



# “PTC India Limited Q3 FY23 Earnings Conference Call”

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**MANAGEMENT:** **DR. RAJIB KUMAR MISHRA – CMD (ADDL. CHARGE), PTC INDIA LIMITED**  
**MR. HARISH SARAN – EXECUTIVE DIRECTOR, PTC INDIA LIMITED**  
**MR. PANKAJ GOEL - CFO, PTC INDIA LIMITED**  
**MR. SUSHANT CHATURVEDI – HEAD (PO & IR), PTC INDIA LIMITED**

**Moderator:** Ladies and gentlemen, good day and welcome to the Investor Call of PTC India Limited Q3 FY23 Earnings Conference Call.

The Management Team of PTC India is led by Dr. Rajib Kumar Mishra – CMD, PTC. Dr. Mishra is accompanied by Mr. Harish Saran – Executive Director, PTC; Mr. Pankaj Goel – CFO, PTC and Mr. Sushant Chaturvedi – Head - PO and IR at PTC India. At this moment, all participants are in the listen only mode.

Later, we will conduct a question-and-answer session. At that time, you may click on the Q&A tab on the left-hand side of your panel to ask a live question. Please note that this conference is being recorded.

I now hand the conference over to Dr. Rajib Kumar Mishra – CMD, PTC India to make an opening statement. Thank you and over to you, sir.

**Rajib Kumar Mishra:** Thank you, Tanvi. Good afternoon friends and welcome to the earnings call for quarter 3 of the financial year 2023. The Earnings Presentation as you all know was uploaded on the stock exchanges. Hope you all had a chance to have a quick glance of the same. I will now take you through the key highlights for the quarter in the next 10 to 15 minutes and then we will go for the question-and-answer session, but before that I would like to give you the glimpse of the larger ecosystem on which we are operating.

The sector in the last 9 months and particularly in the last 3 months which we will be discussing today have seen an economic recovery and there was the geopolitical conflict which is going on in the Western part of the world and that has impacted the commodity prices especially the fuel prices and the imported coal. The expected GDP growth would continue to be more than 6% for the Indian economy and so will be the requirement of power in near future. We are seeing the peak demand trends to be above during this period, during December 22 quarter, witnessed a peak demand of around 200 gigawatt in comparison to around 175 gigawatt in the previous year. This year, there is an official forecast of peak demand in the summer to the extent of 235 gigawatt which is much higher comparable to 200 gigawatt achieved last year. So, for anyone who is along the power sector for a seller perspective has huge tailwind and that we have seen in the last couple of months that the power prices in spite of winter months has gone up and on average in the exchanges it was as high as Rs. 6.88. And in many time blocks, it has touched Rs. 12 even during the winter months.

Now, I will briefly cover the performance of the company in the third quarter of FY23. You would have already noticed that the auditor qualifications present in the PTC India standalone Q2 FY23 have now been removed for the bilateral electricity trading segment which was impacted during H1 FY23 by heightened volatility in the short-term electricity prices, elevated fuel prices and a rapid increase in the peak demand still continues, however. I am pleased to say that on a consolidated basis, our net profit has increased to Rs. 104 crores which is 66% increase over the last quarter.

On a standalone basis, our net profit for the third quarter has already or largely remained the same at Rs. 78 crores versus Rs. 79 crores last year. From the business strategy point of view, I would like to tell you that the company focused more on the core margin than on the volume as the prices remained high in the exchanges. The per unit core margin realized during quarter 3 improved to 3.09 paisa per unit compared to 2.51 paisa per unit in Q3 indicating a marked improvement in the operational efficiencies, tighter working capital management as well as the focused strategy to undertake the transactions.

Now, the total traded volume in Q3 was 15.5 billion units. This is primarily due to the seeding negative carry volumes on the power exchanges and other reasons. To explain it a little bit, the company has taken a conscious call that the trading margin has to be more than what is the cost to serve a customer and this has impacted some of the exchange volume which was a conscious call. Now, the core margins were up by 58 basis points to 3.09 which I had just mentioned and it has 23% increase compared to the last year.

One very important aspect which I would like to cover in my opening statement is there are two or three highlights which have not been covered in our presentation that the outstanding in some of the states have come down drastically for the company which is a positive impact for the risk mitigation part of it. One of the states, I would like to mention Jammu & Kashmir where in March 22, the outstanding was more than Rs. 1,800 crores has come down to a level of Rs. 564 crores which is a drastic reduction in our risk.

The second state which I would like to mention is Bihar where the outstanding was more than Rs. 800 crores in the month of March has come down to less than Rs. 400 crores. Overall, we have reduced almost less than Rs. 2,300 crores as the current outstanding from the 8 major states. So, this is a major achievement, of course this is with the help of Govt. of India (GOI) LPS Scheme which was introduced in the month of June has helped us to reduce it, but this is a major achievement by the company.

To take you to further details on the accounts and finances of the company in quarter 3, I would request Shri Pankaj Goel – CFO of the company to take you through the presentation or the oral presentation.

**Pankaj Goel:**

Thank you CMD sir. Good evening everyone.

As already been stated, our presentation has already been uploaded on the website, but for this thing, I will go through the figures in a summarized form for the quarter ended and 9 month ended December 22. First, I will go through the standalone results for the quarter. The volume has decreased by 20% from 15.5 BU from 19.5 BU. The reasons have already been explained by the CMD sir. Total operational income has increased by 2% to Rs. 143 crores from Rs. 140 crores. Profit before tax had slightly decreased by 1% or remains flat I will say at Rs. 105 crores. Profit after tax has also remained flat and it is stated around Rs. 79 crores. Total other

comprehensive income is also flat at Rs. 77 crores. Earnings per share stood at 2.63 as compared to 2.68 during the last Quarter.

Now, I will go through the 9-month figures. Volume has decreased by 23% to 54.2 BU from 70.2 BU. Total operational income has decreased by 14% to Rs. 401 crores from Rs. 466 crores. Profit before tax has decreased by 20% to Rs. 289 crores from Rs. 361 crores. Profit after tax has also decreased by the same 20% to Rs. 214 crores from Rs. 269 crores. Total other comprehensive income has decreased by 20% to Rs. 214 crores from Rs. 269 crores. Earnings per share stood at Rs. 7.24 in comparison to Rs. 9.08 in the last 9 months ended.

Now, I will go through the consolidated results for the quarter. So, volume has decreased by 20% to 15.6 BU from 19.5 BU. Profit before tax has increased by 68%, Rs. 142 crores from Rs. 84 crores. Profit after tax has also increased by 66%, Rs. 104 crores from Rs. 63 crores. Total other comprehensive income has also increased by 66% to Rs. 104 from Rs. 63 crores. Earnings per share for the quarter on a consolidated basis stood at Rs. 3.1 in comparison to Rs. 2.04 in the last quarter.

I will go through the 9 months ended on a consolidated basis. Volume has decreased by 23% to 54.6 BU from 70.6 BU. Profit before tax has decreased by 4% to Rs. 509 crores from Rs. 529 crores. Profit after tax is decreased by 4% to Rs. 378 crores from Rs. 395 crores. Total other comprehensive income has decreased by 6% to Rs. 378 crores from Rs. 404 crores. Earnings per share for 9 months ended on a consolidated basis stood at Rs.11.11 in comparison to Rs. 12.09 during the last 9 month ended December 22. Thank you, sir.

**Rajib Kumar Mishra:** So, with this, we have given you the presentation of the numbers by CFO and Tanvi, we can open the question-and-answer session for today.

**Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Anshuman Ashit from ICICI Securities. Please go ahead.

**Anshuman Ashit:** Sir, my question is on the statement that you had made regarding the conscious decision that you have taken regarding the margins, which has led to a decline in our volumes for the 9 months, sir, could you please explain it a bit further, is this for a particular segment and what are the threshold margins that we have considered while taking this decision?

**Rajib Kumar Mishra:** Anshuman, this is a business call which the company keeps on taking but let me tell you on an average price of Rs. 6.88 paisa which I mentioned in the exchanges, we have calculated what will be the cost to serve a customer with that kind of prices. Now, in such scenario, whatever trading margin we get from the clients to serve those clients is being considered on case-to-case basis which is done regularly, but during the last 9 months, we have seen the exchange prices abnormally high and in this segment only we had taken call that we will be conservative in some of the businesses where we are doing the trading and we are not getting the sufficient margin to cover the cost of services till the prices come to normal.

- Anshuman Ashit:** So, this is primarily for our customer who engaged in exchange-based trading, sir, what explains the decline in the medium-term and long-term volumes then for 9 months?
- Rajib Kumar Mishra:** There is a slight decline, 4 billion unit is the decline and 3.8 are almost most of it is from exchanges and some part of the long term and the medium term is because of the non availability of coal and some period, when there were some restrictions on one or two customers to procure power on the exchange. Non-availability of the coal was a major reason why on the long term, the complete schedule was not given.
- Anshuman Ashit:** One more question, sir, how has been the cross-border volumes for the quarter and for 9 months?
- Rajib Kumar Mishra:** You are asking about the cross-border volumes, so CFO if you can give the number?
- Pankaj Goel:** Yes, cross border volume for this quarter was 1,175 MUs.
- Moderator:** Thank you. We have a text question from Saloni Ajmera from Antique Limited. The question is, what is the reduction in total outstanding receivables for the 9M FY23?
- Pankaj Goel:** Total net debtors for the quarter, it was Rs. 584 crores in the receivable part.
- Harish Saran:** On 31<sup>st</sup> March it was 6700 which has come down to 6500 on 31<sup>st</sup> December 2022. This is the reduction in Gross Amount. .
- Moderator:** Thank you. The next question is from the line of Mohit Kumar from DAM Capital. Please go ahead.
- Mohit Kumar:** First question is on the Strategic Intent, I think the slides you have spoken about 2 or 3 new things specifically for the first time, can you please give the traction and if you can throw some color on those new things which you are talking about, especially Energy Portfolio, Project Management Services and where are we right now?
- Rajib Kumar Mishra:** Mohit, you are asking about the portfolio management services or the new initiatives which company is proposing?
- Mohit Kumar:** Energy Portfolio Management, Project Management Services and Sustainability Solution, what was forward, where we are, how geared we are to take all these activities because I don't think we have done a lot of this in a big way in the past?
- Rajib Kumar Mishra:** Mohit, let me clarify that the Energy Portfolio Management Solutions, we are currently providing to two and we have order from the third state, so we have three in total with us. Now, we are having one analytical cell and the forecasting tool we are procuring from the international software vendor. So, major development has taken place during the last 6 to 7 months and we are very keen to implement these solutions to most of the states in the country. At the same time, let me tell you that at this point of time, everything has takes time to get implemented to develop

it and go live. So, all this things may take some time, but at the same time this is core focus area still with the company.

**Mohit Kumar:** Do you have any clarity on the monetization of all these new activities in the sales, how the fees we charge, how the revenues will come to us, that was the question?

**Rajib Kumar Mishra:** Yes Mohit, we have a consultancy wing which has done very well, if you see there is a growth in the consultancy income, the topline as well as the bottomline in the last quarter, but at the same time what specifically the new technology part which you are asking, we are still in the development phase and we will take couple of more months before we can commercially launch these product in the market and then we will be in a position to share more details, what are the commercials and how they are going to charge it to the customers, but certainly this is future for any trading business and which is very similar to the international trading which is done in the developed nations.

**Mohit Kumar:** Secondly, sir, on the surcharge income and rebate income given that the late payment surcharge rules, can we expect the surcharge income to go down and rebate income to go up in next couple of years, is that a fair understanding?

**Rajib Kumar Mishra:** Mohit, again this is a dynamic situation. What we have seen in the late payment surcharge is a particular rule where all the outstanding was consolidated on one day including the surcharge and then the installments were fixed for making the payment. Now, we have to assume some of the things if we are saying that the surcharge income or rebate income will remain the way it is currently because this is a development which is taking care of the past outstanding. What the current Discom scenario need to be reassessed and then we will be in a better position to forecast something. At this point of time, my understanding is as far as the past is concerned, they are making payment in the installments with surcharge fixed on that particular day, but again we need to be very hopeful that this kind of a scenario will continue in future where Discom doesn't require any kind of support from either center or any of the central institutions.

**Mohit Kumar:** Thirdly, on the status of monetization of PTC Energy and PTC Financial, do you think it is possible in the next 12 to 18 months?

**Rajib Kumar Mishra:** Mohit, let me clarify, we have informed the investors that we have floated an Expression of Interest where we have got very good response. Now, we have appointed the transaction advisor and they will be working for monetization of PTC Energy Limited and that work is already on and as far as the PFS is concerned, we are still maintaining that the board has decided that this is on hold till the appropriate time will come for monetization of the PFS shareholding.

**Mohit Kumar:** Is it possible to share the receivables, payables and cash at the end of 9 months?

**Pankaj Goel:** Yes, the sundry debtors was around Rs. 6,500 crores, creditors was around Rs. 4,300 crores, networking capital was Rs. 2,194 crores and we have a surplus cash of around Rs. 235 crores.

- Mohit Kumar:** And the debt?
- Pankaj Goel:** No, it is the net cash, so the gross borrowing was Rs. 520 crores, so it means we must be having the cash, Rs. 520 Crore plus Rs. 235 Crore that is around 755Crore. 755 Crore is the cash and borrowing was Rs. 520 Crore, so net cash is Rs. 235 crores.
- Mohit Kumar:** Lastly on the dividend, sir, how should we think about the dividend, when the dividend can get announced?
- Rajib Kumar Mishra:** Mohit, we have always maintained that we have dividend declaration policy and this we will consider at the appropriate time and this always is the prerogative of the board, but we always will maintain that we will go by the dividend declaration policy and if the company is doing good, certainly the shareholders should be rewarded for that.
- Moderator:** Thank you. The next question is from the line of Gaurav Gupta from Invesco Enterprises. Please go ahead.
- Gaurav Gupta:** Firstly, my apology, if in case I am repeating questions because I just joined late and if in case some part of my questions would have been addressed to you on earlier occasion, I am extremely apologized for that. So, my first question is, I have been tracking PTC India from last couple of years and in recent past also, I had participated in couple of those calls, so one of the major concern that has been observed with PTC India as a company and as well as the group is there are lot of corporate governance issues. The first and foremost, let me just highlight it right now that whatever we discussed with the management either during the investor or analyst call or during the Annual General Meetings as well, there is as such no improvement observed from management point of view and more or less you guys never ever share that what are the improvements you guys have taken, for example, you just highlighted during the earlier participant's response as well that you have floated an Expression of Interest for sale of PTC Energy, was that communicated to shareholders via exchanges, was there any submission to the exchanges by you?
- Rajib Kumar Mishra:** Gaurav, you need to go by whatever we publish in both the exchanges and I understand whatever we communicate, most of the major decisions are being published in NSE and BSE. I would be more happy if I get a specific question from you rather than giving a generic kind of observation on some of this thing.
- Gaurav Gupta:** Sir, this is a specific question, let me be very specific on this?
- Rajib Kumar Mishra:** That is the reason why I am replying you that all the major developments in the company whether we are engaging somebody or we are informing or we are conducting a new business or we are exploiting a new tender, all are being informed to the stock exchanges for the benefit of all our investors and the shareholders. So, please check which information you are seeking and if it is not there, I will ask my investor team to bridge that gap if at all there is.

**Gaurav Gupta:** I am very clear on that. If you allow me to continue, I am very clear that on your website you published on, I think in the middle of December that you have invited Expression of Interest for stake sale in PTC Energy in the exchange, I am referring Bombay Stock Exchange. When you are making an announcement either you are filing, may be your Company Secretary can clarify on that. You do not have an option that you can make a release or you can submit to one exchange, but not to another exchange and there is not a liberty at the exchange level that when they are receiving a communication from one exchange and they do not publish it. There is no as such submission in the Bombay Stock Exchange with respect to your PTC Energy submission. Second part may be you guys are not taking it seriously but let me ask my second question then you have a liberty to answer that or ignore that. That is up to you. You are the board; you are the management. Second question, in the investor summary that you have shared as part of the 9th month result, you have not even bothered to share information about the PTC Energy, 9-month results, where investors will get that information?

**Rajib Kumar Mishra:** Gaurav, I understand what you are asking. Let me ask the CFO whether in the consolidated results, you have the information available or not. He will clarify you and I understand in the consolidated results, you have the information about both the subsidiary company including PTC Financial Services and PTC Energy Limited and let me clarify one question which you asked that whenever we give any kind of reply to the exchanges or you publish any information irrespective of any kind of information, it goes to both the stock exchanges. So, we have listed in both the stock exchanges, so we published it in both the exchanges. Now, I will request CFO to please clarify whether the PTC Energy information what we have shared in the presentation or not.

**Sushant Chaturvedi:** Sir, one point if I may add, apart from filing to both the exchanges, a press release was also done when the Expression of Interest was floated and it received widespread coverage, so you may have missed out reading on the press coverage, but our press release was also done to the same effect.

**Pankaj Goel:** As far as the PTC Energy is concerned, that is an unlisted subsidiary, so as per the requirement there is no requirement of publishing the results of the same, but as part of the consolidated the results of PTC Energy is there, but naturally it is not separated, the PFS and PEL or PTC, it is combined results which we published, but for your information, if you want to ask anything about the PTC Energy results, I can reply right now.

**Gaurav Gupta:** Yes sir, please, it will be a great favor if you can share?

**Pankaj Goel:** Yes, that is one. As far as the revenue from operations are concerned for the quarter, it was Rs. 57 crores for this quarter and for the last quarter, it was Rs. 41 crores. As regards the profit after tax, there was a nominal loss of around Rs. 8 crores in comparison to loss of Rs. 23 crores in the last quarter.

**Gaurav Gupta:** If you can share the 9 months results as well there?



- Pankaj Goel:** Yes, for the 9 months, there is a profit of Rs. 26 crores as against Rs. 20 crores during the 9 month ended December 21.
- Rajib Kumar Mishra:** So, profit has increased from Rs. 20 crores to Rs. 26 crores.
- Gaurav Gupta:** And what is the debt level as of 31st of December 2022 at PTC Energy level?
- Pankaj Goel:** That is around Rs. 1122 Crore but we will let you know. I am not sure about it. We will separately tell you.
- Gaurav Gupta:** Is the debt servicing going on regularly because I think there is?
- Pankaj Goel:** Yes, it is absolutely going regularly.
- Gaurav Gupta:** That is all from my side. Just before I conclude and that will be a relaxation for you guys as well, I just cross checked with the Bombay Stock Exchange, in the month of December when you have invited this Expression of Interest there is as such no filing from your side to the Bombay Stock Exchange related to this Expression of Interest. You can ask your secretarial team to check it out and accordingly you can update from your side if it is required. Without factual information it is not our, as an investor I was happy to highlight anything. There is any gap over there, that is why we are coming on this call and highlighting it to you, management. It is your call, whether to take it or leave it. Thank you very much.
- Moderator:** Thank you. The next question is a text question from Rajesh Shah, Individual Shareholder. Sir, what is the status of the sale of our wind power subsidiary, EOI for which is closed on 15<sup>th</sup> January 2023?
- Rajib Kumar Mishra:** Shahji, I have just informed that we have received good response on the EOI and there are multiple interested parties and we have appointed SBICAPS as the transaction advisor and they will start the process as soon as possible and any further development we will be happy to share with our shareholders in the next meeting.
- Moderator:** Thank you. The next question is a text question from Siddharth Shah from Vikram Advisory Services. For PTC India Energy, Expression of Interest last date was 15<sup>th</sup> January 2023, so how has the response been and what is the update on the same?
- Rajib Kumar Mishra:** I think Mr. Shah, I have already replied it and the response is good. We would be sharing more information once we will have updated things after the transaction advisor gives us more piece of information.
- Moderator:** Thank you. The next question is a text question from Bharanidhar Vijayakumar from Spark Capital. The question is, is it a regulatory requirement to bring down PTC stake in HPX to 5%, if so when do we expect PTC's stake in HPX coming down to 5% as some of the shareholders

of PTC India like NTPC, PGCIL planning to exit their stakes in PTC India, why and what are the timelines?

**Rajib Kumar Mishra:** First question that is regarding our stake in HPX, we have always maintained that what we are doing is as per the regulatory requirements only and we follow the PMR 21 when we have maintained our shareholding in HPX and there is no further plan which I can share with our shareholders at this point of time. The second question what we have maintained is we have shared it in our filing with both the stock exchanges that at this point of time we are not aware of any kind of divestment by our promoters, so we maintained the same position right now.

**Moderator:** Thank you. The next question is from the line of Vaibhav Gupta from Bowhead Investment Advisors. The text question is, can we please know receivables beyond 6 months, 1 year and 3 years?

**Pankaj Goel:** So, as we always say that we look the receivables minus the creditors because there are always back to back creditors is also there, but if we take the open position, let us say debtor minus creditor for that particular state total outstanding more than 6 months is around Rs. 266 crores. Out of this, Rs. 150 crores is the Telangana for which the company has already made a bill discounting and this money is committed. So, this will be received at any point of time at the bill discounting date. Further, there is small outstanding of gap which is Rs. 83 crores, more than 6 months and there is 0 outstanding more than 3 years.

**Moderator:** Thank you. We have a follow up question from Vaibhav Gupta from Bowhead Investment Advisors. The question is, can we know the gross receivables beyond 6 months and 1 year?

**Pankaj Goel:** The gross receivables, I always said that there is no point in gross receivable, just for the information, the gross receivable for more than 6 months is around Rs. 1,880 crores, but there is a back to back creditors because there are lot of payments which are disputed by these states and generator just raised the bills like compensation change in law, but we have to always look for open position. So, as far as the open position is concerned, for more than 6 months, there is only Rs. 266 crores, Rs. 150 crores is the Telangana for which we have already taken a bill discounting and there is a committed date. So, we will receive the money on time and there is a small outstanding of Rs. 83 crores from Bihar for more than 6 months. As far as more than one year is concerned, there is outstanding of Rs. 175 crores, so out of this Rs. 175 crores, Rs. 150 crores is the Telangana one. So, that is the open position which I am telling.

**Moderator:** Thank you. The next question is from the line of Gaurav Gupta from Invesco Enterprises. The question is, will it be possible for management to share how many responses have been received against our EOI for PTC Energy stake sale?

**Rajib Kumar Mishra:** Mr. Gupta, you know that this is a process which we run and this is very confidential as far as the name of the bidders are concerned and the second thing is how many responses, but certainly we will be sharing more information once this process comes to a conclusion and we will share

that how many responses were there and how many people showed interest in the second stage and what is the final outcome. All these things right now is in the process and you must appreciate that confidentiality is the core for such kind of a transaction.

**Moderator:** Thank you. The next question is from the line of Bharanidhar Vijayakumar from Spark Capital. The question is, what is the trading volume growth we can expect in FY24? Power exchanges have introduced long duration contract, how is this impacting our trading volumes?

**Rajib Kumar Mishra :** The first part is pure forecasting and at this point of time, let me tell you that we are looking forward to the growth in the Indian market and we would like to do our best so that we can cope up the requirement of our customers to meet both the sellers and buyers. The second part what you are asking is the long duration contracts and PTC has participated in many of this and we have successfully done it also for some of the states and the other utilities, but still it is not having a major share of the exchange volumes. So, this is the new product in the exchange, let us see that how it take shape, but like all other products in the exchange, we do participate and we do have a leadership position in all such products. So, we are hopeful that in this product as well, we will be the leaders having the leadership position.

**Moderator:** Thank you. We have an audio question from Vaibhav Gupta from Bowhead Investment Advisors. Please go ahead.

**Vaibhav Gupta:** Sir, can you please share the missing data for Q1 and Q2 like net rebate, consulting income and volumes?

**Rajib Kumar Mishra:** Q1, Q2 we have already published. In the presentation also, you will find all those data, but Q1, Q2, we have done the results in the month of December itself. Right now, we have only done the result for Q3.

**Vaibhav Gupta:** And sir, like in the last two years, we have seen that Q4 was better for surcharge income, so like with the new late payment surcharge what will be the outlook?

**Rajib Kumar Mishra:** Mr. Gupta, these are some of the things we will cross leverage when it comes, so at this point of time, we will not give you any answer where we have to complete this entire exercise and then we will be in a position to reply you better.

**Pankaj Goel:** But just for the sake of discussion, so whether you tell you whether we go for a surcharge income or we should go for a collection of the payment on the due date. So, actually, this is the financial engineering which we have done because there were delayed payments from the Discom, but for every company there is a thing that we should collect the payment on time, so that our defaulters is not there, absolutely not there, so that is the thing and we hope to receive the payments on time from the Discoms.

- Rajib Kumar Mishra:** And particularly if you remember, in all the investor call, we used to get questions on J&K outstanding, the outstanding of Bihar, the outstanding of Tamil Nadu, but I feel that this time there was no question on this, so we need not replied, when we say that from Rs. 1,800 crores in J&K, we have come down to Rs. 564 crores as outstanding. So, this is balancing between the risks what you take for the outstanding versus what you gain from the surcharge income. So, of course, we are conscious of both the things and we have to keep a balance on this.
- Vaibhav Gupta:** And just last one from my side, sir, the accounting policy for recognition of surcharge, it is on cash basis?
- Pankaj Goel:** It is on certainty basis. So, when we are certain, then we recognize the surcharge.
- Vaibhav Gupta:** And same for rebate?
- Pankaj Goel:** No, rebate is on actual basis because while we are making the payment, we deduct the rebate from the generators bill.
- Moderator:** Thank you. The next question is from the line of Mohit Kumar from DAM Capital. This is a text question. What is the status of TANGEDCO medium-term bids where we were appointed as aggregator?
- Pankaj Goel:** TANGEDCO, you are asking, yes. TANGEDCO, we have more than 600 megawatt what we was supposed to get the things, but during this period, the prices have gone up in the short-term market and exchanges, so the only contract which is operating right now is 150-megawatt contract with Tamil Nadu. Of course, we are in discussion with Tamil Nadu from second tranche of this scheme and once it will be done, we will be informing you about it.
- Moderator:** Thank you. The next question is from Bharanidhar Vijayakumar. The question is, can you comment on the board composition of both PFS and PTC, when will we fill the vacant positions?
- Rajib Kumar Mishra:** PFS, all the board positions are filled. They have a complete board with three Independent Directors which are working perfectly fine. For PTC, we have inducted one Independent Director which we have filed in the stock exchange that is Mr. Mhaske as former CEA Chairman and rest of the things we will move by the provisions that is within 90 days we will fill the position.
- Moderator:** Thank you. We have a voice question from Gaurav Lohiya from Bowhead India. Please go ahead.
- Gaurav Lohiya:** Sir, you said that while the results were released for September and June quarter in December, but there was no presentation, so we do not have net rebate and electricity income, so would you be kind enough to share the same for June and September quarter?

- Pankaj Goel:** Presently, I have the figure for the September quarter and in June quarter we will separately email to you, but for September quarter, I will.
- Gaurav Lohiya:** Do you have the 9 months data, if you can share September and 9 months data then we will be able to deduce?
- Pankaj Goel:** September data, net rebate was Rs. 23.78 crores and net surcharge income for the September quarter was Rs. 11.83 crores.
- Rajib Kumar Mishra:** What we will do is if we have not uploaded it, I will request my team to upload it, so that you can get the information or otherwise they will email to you directly.
- Pankaj Goel:** For nine months ended, I can tell you, the net rebate was Rs. 79.11 crores and net surcharge was Rs. 105.18 crores.
- Gaurav Lohiya:** And sir, one more clarification, so if we see last 5 years history of PTC standalone, Q4 generally has been a very strong quarter and last two years particularly it has been even stronger, so that is what we were trying to figure out generally is there a seasonality in this business that Q4 is supposed to be very good quarter and this seasonality will hold even this year as well as going forward?
- Rajib Kumar Mishra:** No, let me tell you something about the consumption of electricity that the consumption of the electricity goes maximum in the country during the month of summer and the third quarter is the end of winter and the onset of the summer month. So, as far as the consumption is concerned it is on the rising trend, but if you ask me about the revenue stream and other things, I would like to wait till we reach to that stage.
- Moderator:** Thank you. The next question is a text question from Shubham Verma, Individual Investor. Any updates on current quarter performance?
- Rajib Kumar Mishra:** I think we have already replied this.
- Moderator:** Thank you. The next is a text question from Gaurav Gupta from Invesco Enterprises. Any definitive timeline for closure of stake sale in PTC Energy?
- Rajib Kumar Mishra:** I had just answered it that we have appointed transaction advisor and they have to undertake the entire process and certainly we will be in a position to share more details in our next call.
- Moderator:** Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Sushant Chaturvedi – Head, PO and IR for closing comments.
- Sushant Chaturvedi:** Thank you, Tanvi. Thank you all for having taken out time to participate on this call. I hope most of your questions must have been answered. In case you have any follow on questions or any of the questions which you feel you want more information, please feel free to write to us and we

will be very glad to answer any of your queries. Thank you for your time once again and have a pleasant evening ahead. Thank you.

**Moderator:** Thank you everyone. Ladies and gentlemen, on behalf of PTC India Limited, that concludes today's session. Thank you for joining us and you may now click on exit button to disconnect.