



# “PTC India Financial Services Limited Q3-9M FY24 Earnings Conference Call of”

**February 01, 2024**



**MANAGEMENT: MR. MAHENDRA LODHA – DIRECTOR (FINANCE) &  
CEO (ADDITIONAL CHARGE OF MD & CEO), PTC  
INDIA FINANCIAL SERVICES LIMITED  
MR. S. SIVA KUMAR - EXECUTIVE DIRECTOR  
(CREDIT), PTC INDIA FINANCIAL SERVICES LIMITED  
MR. KALUR SRINIVAS - EXECUTIVE DIRECTOR  
(MONITORING), PTC INDIA FINANCIAL SERVICES  
LIMITED  
MR. SANJAY RUSTAGI – SENIOR VICE PRESIDENT,  
PTC INDIA FINANCIAL SERVICES LIMITED  
MR. ABHINAV GOYAL – VICE PRESIDENT, PTC INDIA  
FINANCIAL SERVICES LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 9-month FY24 earnings conference call of PTC India Financial Services Limited.

As a reminder, all participant lines 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 '\*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhinav Goyal – Vice President of the company. Thank you and over to you, Sir.

**Abhinav Goyal:** Yes, So thank you so much and good evening to all esteemed shareholders. Let me first introduce our management team available to address today investor call. We are having our Director (Finance) and CFO, who is having additional charge of MD and CEO as well, Mr. Mahendra Lodha. We are having Mr. S Siva Kumar – he is Executive Director (Credit). We are having Mr. Kalur Srinivas, he is Executive Director (Monitoring).

I now request Mr. Mahendra Lodha to kindly take forward today's discussion. Over to you, Lodha sir.

**Mahendra Lodha:** Good afternoon our esteemed shareholders. So, welcome to this presentation. So, we are presenting that Q3 Result.

So, in this quarter, we have achieved PBT of Rs. 67.48 crores and PAT we have achieved Rs. 50.37 crores. As far as that few ratios are concerned, yield on earning portfolio is also 11.37% and capital adequacy ratio is also 44.45%, which is higher as compared to the previous quarter, which was 38.56. We are having comfortable liquidity position. So, around 30 January, we are having liquid funds of Rs. 872 crores including HQLA. And we are aggressively looking at proposals. So, during this quarter, we have made some disbursement of around Rs. 161 crores and we are aggressively looking for good proposals for further disbursement.

So, during this quarter, we have achieved an interest income of Rs. 200 crores and total income was Rs. 204 crores. Interest on financial charges was Rs. 102.82 crores and impairment on financial instruments was Rs. 8.44 crores. Other operating expenses were Rs. 25.57 crores and total expenses were Rs. 136.84 crores. PBT was Rs. 67.48 crores and after the tax expenses of 17.11, PAT is Rs. 50.37 crores. As on 31st December '23, our loan book was Rs. 6,495 crores. So, few improvements are there in that ratios also.

As far as yield is concerned, we have achieved 11.37% as compared to 10.89 in the previous quarter. Cost of funds have increased slightly because of the market trend. The cost of funds was 8.89 % as against 8.48%.

Our NIM has also improved from 4.46 to 4.92 as well as the spread is 2.48 as compared to 2.41. We have resolved a few stress assets also during this quarter. So, Stage 3 gross loan was 776.05

and for which we have already made the provision of Rs. 447.32 crores, so net exposure is Rs. 328.74 crores. So, our ED will go through in detail whatever resolutions we have made during the previous quarter.

As far as the market cap is concerned, the market cap on 30 January was around Rs. 4,000 crores and I think there is no major change in the shareholding as on 31<sup>st</sup> December. So, over to Mr. Abhinav Goyal.

**Abhinav Goyal:**

So, very good evening again to all esteemed shareholders. So, there were a few developments which have happened since we last met in the market. One is there is recent RBI circular where RBI has increased the risk weight for NBFC in general other than certain specified NBFC.

So, your company has wonderfully placed and despite the increase in the risk weight in general in the market, we not only negotiated well with our lenders because we have shown the trust we are having, but the business potential also we are having, and the kind of portfolio we are carrying as of now. So, they are all well-recognized and although there is a nominal increase in comparison to the RBI circular, we are well within the very competitive limit. That is one.

Second, recently Government of India, Honorable Prime Minister on 22<sup>nd</sup> of January, auspicious day of Ram Lala Sthapna, has announced that Suryodaya scheme. So, as you well know that your company is into sunshine sector, our focus is to sunshine sector. So, we are also visualizing that there should be immense opportunity for your company to have tremendous growth in the coming future. So, that is the two major development which has happened very recently. So, we thought it's appropriate to put forward the consideration of esteemed shareholder.

I now request ED Sir, Mr. S. Siva Kumar to kindly take forward the discussion.

**S. Siva Kumar:**

Good afternoon everyone. Thanks for joining here with us. And as my colleague, Abhinav, has said, we are exploring this sunrise sector, and we are trying to contribute our might and get more contributions and get a piece of part of the business so that we'll have and enhance our value chain in which we are already there. So, that's one thing. And then apart from that, we also are looking at the proposals and we are trying to improve our portfolios as well as returns on the portfolio, so we expect that this quarter will be of good business growth and prospects are positive. Over to Abhinav.

**Abhinav Goyal:**

Thank you so much sir. So, our company has done very good on the portfolio front as well and we resolved 2 major stress accounts during this quarter. So, we are having Mr. Kalur Srinivas who is having decades of experience in banking only. So, I request Sir to kindly elaborate how we have resolved and way forward.

**Kalur Srinivas:**

Good afternoon everyone. Srinivas here. I think as Abhinav and Mr. Lodha have mentioned, the focus continues to be on resolving the remaining sticky assets. We have implemented the resolution plan as regards to ILFS Tamil Nadu Power Company Limited and also Meenakshi

and so both these accounts have been implemented and we also continue to focus in terms of trying to move ahead in terms of resolution on the remaining large ticket sticky assets whether it is Danu or whether it is Vento Power or NSL Nagapatnam. So, this calendar year maybe we will try and see what breakthrough we can have as far as these assets are concerned.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Manoj Alimchandani from AFRF. Please go ahead.

**Manoj Alimchandani:** Mr. Lodha, Mr. Siva Kumar, Sri Abhinav, at the outset, thanks for excellent presentation and very crisply given details, highlights. So, heads off to you. Now I would like to come to a few, very specific issues and important issues, and would like to get your feedback on each of the important points. I would also give some suggestions. One is Mr. Das of IREDA. Their Directors, CFOs, and in the Ministry of Environment Officials also interacted with me in Mumbai and a very detailed interaction and they implemented all my suggestions and see the kind of wealth they have created, it is the same sector but the kind of wealth they have been creating and have implemented all the suggestions. Also, REC management came to Mumbai and interacted and see the time of rewriting have been done. They have been implementing all my suggestions very closely. They listened to us. They interact with us. So, I would have expected you to come to Bombay and interact just instead of doing a voice concall. Earlier you had done a Zoom interaction and a parent company also. So, in future I would suggest, don't wait for three months, come to Bombay, interact with us, it's very important. Next point, it is how you are doing your business. You are in the same sector as IREDA and REC, right? Your focus was on renewable energy. In the last interaction, the Director was there, Siva Kumar, right? You had just taken over and we had a very good interaction, right? You had shared your plans and you have rich experience earlier and about positioning yourself in a renewable business and take off. But see what is happening in the competition, what IREDA and REC are doing. They interact with us physically in person in Mumbai more often, and they have been much more successful than you. Although I wish you all the best, but ultimately a wealth creation for investors and the promoter PTC India is much more important and you have more experience than IREDA in terms of listing and interaction and you have good, better learnings because one learns through mistakes and through experience bulk business bad cycle, so you have the advantage of that, so you could be much ahead much more than IREDA. REC of course the size is there, but you have a smaller base so you can show much higher growth. We are talking about solar, we are talking about that. Would like you to highlight what is your going to positioning, going to be there in the solar business, renewable business, rooftop business, including our comments on the Finance Minister speech today and what our Prime Minister Modi also mentioned about it. You have the advantage of being the first among the calls in the renewable business after the budget speech, right? So, Mr. Lodha, I would like you to respond to that, especially on the prospects and how PTC financial can position to grab the major big opportunity highlighted by the FM and the Prime Minister. It's going to be huge and on a small base. Just imagine when you come to Bombay and interact, I can give you further ideas. I would suggest if you can come next week itself, it will be good, right? Mr. Lodha respond to that. And another third point, would like to know from you, what are the developments in terms of the relationship

with RBI and their questions? There were some issues in the media. There were some issues, please clarify that. The CFO or the Compliance Officer can clarify the developments related to RBI. Is everything clean or is there any outstanding investigation?

**Abhinav Goyal:**

So, first of all, huge potential is there in this particular business like solar and other new emerging sectors in Green Infra. So, definitely we are looking good proposals, and we are in the process of just increasing our book size. So, all our efforts are being made. And the second thing is RBI inspection has already been done for 2022 - 23 and we have addressed the things and whatever you are addressing.

**S.Siva Kumar:**

Thank you sir, thanks for recalling our meeting in Bombay and as you said that definitely we would like to take your inputs and we will shortly travel and meet you in person also, but we are delighted that you have joined over phone and we are happy to interact and take your views which is of immense value to us. As you said, the kind of announcements which have come from the government, especially on the solar rooftops by Honorable Prime Minister. So, we are in touch already with the implementing agency namely REC, though it is going to be of a rooftop which is more of a B2C segment, but still we will be involving there and definitely we will bring our expertise in this business because we are already there in this business as you said and we are in touch with them, we are in discussion with them and definitely we will be bringing value to our shareholders and thanks for your comparison with IREDA and REC. Yes, we are well equipped because we have learnt our lessons, and we have a lot of expertise. Definitely, we are exploring a big chunk of business which will definitely add to our small base in a very big way. As regards to your query on RBI thing, RBI inspection is over, there is no investigations per se and the RBI inspection report for 2021-22 has come out well and there was no divergence or no malfeasance or no such things were observed. And we have submitted our observations and our comments and our compliance with their findings and we are almost up to date with the RBI's requirement and whatever the stipulations they have made in terms of following, forming the formulation of the policies and procedures which we have put in place. And I can assure you that there is no malfeasance or no diversion or anything of that sort has come out in the RBI report. That is the one thing I can assure you sir at this moment. And your points are well taken and definitely we are looking at every business opportunity to further our business interest and add values to our shareholders. Thank you, sir.

**Moderator:**

Thank you. We move to the next question. The next question is from the line of Aditya Singh, who is an investor. Please go ahead.

**Aditya Singh:**

So I am an existing investor in the PFS. And I would like to highlight that PFS is not doing well in terms of rewarding shareholders. Solar is one of the best funding opportunity in India and I do not know why PFS has funded road projects and multiple road projects, wind power and hydro power. Why PFS is not focusing on renewable energy? This is my first question. The second question is what the status of NPA is as on date, as on date, as on date, what is the status of NPA quarter-on-quarter basis and what kind of resolutions you guys have done to clean the balance sheet. Because you know what I could see that CFO is also playing the role of CEO and he's having dual role additional charge of the CEO, so who will bring the additional business for

the company because CFO is a different function, CEO is a different function. So, we would advise PFS to have you know a sizable team to tap the renewable energy market and there should be a proper CEO in the company who is having good integrity. I hope PFS has learned from past mistakes and what I believe is that the function of CFO is more on the fundraising for the company. So, why a person is having dual role? Yes, may I request you to please answer sir my both questions sir.

**Abhinav Goyal:**

So, as regards to your first question, I think there is a contradiction as regards to at one place, the statement is that we are funding to diversified sector including road. And at the same time, we've been requested to focus to a specific sectors, renewables. So, although we are focused to fund sustainable green infrastructure finance, so be it solar, be it wind power, be it electrical vehicle charging station, be it immobility, at the same time, we are open to other good exposure also to other infrastructure sector where there is an opportunity to make money. So, the ultimate goal is to create value to our shareholder, be it from one segment, be it from another segment. Task is that what should be the segment, it should be good, the project on itself should be viable and it should be creating the value to the company in turn to the shareholders. Now, as regard to the answer of your second question, yes, of course, integrity was one word you mentioned. So, in all our dealing, we are quite transparent and you must appreciate the fact that probably we are among the few NBFCs in the country. which have given the stage wise details of Stage-3 loan account, account wise details, you know, how much exposure we are having, how much have been provided of, how much is the net, how much impairment been created. It is available over exchanges also, over our website also. Now as regard to quarter wise NPA figure, that is also available over our website. So, quarter-on-quarter, year-on-year basis, all the details are being mentioned. Now one very important question you in between asked that there is a person who has taken additional charge of MD as well and who is working as a CFO as well. Of course, it is a unique kind of situation, actually our task is to have a selection of a person who should show this organization to a right path with, while creating a right value to the shareholders and the most important aspect yourself mentioned that the person should be a man of integrity and he should have a very high vision. Of course, the existing management is also a contender for that post, but somehow the process has taken more than expected time. We are quite hopeful that soon there will be some announcement. So, the process is already on, it is on advance stage and probably next time when we will be meeting, the question itself will get resolved.

**Aditya Singh:**

One small question I had. My question is, I went to your website and saw the accounts, the NPA accounts, the portfolio which has been part of your portfolio. I am literally surprised to see on what basis you guys funded these companies in the past and that has piled up as an NPA now. Because the kind of companies you have funded, nobody was touching those companies. And on what basis you gave loan to those companies like Danu and there are other companies which were, you know, they were already having bad name in the market. So, we would humbly request you whenever you get any proposal for corporate finance or project funding, please give special attention to on what basis the credit appraisal has been done, right? And I hope you have taken action against those people who had approved this loans in the past because that has hit the balance sheet of PFS very badly. You can see other companies are performing in the market like

IREDA, PFC, REC, they are touching 52 weeks high. So, on what basis did you funded all these companies which were not worthy and as a result, PFS faced a lot of challenges in terms of recovery. So, please streamline and strengthen your credit appraisal process and please monitor from the day of application. Please do a due diligence of the promoter before funding.

**Abhinav Goyal:**

Yes sir, so your point is very well taken. In fact, I would like to mention that the projects which are feeling bad as of today, were the leading group at one point of time. For example, one case is IL&FS Tamil Nadu which is an NPA in which we just recovered Rs. 70 crore. in this quarter only, all PSU names have been there. Another project is Kona Seema Power. So, it's been reflecting bad as of today. It's you know in our NPA list, you rightly mentioned that PFC, if I'm right PFC or REC is the lead institution in that case only. So, yes, your suggestion has been well taken and we have already strengthened our credit appraisal. In fact, the majority of the accounts which are reflected here are belonging to the thermal or large hydro sector. The sector itself been collapsed with the cancellation of coal blocks and no offtake arrangements. So, it was a Supreme Court judgment because of the sector on its entirely was collapsed. So, it's not a fault of any financial institution be it PTC Financial, be it PFC, REC, SBI or PNB, but yes your suggestion has been very well taken and you rightly mentioned that PFC has crossed its 52-week high. I guess you must also appreciate that we have also crossed our 52-week high and at the same time, we have taken your suggestion in the right spirit and will definitely find out the opportunity to improve further. Thank you so much.

**S. Siva Kumar:**

Just to add to what Abhinav has indicated, as far as the specific comment on Danu Wind Power Private Limited, let me state that this is a renewable energy project in the state of Andhra Pradesh. The reason why it is appearing in Stage-3 is because of the government of Andhra Pradesh having not honor its contracts as far as PPA is concerned and the developers had to approach the court for relief. And post relief being granted, the project's cash flows have come on stream but it continues to be a Stage-3 as the legacy issue will take some time for it to get resolved. But the heartening point that investors may observe is that as far as the provisioning coverage is concerned for our assets, the provisioning coverage is very healthy.

**Moderator:**

Thank you. We move to the next question. The next question is from the line of Vishal Biraia from Bandhan AMC. Please go ahead.

**Vishal Biraia:**

Thank you for the opportunity. So, first, your comments on the top 3-4 stressed projects, right? If you can elaborate a bit more on Danu, IL&FS Tamil Nadu, Vento, and Nagapatnama to what is the current status of these power plants, at what stage are they generating, are they not generating, what is the status of PPA, coal, and everything? And then the second aspect of the question is on growth and sanctions. In the market, there seems to be enough inquiries for lending to the power sector. So, how are we looking at it? How are you evaluating? What are the new criteria that we have set for ourselves? Thank you.

**Kalur Srinivas:**

Yes, to get to the first part of your question is relating to the operations of this Stage-3 assets. As far as Danu, IL&FS, Vento and NSL Nagapatnam are concerned, out of these four, the first three that is Danu, IL&FS and Vento power. All these three are operating projects and have



shown cash flows in the last few years. In fact, IL&FS, we have recently implemented the resolution plan based on which we have got our share of the proceeds sometime in the month of November and the project is doing well now in terms of PLF is what we understand from the consortium report as well. As far as Danu and Vento are concerned, one is a wind power project, the other is a solar energy, solar panel-based project located in different states and both the assets are operational. There are certain legacy reasons because of which the assets continue to be stressed, which I had explained earlier as far as Danu is concerned. NSL Nagapatnam was affected due to the entire issue related to coal block allocation and some other reasons based on which the project could not take off. But then we have as far as exposure is concerned, we have made full provisioning for this. And nevertheless, we are seeing what best can be done to try and recover to the extent possible as far as NSL Nagapatnam is concerned. That process is on.

**Vishal Biraia:** So, Nagapatnam, is it operating currently?

**Kalur Srinivas:** No, that project was never implemented.

**Vishal Biraia:** So, this project is completely stuck?

**Kalur Srinivas:** Right.

**Vishal Biraia:** It was half constructed, right?

**Kalur Srinivas :** This project was envisaged to come up in the state of Orissa. For whatever reasons, the project got stuck and could not get implemented.

**Vishal Biraia:** So, now, how do we plan to recover this by selling the land? What is the resolution plan that is being worked out?

**Kalur Srinivas :** The CIRP is on in terms of the resolution and the advertisements have been given which have resulted in some level of response from potential investors. More than that, we are covered in the sense that we have a corporate guarantee from the holding company and we expect at some point we will be able to recover a significant part of our dues.

**Vishal Biraia:** And when it comes to Vento, what is the current status of the project?

**Kalur Srinivas :** This is a solar plant in the state of Orissa. The plant is operational in the sense that 20-odd megawatts have been implemented and operational. The PLF that it's generating is only marginally less than what was originally envisaged. It is suffering mainly because of land issues; the envisaged capacity couldn't be implemented. But yes, here also we have made adequate provisioning. And there is some interest as far as potential buyers are concerned. And we are seeing how our resolution can be implemented in the course of maybe this calendar year.

**Vishal Biraia:** So, since this project is partially generating, are we getting some cash flows from the revenue that is occurring to the power plant?



- Kalur Srinivas:** We are getting some cash flows, which is being used to meet some of the interest dues.
- Vishal Biraia:** And when it comes to Danu, what is the current status?
- Kalur Srinivas :** This project is operational. It's in the state of AP. The entire project is implemented. The issue here is essentially relating to the cancellation of or rather the government of AP having gone back on the PPAs that were signed with the Discoms. But post the court order, the project has been getting cash flows from the Discoms, from the state Discoms. And of course, this has been affected for a couple of years due to the issues with the state Discom, there are overdues that have built up over a period of time. But the performance wise, as far as the operating performance wise, today, if we look at it from today's current scenario, over the last two years or one and a half years that we've been seeing, fairly decent operating performance in terms of PLF and cash flows.
- Vishal Biraia:** And so by when do we plan, I mean, the Danu will get resolved only when we get the pending payments from the AP Discoms, right? That is the only solution.
- Kalur Srinivas:** AP government has been releasing some of the dues that have piled up over a period of time. I think the company is engaged with the AP Discoms to resolve the remaining issues. But irrespective of that, we are in constant engagement with the company to try and see how this issue can be resolved.
- Vishal Biraia:** What is the total amount that is outstanding with the AP Discoms for Danu Power?
- Kalur Srinivas :** The figure that I remember as of say March 2023 is maybe the approximate number that I have would be about somewhere between maybe Rs. 70crores – Rs. 80 crores.
- Moderator:** Thank you. Our next question is from the line of Mangesh Kulkarni from Almondz Securities. Please go ahead.
- Mangesh Kulkarni:** I just wanted to know some explanation on the note number eight given in the financial statement regarding the other expenses, the recognition of financial instruments. So, just can you throw some lights on that? And further in the next quarter also any kind of this is likely to be coming?
- Sanjay Rustagi:** I'm Sanjay. So, what I'm just telling, we got the resolution of the Meenakshi Energy Limited, the loan account which was appearing in stage three account in previous quarter. So, Vedanta has successfully won the bid and got the project transferred in his name. And as a resolution plan, the lender got NCDs, the non-convertible debentures, carrying a coupon rate of almost 0% and these debentures will be redeemed in the 5 equal installments of 20% every year. The installment will fall for redemption every year in the month of October. Since it is a zero-coupon rate as per the Ind AS accounting, we have to determine some internal rate of return that we identified as 8.5%. So, the Rs. 53 crores debenture gets the NPV value. So, whatsoever Rs. 15 crore we have booked as other expenses, the same will be recognized in income in times to come.

So, there will not be any recurring expense of this nature. And this Rs. 15 crore we are going to get in the form of interest in the coming 5 years.

**Mangesh Kulkarni:** So, in case this was not there, our result would have further better in this quarter?

**Sanjay Rustagi:** You can say that.

**Mangesh Kulkarni:** And sir, you have done some disbursement of around Rs. 140 crores during this quarter, so these are mainly in the renewables energy sector?

**Kalur Srinivas:** I think the major amount was to state utility and balance was to ongoing road project which is nearing completion. I think primarily these two.

**Mangesh Kulkarni:** And my last question is about, in initial remarks we mentioned about this PM's announcement about the solar rooftop and opportunities for the companies like PTC, so here we are looking for B2B or B2C kind of business opportunity?

**S.Siva Kumar:** We are exploring all the opportunities, and we are in discussion with the proposed implementing agency, already we have begun our discussions and we are looking for business mainly because we specialize in B2B, but we are not averse to taking a B2C also because that will involve a shorter gestation and we may have certain channel partner to distribute those things also. All these business models we are firming up.

**Moderator:** Thank you. The next question is from the line of Chanamallu who is an investor. Please go ahead.

**Chanamallu:** I am one of the serious investor in your company since 3 years and holding 84,000 shares in your company. So, since three years I am observing, quarter-on-quarter your loan book number is decreasing, but in explanation you are telling you are in a very rate growth path and by the end of this year you will increase the loan book to Rs. 9,000 crore and by 2027 you will increase the loan book to Rs. 30,000 crores like this, but you are not able to raise the loan from the banks till today, I don't know any details about those things, so how you will bring this company to Rs. 30,000 crore company by 2027, sir?

**Abhinav Goyal:** Sir, I will reply in two part of your question. First, in terms of liquidity, in terms of meeting our liability, we are quite comfortable. In fact, it has been mentioned in our investor presentation also that as on 30th January we are having a surplus of around Rs. 872 crore right, so that fund would be utilized for onward lending to infrastructure sector and our loan portfolio would automatically be increasing with that disbursement, that is one. Second of course, now we have started discussion. Of course, earlier also we started discussion. We got sanction also almost I think about 9-10 months back, but somehow unforeseen development with the company, we were not able to take out all of those limits and subsequently the sanction got cancelled and then in between, there was a period where we introspect and re-strengthen ourselves and address whatever the issue, we were facing all the challenges, and now we again approached banks and

financial institutions for having a fresh credit line. The proposal is under consideration with various banks and as and when the funds would be required for onward lending, we are quite hopeful that the funds will be available to us.

**Chanamallu:** By this financial year end?

**Abhinav Goyal:** That is the target we are carrying internally.

**Moderator:** Thank you. We move to the next question. The next question is from the line of Chintan from Punishka Family Office. Please go ahead.

**Chintan:** Sir, if you could take your vision to the Rs. 30,000 crore loan book, which we are looking into? What effects have we had in last 6-7 months if you could broadly explain it?

**S.siva Kumar:** We have a good stream of proposals, especially in our area of focus, that is green and sustainable energy such as renewables, e-mobility and so on, and we have also lined up proposals around Rs. 1,000 crores in the portfolio and we are processing those proposals for speedy deployment of funds and second is that we are also exploring the areas which as I have detailed before in certain sunrise sectors where business opportunities are expected to improve and the risks are going forward reduce and having learned to our expertise and re-honed our skills and made past of our problems now as we have almost done away with the NPA problems and the provisioning and with the new management also in place. I think we are confident that we will be able to achieve those projections and we are striving to achieve those things. I can assure you that.

**Chintan:** And sir, on the management side, I think there is a resignation of the last Director, so the company top management turnaround has happened and is anything pending on sir?

**S.Siva Kumar :** We have now a new set of Board members along with MD, CEO is in place and all the top positions also are in place and the team is working together to achieve those goals. As such, all the appointments have been made and the top posts have been filled and going forward I think we expect that the team has revitalized, and it will deliver.

**Moderator:** Thank you. Our next question is from the line of Manoj Pande, who is an Investor. Please go ahead.

**Manoj Pande:** I have two questions. Every quarter we are at the time of review, the management is giving us a rosy picture of business growth, but the business is not being achieved and on the contrary, the business is declining every quarter, and you have some other pretext that sometimes some CEO is not there, Board is under restructuring, some kind of restrictions by regulatory agencies, but we had been expecting that quarter 3 would have been better in terms of business. Now, this also has passed with a decline. Now, my question is what should we expect in Quarter 4 in terms of business, in terms of raising funds and in terms of NPA, how much reduction in NPA you can show to us?

**S.Siva Kumar :** Yes, in terms of raising business, yes, as you have mentioned, we have proposals we have lined up and Rs. 1,000 crores proposals we lined up. We expect bulk of these proposals are materializing into the disbursements and as regards the raising of funds, we have been making all the efforts and we have come very closer to raising resources which is presently having faced certain difficulties in the first quarter of this fiscal year and that is getting resolved and we expect to move to raising further resources and as regards to the question of NPA resolution this quarter have resolved 2 NPAs and we expect this in the previous quarter that is Q3 and in Q4, we expect one or two NPAs to resolve, so that we will have the better provision, better NPA numbers in the times to come.

**Manoj Pande:** Can you tell me if the new CEO will be in place in Quarter 4?

**Abhinav Goyal:** Sir, I think we have already given the factual position that the entire management team or Board of Directors are searching a lot so as to give the charge to a person who is dynamic, who is having a high vision, who is able to lead this organization to new heights, of course, the process has taken more than expected time, but yes, we are quite hopeful that there should be some good announcement very soon. So, that is how with all the limitation we are having we can update you and let next time when we will meet, probably the question will automatically get solved. So, that is what we can say at this moment.

**Moderator:** Thank you. Our next question is from the line of Manoj Alimchandani from AFRF. Please go ahead.

**Manoj Alimchandani:** One important thing in this business as Mr. Das of IREDA had mentioned to me was technology. In fact, he clearly mentioned they are paperless office and I said okay, I will get you to Delhi and you see how the paperless office works. What is the progress of our company on the technology front? If you can highlight the amount of investment and technology and how we are geared up to grab huge opportunity which have been given on a platter to us by the Prime Minister and the Finance Minister, most important thing? Second thing is, in the previous questions a few, there were some AMC's and some family offices and some retail investors, they expressed lots of concerns on this board issues, can you mention because you have an excellent board now and excellent Independent Directors. What is the contribution of Independent Directors and compared to the earlier Independent Directors who had resigned? Who are better, the current Board members or earlier? And if you can differentiate the difference, it will help a lot and clarify a lot of misgivings? The current presentation on the website, it shows they have got very good rich experience as Independent Directors, very good domain knowledge and the actual contribution, how they are attending board meetings, how much they are contributing, are they asking questions, keeping quiet or just going on cashew nuts and tea and just keeping quiet, everything works? If you can mention that and earlier Board, the differences because there were, it was kind of outrageous things coming in the media which we don't know whether to what extent they were correct or not. So, taking this board issues that will be very helpful and you have been very transparent in the past, you have been sharing that forensic audit report on the exchange filings also, one of the best things in the corporate governance, you mentioned about RBI in inspection report which is very good. If you share it, it will be really excellent. It will

show you as a very clean, fast-growing opportunity as you mentioned some Rs. 30,000 crores potential? With these detailed answers from you and all the best, look forward to interact with you on your quick visit to Mumbai?

**Abhinav Goyal:**

So, sir, the first question was related to technology. Although, sir, we are not a Fintech company, we are into wholesale finance and whatsoever with the technology being required to be adopted, we adopted in fact the SAP, one of the, I should say well recognized software, we have taken that and got implemented in our systems some 8-9 years back. So, that way, of course we are open to increase the efficiency in our working and in our potential with the introduction of technology, but yes, as of now, whatever the technology been required to be implemented in our opinion, we have already adopted that. Yes, we are into continuous exploration of upcoming technology and for that we are having a dedicated department which is called the IT department, headed by the Chief Technology Officer. So, that is one. Now, second question as regard to who is better, the earlier Board is better or this Board is better, sir, I think we are no one, in fact, to answer that question, if you ask me to compare between Donald Trump or Joe Biden, who is better, Atal Bihari Vajpayee or Honorable Narendra Modi, so we are no one to answer that kind of question. So, that is a specific choice. In our opinion, earlier the Board was excellent, and the current Board is equally efficient and excellent. So, now, of course unfortunately, we face a few of the issues in past. We what all can say that issue to large extent has been addressed and now with the support of the entire board, entire management and all the employees and of course, our esteem shareholders like you, we are moving forward. The target, which your officers has just mentioned, we are marching to have a brighter future, so that is all from our side as of now. Thank you so much.

**Moderator:**

Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the company management for closing comments.

**Abhinav Goyal:**

So, once again, a very good evening to all our esteemed shareholders. As addressed by our management team led by Mr. Mahendra Lodha, we are now focusing on growth. The future looks quite brighter from now. We are committed to making a contribution and to support the green infrastructure and upcoming sunshine sector. We are working in creation of value to all our stakeholders firmly. We firmly believe to have improvement in our performance with the passage of every quarter. We look forward to meeting you all once again with our yearly results. Thank you so much.

**Moderator:**

Thank you. On behalf of PFS, that concludes this conference. Thank you for joining us and you may now disconnect your lines.

\*\*\*\*\*

*Note: This document has been edited to improve readability.*