually indicating that we are moving

into a conservative zone despite generating significant amount of cash flows. So, could you assure the investors that the dividend from the company will not come down, and in fact, it should keep on going up as our earnings move up from here?

Mr. A. K. Singh, MD & CEO: See, as far as the dividend is concerned, I think you are mentioning some 15% reduction. It was 115, and then we reduced it to 100%, right?

Mr. Amit Rastogi: Yeah.

Mr. A. K. Singh, MD & CEO: See, last 17 years, consistently, the company is giving the dividend. Earlier, we used to give 25%, 30%, 40%. Gradually, we increased it to 100% in that range. So, it is hovering between 100% to 125% in the last three years if I am right on this. But nevertheless, the dividend decision is taken by some competent authority. I can't commit on part of that. You know that very well. But as a management, we wish to continue the dividend payment because this dividend 15% less was not intended just for keeping that money project. See, as of today, it is in public domain. We have 7,800 crores cash. Now, even this project, this 20,000 crore project, we are confident that the equity infusion will not be the challenge. We are every year generating the cash that we are sharing every year. Our existing business is being expanded. Like, the Dahej Terminal is operating almost at 100% capacity as of today. I am sharing with you, this month, last month, October, we are operating at 100% capacity. We are expanding to 22.5. Our Kochi Terminal, which is not being used at the full capacity, hardly it is being used at 20% capacity. The major constraint is the connectivity to the Bangalore. And we are expecting within a year time, the connectivity to Bangalore will be completed where our Kochi Terminal will be integrated with the national gas grid. That Kochi gas can go to Guwahati and go to Nangar. That is the potential of selling the gas anywhere in the country once you get connected with the national gas grid. So, we are expecting a substantial jump in the utilization of Kochi Terminal down the one-year line when the pipeline connectivity to Bangalore is happening. Similar way, when we are executing East Coast Terminal, Gopalpur, once it is completed in three-year time, it will also start generating a lot of cash. There is a demand. There is a requirement. So, our existing business itself will help to conceive more projects. It is not that only the petrochemical is the end of the things. We are looking for a number of projects which will give much more return to the shareholder stakeholders than what they are getting today. Cash, what is giving the return? Hardly 6%, 7% of the interest. If it gives 20%, 25% return, that is good for the stakeholders. So, definitely deploying your generation of revenue in a good project which can give you better return in the interest of all the stakeholders. That I want to share with you.

Mr. Amit Rastogi: Sir, that's what we are also saying that when our earnings and potential of earnings is improving, then reducing the dividend is actually giving a negative signal to the investors and to the markets because when you earn more, you will definitely want to spend more. That is the philosophy every Indian looks at. In this case, we are saying that our terminal is operating at 17.5 million tons, 100% utilization, Kochi will go to 100% utilization. But we are actually cutting back on the dividend from 115% to 100%. That day also you would have seen the reaction of the shareholders and investors that the stock has been giving a negative return for the last 4-5 years. Now, just imagine the situation that if your earnings are increasing, why not to share more with the investors so that at least if the stock returns are negative, they can earn in the form of dividends.

Mr. A. K. Singh, MD & CEO: Dil Maange More... There is no limit, definitely. But well taken, your sentiment is well taken and we will definitely keep in mind this feedback.

Mr. Amit Rastogi: Thank you, sir. Wish you all the best.

Mr. A. K. Singh, MD & CEO: Thank you.

Moderator: We proceed with the next question from Vikas Kumar Jain, Sir. Sir, kindly unmute your mic and proceed with your question.

Mr. Vikas Kumar Jain (01:00:55): Hi, Sir. Thanks for taking my question. First, of course, the call does a good job in kind of raising the confidence. However, most of the details that you have said, Mishra Sir had already kind of told during the analyst meet. So, in terms of details, there is very limited incremental details which have been coming out. Anyways, historically, Petronet has done a good job in selecting projects and capital allocation. So, the confidence was always, there is a positive perception around that. And with whatever you have laid out, confidence generally rises. However, we as analysts always would like to understand details. That's where we can analyze things. It's always very difficult to quantify confidence. So, from that perspective, there were certain terms which were mentioned during the quarterly call. And I just want to understand what are the incremental things that you can share with us. Firstly, I think Mr. Mishra, during his initial remarks during the quarterly call, he mentioned that there is going to be something like a tolling kind of a model. Plus, he mentioned that they are looking at a possible equity IRR in some scenarios of about 30% also. So, if you could give us some sense of what is the kind of spreads with which you are working with, which can give you such an unbelievable equity IRR, which is very difficult to find. I'm sure because you've been working on this project and looking at this project for so many years. So, I'm sure you would have done more work than most of the others in the industry. But we're very keen to understand how it would be like a tolling model, some broad arrangement on how you are de-risking the project and reducing cyclicality. Why I'm saying all of this is, all the investors who invested in Petronet till you announced this project were in their mind investing in a utility company. Now that utility company is becoming a commodity company. For whatever you might say, this project is making you increasing the commodity stream of that company. So, What comfort can we give that the risks will not be that commodity? So, three questions put together. How are we de-risking and making it less commoditized in terms of the earning streams that will come in? What is the kind of assumptions that you talked about which makes you believe that we could go to in some scenarios up till 30% equity IRR? And what is it that you meant when you said that there is an element of tolling kind of a model? I mean, those are the three specific questions that maybe would allow us to get a better sense on all of this.

Mr. A. K. Singh, MD & CEO: I replied to your concern about its high level of return. That is a concern.

Mr. Vikas Kumar Jain: It is not a concern. I want to understand it, Sir.

Mr. A. K. Singh, MD & CEO: You are not able to conceive, this sort of return could come from the project. Now I would not go into the specific number of return, but some inherent strength of this project you can make out from that. Any commodity project which is being conceived and being implemented in India, you will find that the product off-take guarantee is not there. You are assuming based upon the market development and the growth. Here,. at least you will find one third of its product is assured off-take guaranteed. That is the first part. That out of 750, 250 is already guaranteed off-take.

Mr. Vikas Kumar Jain: That is volume assurance, right?

Mr. A. K. Singh, MD & CEO : Volume out of750 KTA, 250 KTA

Mr. Vikas Kumar Jain: There is no pricing or margin kind of assurance, right?

Mr. A. K. Singh, MD & CEO: Yes. Yes. We will not share on that one, but that is guaranteed on the proper return mechanism.

Mr. Vikas Kumar Jain: Sorry, guaranteed on proper return mechanism?

Mr. A. K. Singh, MD & CEO: Right.

Mr. Vikas Kumar Jain: That means there is a guarantee beyond the volume as well. Some kind of a return is also guaranteed with that, is it?

Mr. A. K. Singh, MD & CEO: See, whatever way you interpret, but what we say is that one third of the product is naturally hedged, you can use it like that. That De-risking.

Mr. Vikas Kumar Jain: I am not being specific, but basically you are saying the contract that you have signed has a guarantee beyond just the volume off-take. There is something more which allows you to de-risk returns as well, right?

Mr. A. K. Singh, MD & CEO: Now coming to the handling and tolling model. See, today also in the country, LNG is being handled and regasified and being sold. Now what we are working, this ethane and propane, this has two major components. One is a handling; other part is storage. Now a storage has a cost. Storage doesn't come free of cost. So, this aspect, when you understand that what is the cost of a storage, if you want to bring some commodity and keep it for one month, for 15 days, you will have to pay cost for that. So, it is an inbuilt model of storage and handling of a particular product. It is not simply that LNG tolling. It is different. Now coming back to that project. PDH/PP generates hydrogen as a by-product. Hydrogen is a very, very valuable and premium commodity. It is an altogether different ball game. It is not so simple. So, you have to understand the weightage of that hydrogen which is being generated, which doesn't happen in any normal process of petrochemical plant. This has a major bearing on the overall economics of the project. Unless and until you understand the technological part and the value it is generating, you will not be able to appreciate the financial of that. So, what I mean to say that I request to all that believe it that this project is a very good project. It has been in-depth analyzed for each and every aspect of risk.

Mr. Vikas Kumar Jain: Sir, that part I think you have reiterated very well and has been understood by all of us. But I wanted to just since you mentioned the technological part and I think could we understand like you said that if you start with 100 of propane, you get to 85 of propylene and then what is the proportion that you get to hydrogen and once you have that 85 of propylene 25% of that you are selling at propylene, the remaining, sorry….one-third you are selling as propylene, the remaining two-third you are further producing into polypropylene. So, could you just give a broad sense on the slate and the yields that we are talking about if we start with 100 propane? Very broad numbers I know.

Mr. A. K. Singh, MD & CEO: I have already given enough indication that 100 you are getting 85 as a propylene, 15 I am not going to break down. I can give you…. all the technical details are there.

Mr. Vikas Kumar Jain: But how much hydrogen, sir?

Mr. A. K. Singh, MD & CEO: Hydrogen is within that 15. See it is a very simple. If some chemical engineer or some chemistry student is there you can very well understand that if you break the chain of propane it breaks into propylene and hydrogen. Simple. It is a very simple chain. But you don't get total. There is some off-gases also generated. What is that off gases? Where from it is coming? It is a part of the detailed technology. But all these products are valuable products. It is not something like a refinery you create some bottom product of the tar or bitumen which has a very low value. The top product you get LPG, naphtha, aviation fuel then you get diesel, petrol all those things. When you are breaking the crude, you get some valuable products you get some low value products. But when you do the analysis of a project all products are taken into consideration that which is giving what value and then you analyse the project. So, only I wanted to convey that this PDH technology is new in the

country definitely but if you go in China, you will find many PDH plants operating. Maybe 20, 30, 40 plants you will find. And it is a proven technology working across the world. Thank you.

Moderator: Thank you so much Sir. We now proceed with the next question from Sagar Sanghvi ji, kindly unmute your mic and proceed with your question.

Mr. Sagar Sanghvi: Thank you for the opportunity. Actually, my question I have two questions and they aren't very different from Vikas. I understand you cannot talk on financials so let me try and ask it some other way. When I look at say some Middle Eastern petrochemical company like Advanced Petrochemical, they make only polypropylene. They have feedstock advantage in Middle East 25% discount to the market. That plant has 125% run throughout. But through the cycle they still make about 20-22% ROE, through the cycle. In China if I look at most PDHPP plants they are 11-13% ROE. How are we going to be directionally better than Middle East or China? That's the first question. And the other question also iteration of other people who asked before is as a business why are we okay to take volatility in earnings now through this project? So those two questions.

Mr. A. K. Singh, MD & CEO: While conceiving this project we have already looked into international players where what is happening and all these factors have been analysed. It is not that we are not aware about what is happening in China, what is happening in Middle East. Everything is taken into consideration. And we know that.

Mr. Sagar Sanghvi: Sure sir, but can you specify how are we different because you all have done the study how are we different from China or how will we be different from Middle East who have feedstock advantages. If you can throw more light on that, that will be really beneficial for us. I am not asking numbers right now.

Mr. A. K. Singh, MD & CEO: See, I can share with you China doesn't have a feedstock advantage. They also import the propane. We will also be importing the propane. They are not producing the propane.

Mr. Sagar Sanghvi: Yes, Sir. But then they end up making 13% ROE, 12%.

Mr. A. K. Singh, MD & CEO: I am not again going on the number. I am aware about the number. I don't intend to discuss on the number of China. Because I personally have visited many plants of China. I know the economics of China, how they operate. It is not that we are not aware about China. But saying that China is not getting better return and how we will get return it is not proper here. China's way of working is different than India. Everybody knows. We should not benchmark China for our country projects. We should benchmark our country requirements, our country projects and how it is becoming viable. And definitely we have taken into consideration all the factors and then analyzed the projects and it was concluded that this is one of the best projects we can do. Now coming to volatility, of course I agree that commodity has a volatility. But if you are in this business and it comes to positive, you will be minting the money. Sometimes you may be under distress conditions. It cannot be always guaranteed return. But even one year of return justifies three years of loss in such type of business. It happens. And it happens in LNG also. You can't say that LNG is always going to be the secured business. There are challenges also there. There is competition also there. And we have to be competitive in the market and by optimizing your efficiency operation only you can earn good profits and give better return to your stakeholders. I very clearly share that this is not only a PP project. This is an integrated project with a lot of off-sites which is taken into consideration. Then this is a very good techno-commercial project.

Mr. Sagar Sanghvi: Sure, Sir. Sir, because you are saying it's not just a PP project, can you at least share once the plant stabilizes, how much of the EBIDTA from the project are you expecting to come from PP, from hydrogen, from ethane? Can you share that breakdown at least once the plant stabilizes?

Mr. A. K. Singh, MD & CEO: Again, you are coming on number. I am not inclined on the number. I know the number, but see again, I will share with you. When we conceived this project, it is an integrated project. The utility design is common for ethane handling, propane handling, PP, PDH. It is not a separate, separate. When you have to analyze, you have to take some assumptions that what percentage of utility I should allocate to this plant. We have a common manpower. How do you allocate manpower in each plant? There is nothing like separate, separate unit. It is an integrated one and we have worked out the financial integrated one. We get very good return and that is the reason the board has approved this project.

Moderator: Thank you so much, Sir. We proceed to the next question. I would request Nitin Tiwari sir to kindly unmute your mic and proceed with the question. Amit Sir will quickly come back to you in a while. Nitin Sir, kindly unmute your mic and proceed with your question.

Mr. Nitin Tiwari: Hi sir. Good evening. Am I audible? I hope I am audible.

Moderator: Yes sir, you are.

Mr. Nitin Tiwari: Thank you for the opportunity, Sir. Please pardon me if you find my question a little naive because I am just trying to clarify my doubt. Your confidence is really heartening and it has given us a lot of confidence on the viability of this project, but I just wanted to understand a couple of things. So, I just wanted to understand what is the motivation behind going for this project other than diversification? You mentioned that cold energy usage looks hardly a reason for me to put up an entire 21,000 crore plant for utilising a little bit of cold energy advantage which could be there, which was I think indicated at about 100 odd crores by Mishra sir when we were at the call. And at the same time, we are going for a project which is a one product project. I mean, it's just polypropylene and propylene. Whereas typically petrochemicals work as a basket. I mean, a lot of integrated players that we have in the market, some of them are pretty experienced ones. They have a bouquet of products when it comes to that. Secondly, Vikas and other participants and Prabal in the beginning has also highlighted about the project economics with respect to the crack spreads. That is something which I feel is still unanswered because the current crack spreads are not very strong and the scenario globally is also not looking very strong at the moment. Secondly, sir, I would also want to highlight I mean, please indulge me a little bit more that in my opinion, the project extends just beyond conceiving and putting it on the ground because there is a whole array of basically activities which are associated with it even after the project is put and then we have to move into the business aspect of it. So, what gives us the confidence that we can basically handle a business that we have historically not handled? We can handle a product which we have not historically handled because this is a completely different business in itself. It's not LNG tolling. It's not like regasification and selling LNG in back-to-back contracts. For this, you need to have distribution lines. You need to have several other aspects which are associated with a business like this. They are typically very experienced, separate set of people who handle such businesses. So, while things might be looking very, very viable on Excel sheets right now and believe me, sir, a lot of things could look on Excel sheet because when I say that I am saying with some experience because we have made a career out of it. But the reality sometimes throws a curveball out there and it becomes difficult for us to handle those curveballs. So, I just wanted to understand that have we considered all those aspects? And before I leave and finish my question, I would just want to pose one more question. Gail, our promoter, is also moving ahead with such a project which is a PDHPP project. They also have some experience in the domain of putting up petrochemical plants and running

them. Sometimes they also suffer on the profitability bit as well. So, why have we not gone ahead and been a part of that project invested if we had excess cash? Why didn't we invest in their project? Probably like, their capacity would have been a bigger one and would have been like, more profitable from the scale aspect as well. So, these are a couple of thoughts which I wanted to share with you, sir.

Mr. A. K. Singh, MD & CEO: Okay. Okay. Thank you. Thank you. A lot of thought process has gone in framing all your questions. But you are basically looking at what is the motivating factor for Petronet to go for this project. And in last more than one-hour discussions, I have been emphasizing that what is the major driving force for this project. And initial remark I told you that the third jetty which is being constructed at Dahej, our feed stock handling is in our control. When you mention the GAIL, I will not go into the detail of the GAIL, but you know that where the feedstock is coming, how it is reaching to the plant. So, everything has a cost. Nothing is free of cost. And the comfort of handling the feedstock under your control versus third party takes a lot of discomfort also, come whatever may be. But that is a very, very positive thing for Petronet that we have our own feedstock handling facilities. Cold energy integrations, we have already mentioned. But I am not able to give the detail about what are the advantages we are getting from our existing LNG terminal off-site utility facilities. If you go and set up a plant in desert, then you will face the music that two to three years you will be struggling even to get the water and power. Forget about making the construction for the workers. Some said to start the work. People struggle for that. People struggle to get the land for a couple of years. We have a developed land, adjoining land. That is a positive part of that. We have done a lot of, we have invested a lot of energy to bring to this stage. We are declaring that this project is approved and we want to go ahead. The requirement of water, it is a major challenge for any petrochemical plant. It is not so easily available. People lay a 50 km 30 km line to bring the water. They have to lay a huge length of electricity towers to get the power. The positive things of Dahej is that it is so eco-friendly. The ecosystem is so conducive to execute the projects. If you go to other parts of the country, you will realize how the project is executed. All these factors. The main market, where is the market? Whatever you produce, the major market is nearby. The western and northern part is going to have a major consumption center for this PP. This will get an added advantage of locating the plant nearer to the demand center. That has an inherent advantage. Coming to your, see, whatever you talk about the cracks, what is the likely returns, see, you have to analyze a project on a certain parameter, assumptions. We have done all the sensitivity analysis. If something goes wrong, something goes adverse, where we stand. When we get through in that adverse condition, only then we take the projects. This project has been approved, taking into account all the risk factors. Every company has a risk management committee. You identify the risk. Every couple of months, quarterly, you sit together and look for mitigation measures. I don't see any project in the world that doesn't have any risk. Any project will have a risk, but the best part of the approach of any management should be to identify the risk, have a documented mitigation plan, and take corrective actions on time. When we analyze, even by the third party, there is hardly any risk which is high in nature. All are low, or maybe some incoming in the medium category. So, those can be easily addressed and mitigated. That gives us the confidence that risk mitigation measures, which will be placed, will take care of any hiccups during the course of execution coming in this project. We are quite confident that this project can be completed on time without any cost overrun.

Mr. Nitin Tiwari: Thank you for that, Sir. Regarding my second question, why not probably an investment in GAIL's project or other related projects which are there? Globally, there are also LNG expansions going on in several plants. That was a related business for us. Why not any investment over there?

Mr. A. K. Singh, MD & CEO: I told you. I gave you the hint, why not with GAIL? But I will not elaborate that. See, every company has to conceive a project seeing its own strength and its own ambition. So, if the Petronet has to grow, they have to diversify. They can't sit in one business and then it can't grow. It will remain as a 2 LNG terminal company. We are taking a lot of projects after doing risk analysis, due diligence, and then we are taking decisions. We don't see any major risk in this project. This has a lot of positive things which will ultimately give a major boost in the top line and bottom lines of the organization once this is completed. That much I can say.

Mr. Nitin Tiwari: Fair enough, Sir. Thank you so much for the answers.

Moderator (01:28:20): Dear analysts and investors, we are extremely bound by time and we shall now proceed to conclude this meet. We are truly honored to have had the opportunity to host such an esteemed gathering. We extend our sincere thanks to the investors, analysts, and our honorable MD and CEO sir, DF sir, and the key members of the management present here. Apologies that in the beginning we missed out to introduce you to another more key members present here, Shri Gyanendra Sharma ji, who is Group General Manager and President Marketing, and our Company Secretary, Shri Rajan Kapoor sir. Thank you once again. We now conclude the event. Thank you.