



“PTC India Limited Q1 FY-24 Earnings Conference Call”

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**MANAGEMENT: DR. RAJIB KUMAR MISHRA – CHAIRMAN AND
MANAGING DIRECTOR, PTC INDIA LIMITED.
MR. HARISH SARAN - EXECUTIVE DIRECTOR, PTC
INDIA LIMITED.
MR. PANKAJ GOEL – ED & CFO, PTC INDIA LIMITED.**

Moderator: Ladies and gentlemen, good day and welcome to the Investor Call of PTC India Limited Q1 FY24 Earnings Conference Call.

The Management Team at PTC India is led by Dr. Rajib Kumar Mishra – Chairman and Managing Director, PTC. Dr. Mishra is accompanied by Mr. Harish Saran - Executive Director, PTC and Mr. Pankaj Goel – CFO, PTC. At this moment, all participants are in listen-only mode. Later, we will conduct a question-and-answer session. Please note that this conference is being recorded.

I now hand the conference over to Dr. Rajib Kumar Mishra, for opening remarks. Thank you and over to you sir.

Dr. Rajib Kumar Mishra: Thank you. Good afternoon all the investors who are present today and all the analyst who has taken out their time to cover this Analyst Call. And I'm really pleased to come back to you to announce our Q1 FY24 Results. As you must have noted the trading volume has increased by 16% and we have crossed 20 billion units this quarter and the core margin has also increased by 10% to 64.49 crores and the PAT has gone up by almost 20%, 21%. So, with this, what we started last year that the quality trading has to be done and we have to come back to a level which we have seeded last year. We have not only crawled it by 16%, but also given a good profit after tax in this quarter.

Couple of surprises this quarter was one that, the cross border trade which we expected to be more because we see that we start getting the snow melted hydrology in the month of May and June from Bhutan, this year it has come down by almost 800 Million units and there we have shortage as far as the long term import of power. Because of this reason, the per unit margin is slightly decreased from 3.3 Paisa last year to 3.14 Paisa. And we expect that this will increase in this quarter on the ongoing quarter. And this was a temporary phenomenon because of the month of May and June there was lesser hydrology from power imported from Bhutan.

Other sources we had a good control, the shorter on volume was slightly more and the prices in the market was also lower compared to the previous year. We have increased our market share also and last year we see that some of the volumes and so the market share was lesser, this year we have come back to a normal level of our market share. Similar is the case with, I would like to remind you all that the Board has already approved a dividend of 7.8 per share. And this will be declared in the AGM which is supposed to be held on 27th of September this year. And once the AGM approves it, the dividend declaration will be done. We have always believed that the wealth created by the company should be divided and distributed to the shareholders who has the first right to this wealth creation. And our dividend declaration policy is very clear that 50% of our profit subject to internal constraints will be distributed to our shareholders.

The second important thing is the progress what I would like to share with all our investors, is the divestment process in PTC Energy Limited. In our press release, we have clearly mentioned that the process is well on track. And by this month end we will have a firm offers from five or

six of the bidders who are expected to participate and they are all credible bidders who are expected to participate and then we will be in a position to give a clear roadmap, how we are going to get this thing resolved. The most heartening thing which has come is from our new investment that is HPX and within a short span of one year this company has become profitable and this quarter we have a healthy trend of a profit which we have seen for the first time.

I'm really happy to share with all our investors and analysts that this time all the holding company, the two subsidiary companies and our associates are in green and are given a very good result. The other investment that is Teesta Urja Limited, the company has done really good and the profitability in that company for the entire last year has crossed more than 1200 crores. So, that is also a very heartening sign. Let me once again reassure you that the entire top management team is working for the growth of this company and we feel after the results of the first quarter of this financial year we are well on track and the ongoing quarter also seems to be well on track. So, with this, I hand it over to our Chief Finance Officer, Mr. Pankaj Goel to give you the details of what all numbers we have already published, but some analysis what he would like to share with you, Mr. Pankaj Goel.

Pankaj Goel:

Thank you, sir. Good afternoon everybody. Now, I'll go through the results for the first quarter of FY23-24. First, I'll go through the standalone results of the quarter with the previous year quarter ending June. The volume has increased by 16% to 20.6 billion unit from 17.7 billion units. Total operational income has already been explained by CMD, has also increased by 8% to 147 crore from 136 crore, this is mainly on account of increase in higher margin in our long term trade specifically as already informed in the cross border trade. The likewise profit before tax has also increased by 20% to 120 crore from 100 crore. So, this is again because of the high margin and I will say effective working capital management because you can see from our results that Treasury income has gone up and interest expenses from bank borrowing has also gone down. So, there is a two way impact. Likewise in line with the PBT, profit after tax has also increased by 21%, 90 crore from 74 crore. Total other comprehensive income has increased by 20% to 89 crore from 74 crore. Earnings per share for the quarter stood at Rs.3.03 compared to Rs.2.5.

Now, I'll go to the consolidated results for the quarter. Volume has increased by 16% to 20.7 billion unit from 17.8 billion units. Profit before tax has increased by 5% to 191 crore from 182 crore. Profit after tax has increased by 6% to 143 crore from 135 crore. Total other comprehensive income has increased by 5% to 142 crore from 136 crore. Earnings per share on a consolidated basis stood at Rs.4.39 in comparison to Rs.3.97. Thank you.

Moderator:

Should we begin with the question-and-answer session sir?

Dr. Rajib Kumar Mishra: Please go ahead.

Moderator:

Thank you very much. We will now begin the question-and-answer session. We will take our first question from the line of Mohit Kumra from Kumra Investment Company. Please go ahead

Mohit Kumra: Most of my questions are directed towards HPX only. First and foremost on an interview on CNBC some very higher management person from your HPX company very explicitly said that you are going to list the company very soon, is that true?

Dr. Rajib Kumar Mishra: What exactly he said?

Mohit Kumra: I am very certain and I listen to him many times, he said that just like IPX is listed on the market even HPX is planning to list on the market is this true?

Dr. Rajib Kumar Mishra: As far as from PTC side we can say, because we right now we are in the analyst call for PTC. Let me tell you that, I am not aware that this company is going for any kind of listing at this point.

Mohit Kumra: Fair enough. But do you understand that you are a majority shareholder and this is the only way for us to?

Dr. Rajib Kumar Mishra: Yes. So, I clarified what I wanted to clarify.

Mohit Kumra: Okay, sir. My second question is that, what will be the real world effect of this market coupling thing which we are using or because one side is claiming that it's a game changer, the other side is claiming that nothing is going to happen, do you truly believe that something will come out of this market coupling thing?

Dr. Rajib Kumar Mishra: Market coupling is very much required as you can understand, there are many reasons. First, I would like to give you the technical reason why and the commercial reason why market coupling is very much required in this country at this point of time. And then I will tell you more about the commercial impact of this market coupling on our exchange and the other two exchanges. The important thing is, market coupling is required to have a very strong our market in India, where the anonymous buy and sale can take place on a platform which is neutral to both buyers and sellers. Now, what the market coupling we will do is, it will have create one national price which is free from any kind of aberration. Today, if you see every day in the night, right from six to seven in the evening, it reaches to the peak of Rs.10 and the entire evening the prices is Rs.10 and then there is no market operating, if it hits the market at 10 then there is no market. So, now, you are not very sure what to do with such kind of market where the prices are firm. So, therefore, the price shifts from the day ahead market to term ahead market which is a bilateral market. So, that's not a fair kind of a situation in a market. There are several other reasons why, there has to be one national market and the market clearing has to be done on a very neutral way. So, market coupling is required and it is not what I'm saying, it is what the PMR says that is Power Market Regulation 21 says, that this is required and this has to be notified on a particular date when the maturity of the market is there. And we feel that the market is mature enough, that this market coupling has to be there.

The second point what you asked is, what will be the commercial impact of the other exchanges. We are not saying anything to hurt any other exchange, but at the same time for the national interest of a developed market to take place, we expect that the market needs to be coupled and if the benefit comes to HPX because of that reason, that is purely something which is consequential, but we are saying that the market need to be coupled for the reason that we expect that the market has to be fair and transparent and totally say anonymous. So, for these reasons we are advocating it and the government as well as the regulator is keenly trying to implement it.

Mohit Kumra: But what will be the real world effect for HPX if it happens, let's assume it happens because they have made it very clear that they are very interested in the government, what percentage of the market you expect will you once this is executed the market coupling?

Dr. Rajib Kumar Mishra: Let me tell you, I will not predict anything or I'll not give anything in future perspective. But to give you some perspective, I can always say, that the other segments of the market HPX and us, very short span of one year, they have almost garnered almost 1/3 of the market.

Mohit Kumra: Okay. So, is it fine for us, even as citizens of India to believe that a market which was monopolistic for a very, very long time will not remain so in the future, if market coupling is introduced, is that the right way of thinking?

Dr. Rajib Kumar Mishra: Without asking this question to me, you yourself have answered that if it is a monopolistic market it has to be something which is more transparent for the benefit of the end consumers. And that's what we are trying to convey in so many conferences and views.

Moderator: Thank you. We have our next question from the line of Narendra Khuthia from Robocapital. Please go ahead.

Narendra Khuthia: Sir my first question is regarding the PTC Energy divestment. So, last call, if I'm not wrong, you had said that it will be completed by June or July end, so is there any specific reason for the delay if you could share something?

Dr. Rajib Kumar Mishra: The process is well on time and we have uploaded everything in our data room and because of so many there are several of the projects look at it in different states and any serious buyer will try to have a proper due diligence before they submit their bid. And because of these reasons they are going into deeper dives and trying to get all the information required for such kind of bid, which they have completed more or less. And that's the reason why I announced that by the end of this month we will be in a position to give you more information on this divestment and what exactly the bids are.

Narendra Khuthia: Okay. And secondly on the PTC Financials. So, are we not in a position to rethink our stake sale, begin the talks again for that?

Dr. Rajib Kumar Mishra: At this point of time, I can only share with you that PTC Energy is in advance stage, and PFS we have as the Board has decided we have kept it on hold and last time also I mentioned that all the three divestments cannot be done in one go. So, it has to be sequential and right now, I mentioned that PTC Energy is on the cards.

Narendra Khuthia: Okay. And regarding, we talked about the market coupling, but what about the MBED role back is under discussion, so how will it affect us and also how will it affect HPX if you could share something?

Dr. Rajib Kumar Mishra: MBED, I have explained earlier MBED was to be implemented almost one and a half, two years back and that is more a dispatching and not a market per se, it was that all the central generating stations will schedule their power through the exchanges, that was what was proposed in the MBED. Now as because the final beneficiaries are the states and states do get the schedule from the central generating stations first they have to agree for this. And then if it is agreeable from both the sides, the central generating stations as well as the distribution companies, this can be implemented, which I feel that still both the parties have to agree for this. So, once they agree, then only it will be implemented and PTC is not going to get any impact of it. Rather we will get the benefit, that some of the long term PPAs what we have will get a better schedule once MBED.

Narendra Khuthia: But for HPX, it could be a huge trigger, right?

Dr. Rajib Kumar Mishra: Yes, HPX certainly will get a lot of benefit that entire power, if it is scheduled through exchanges. Of course HPX being an institutional exchange will get a lot of priority for such kind of treatment.

Moderator: Thank you. We have our next question from Nikhil Abhyankar from ICICI Securities. Please go ahead.

Nikhil Abhyankar: Sir my first question is, Teesta has a PPA with PTC and they are also selling on HPX. So, where PTC basically doesn't make any margin. So, why does Teesta sell on HPX, while PTC doesn't make any money basically?

Dr. Rajib Kumar Mishra: Let me give you the entire background of Teesta having a PPA with PTC. Teesta had four PPAs with PTC long term PPAs with a state of Uttar Pradesh, Rajasthan, Haryana and Punjab. So, altogether that is 820 megawatts of mega supply to be given from Teesta Urja Limited to all the four beneficiaries. Then there are 12% free power for the state of Sikkim and there are some merchant capacity of around 240 megawatt. I feel all the numbers what I have mentioned is correct. So, this 240 megawatt merchant power they can sell anywhere and it can be sold through any exchange and that's exactly the thing what we are discussing right now, the merchant power they are selling it through HPX and moreover, the two schedules which Punjab and Haryana has to take, so Teesta Urja is still to be operationalized. So, that a power also might be routed through any of the exchanges, which they are currently doing through HPX.

- Nikhil Abhyankar:** Okay. Now, my next question about HPX. So, initially when we started we had given some discounts, if I'm not wrong, so are we still giving those discounts?
- Dr. Rajib Kumar Mishra:** So, that's a strategy of the company I'll not go into the strategy of HPX how they're doing business.
- Nikhil Abhyankar:** Sir, can you just share the profit numbers for Q1 FY23, if you may?
- Dr. Rajib Kumar Mishra:** Yes, I'll ask CFO to just share with you.
- Pankaj Goel:** The PBT, actually I will tell my share because we are holding 22% so whatever profit I'm telling you, so, that is the 22% and you can then gross it up. The profit before tax which we have consolidated in our balance sheet is 2.48 crore. Sorry, it's for the whole HPX actually 2.48 crore for Q1.
- Nikhil Abhyankar:** And last year sir?
- Pankaj Goel:** Last year it was having a loss of 10 crore PBT.
- Nikhil Abhyankar:** Okay. And sir, just a follow up question on that. Given that coupling does actually happen, and basically all the exchanges act as an aggregator, and the nodal agency will do all the clearing work. So, what will be our mode basically, so what are we doing to like develop a mode for our company for HPX, basically?
- Dr. Rajib Kumar Mishra:** Nikhil I am not very clear, what exactly is your question?
- Nikhil Abhyankar:** Sir, if we keep on reducing the prices, transaction prices, keep on giving discount. So, how will we create value for our shareholders and also, if we only act as an aggregator basically, under the coupling all the exchanges will act as aggregator and the nodal agency will do the clearing work if I'm not wrong. So, how will we generate our own mode in that scenario?
- Dr. Rajib Kumar Mishra:** So, Nikhil, I understand the margins whatever has been prescribed by the regulator is already given there. And any company or for that matter exchange if they are coming out with some promotional scheme that they have to take care, but I don't feel that this is going to impact the profitability of the commercial aspects of the data.
- Moderator:** Thank you. We have a next question from the line of Vipulkumar Shah from Sumangal Investment. Please go ahead.
- Vipulkumar Shah:** So, sir can you give a broad direction what are the margins for short term and what are the margins for long term?
- Dr. Rajib Kumar Mishra:** We have shared it in our investors set, but I can give you the number or Pankaj you want to share.

- Pankaj Goel:** So, for the June quarter, the margin in short term was including exchange and bilateral trade on an average was 0.80 Paisa and for medium term it is 1.73 Paisa. For long term trade including cross border it was 7.22 Paisa per unit. So, that is the major margins in different trades.
- Vipulkumar Shah:** Okay, sir. What is the market share of HPX currently any number?
- Dr. Rajib Kumar Mishra:** Market share for a particular segment that is term ahead market, they have a market share at around 30% to 35%, for day ahead market they are yet to launch the product because they are expecting that the clarity is required for such products. There are three new products which HPX has launched and they are market leaders in that.
- Moderator:** Thank you. We have our next question from Vaibhav Gupta from Bowhead Investment Advisors. Please go ahead. Mr. Vaibhav Gupta, I request you to check your connection. Meanwhile, we'll take the next question from Mohit Kumar from ICICI Securities. Please go ahead.
- Mohit Kumar:** My first question is on the PTC Energy. What was the revenue, EBITDA and profit. And any update on the sale of the asset where we are right now and is there any issue with the realization as of now, or are we getting the tariffs?
- Dr. Rajib Kumar Mishra:** So, Mohit, I'll answer your third question first and then we will come back to one and two. Third you have asked about the tariffs, so we are getting a tariff from only three beneficiary states that is Andhra Pradesh, Karnataka and Madhya Pradesh. And ever since this LPS has brought this scheme, all the DISCOMS are making payments well in time. So, this is what I can say regarding the outstanding and related to other some of the cases like GBI around things are being discussed at different forum and once that will be settled they will start making the payment. The first part you have asked is the profitability part, the generation this quarter is 6% up and so is the profitability. And the divestment part, as I have already just mentioned that the progress is going on well and we expect that the process will be complete by this month end.
- Mohit Kumar:** Sorry, sir his line is disconnected. We'll move on to the text questions now. We have a question from Bharanidhar V from Avendus Spark. The question is, why is the growth of long-term and medium-term volumes in the quarter negative. The purpose to introduce market coupling by regulator in PMR is to have, one uniform pricing, second reduce transmission congestion, uniform pricing and there is almost no transmission congestion. Why is market coupling needed?
- Dr. Rajib Kumar Mishra:** I would like to answer the second part first, the reasons what we understand why the market coupling is required has nothing to do with the price congestion. It has some other reasons, why in PMR market coupling was felt necessary and those conditions what was felt necessary prevails in this market in a very strong way. The second part of what has been asked is, I have already explained that the cross border trade which is a long term trade was affected because of the hydrology in Bhutan and we had lesser volume from there and for some of the contract, the

scheduled volume was lesser than what was anticipated in our PPE. So, these are the two reasons why the long term PPA is slightly lesser than what was anticipated.

Moderator: Okay. The next question is from Mr. Rajen Shah from Value Invest. What is the net debt of PTC Energy. By when can we expect the offers to be opened and disclosed to shareholders?

Pankaj Goel: So, debt as on 30th June is around 1200 crore for PTC Energy Limited.

Dr. Rajib Kumar Mishra: And regarding the date, we have already informed.

Moderator: Thank you. We have a question from Vaibhav Gupta from Bowhead Investment Advisors. What are our plans to sell stake in Teesta Urja and given high profitability in FY23. What kind of amount can we expect to realize for our stake. And the second question is, receivables outstanding beyond 30 days and six months. And third cash and debt position of PTC India standalone on 30th June.

Dr. Rajib Kumar Mishra: So, the first part what you have asked, rather the numbers what you have asked the outstanding position and the liquidity position, I'll request CFO to please answer that.

Pankaj Goel: Yes. So, net cash balance as on 30th June was around 553 crore, we had a cash on as on 30th June. And as regards the debtors, we always analyze debtor minus creditor because we have a lot of back-to-back debtors and a lot back-to-back creditors. So, taking into account all this, so we have a net working capital exposure of around 1957 crore and per se, if you specifically ask more than 30 days exposure is around 992 crore.

Moderator: Thank you sir. We will move on to the next question from Rupesh Sankhe from Elara Capital. What is the volumes sold on IEX platform in Q1 FY24 versus last year Q1 FY23. Thanks.

Pankaj Goel: For exchange, this quarter we have done 10.2 billion vis-à-vis the last quarter it was around 7 billion units.

Moderator: The next question is from the Vipulkumar Shah from Sumangal Investment. What is our stake in PTC Energy?

Dr. Rajib Kumar Mishra: PTC owns 100% of the PTC Energy Limited, it's a 100%.

Moderator: Thank you. We will take our next question from Mohit Kumra from Kumra Investment Company. Please go ahead.

Mohit Kumra: I wanted to understand the long, this might be a very basic question but, how are power exchanges not eating into the power trading business your core business number one. And is it correct for me to understand that, a power distribution company suppose their estimated requirement is a 100 units in a month. So, they buy 90 units from the trading company and then

the final thing they adjust on exchanges is that correct or not correct this is a very basic question I'm just trying to understand.

Dr. Rajib Kumar Mishra: No, I will give you a very simple and very straightforward answer to this. If you feel that the entire country is generating 1400 million units in a year, 90% of it comes through a long term PPA. And this is being done by the generator, straight either with a DISCOMS, or through an intermediary through a long term or medium term PPAs. So, almost 88% to 90% of the volume comes from long term PPAs, rest of the small 11% to 12% comes from either exchange or through short term bilateral contracts. So, you can understand this exchanges are contributing only 5% to 6% of the total requirement of a distribution company. At this point of time, this is the share of different components.

Mohit Kumra: How do you see this moving forward, does it change structurally?

Dr. Rajib Kumar Mishra: With the market getting more mature this 12% may increase to around 20% to 25%.

Moderator: Thank you. We have a question from the line of Rajen Shah from Value Invest.

Rajen Shah: Sir, I had few questions actually. In the first quarter our volumes went up by about 16%, what is your outlook for the next three quarters, that was my first question. The second question is on PTC Energy. What is the net debt in PTC Energy, I just wanted to understand that because just wanted to get a feel of what is our equity holding, we hold 100% in PTC Energy. So, just wanted to know what is the net debt and what could be the net equity realization for us at PTC energy. So, that was my second question and thirdly sir, post PTC Energy divestment which you are expecting by the end of this month, can we expect process on PFS to start. So, these are my questions.

Dr. Rajib Kumar Mishra: First what you asked, what will be the way forward for the entire year, we have already given that, what the target we have set for us and it will be in the range of 15% to 20% for this year for the growth, for the volume. The second part, you asked about what is the debt which CFO has just informed, that it is around 1200 crores for PTC Energy. And once we finally get the bid and we are in a position to share with you the details, we will be in a position to tell how much equity or the value this company has created for us, so there we are. And the third part is, just after this or maybe after some month time, as I said that we will take one-by-one whatever the disinvestment process we have to take up and what the Board has mandated for us.

Rajen Shah: So, I had one more question actually. The CFO mentioned that the profit of Hindustan Power Exchange in the first quarter was about 2.4 crores. So, this 2.4 crore was 100% of Hindustan Power Exchange I understand?

Pankaj Goel: Yes, it is for 100%.

Rajen Shah: So, our share is 22% to 23%?

- Pankaj Goel:** Yes.
- Rajen Shah:** So, sir maybe in the next one or two years do you plan to sell your holding in HPX or bring it down?
- Dr. Rajib Kumar Mishra:** I have clarified this very well, whatever the PMR will tell us, we will do that, but important thing is, we have created this institution, and we being one of the largest promoter of this company, we will decide what to do with this, but right now we are in the creation mode.
- Rajen Shah:** Okay. Last question sir, the promoters NTPC and other prominent power players, they hold about 16%, Damodar Valley holds about 4%. Any plans by the Power Ministry to privatize this company or sell all this players, selling their stake, because if that happens it could really unlock the tremendous value of PTC India.
- Dr. Rajib Kumar Mishra:** You are asking this question related to the decision to be taken by my promoters and the Ministry of Power. So, I will very humbly say, that this is a question meant for them and not for me.
- Moderator:** Thank you. We have a text question from Narendra Khuthia from Robocapital. What was the revenue of HPX in FY23, if you could share the number?
- Dr. Rajib Kumar Mishra:** Yes, CFO will share that, just a minute.
- Pankaj Goel:** Total revenue of HPX for the quarter was around 9.53 crores.
- Moderator:** Thank you. We have a text question from Manoj Alimchandani from AFRS. What is the fair value estimate for PTC Energy, who has done the valuation before inviting offers for sale. What is the minimum reserve price, how the sale processes are proposed to be used?
- Dr. Rajib Kumar Mishra:** We understand that this is something very sensitive questions which you are asking, and the process is on and it has to be a very transparent process. And as I informed our shareholders and investors that there are multiple bids which we are expecting and any of the information which we had to share at this point, we need to be very cautious and I can only say that once this process is complete, the entire thing we will share with you including what the reserve price was and how much the bid was and what is the final bid which we have received. So, till that time, I feel that you have to bear with us and we will be announcing it shortly.
- Moderator:** Thank you. We have a text question from Sonaal Kohli from Bowhead. 500 crore is net debt or gross debt of the standalone entity. What are your gross receivables and creditors on 30th June. Also, gross receivable about six months on 30th June. Any plans to sell Teesta Urja this year or next year?
- Dr. Rajib Kumar Mishra:** Just a minute, CFO is trying to dig out the details.
- Pankaj Goel:** Gross receivable as on for the quarter as on 30th June, was around 6449 crore.

- Moderator:** Should we move to the next one, sir?
- Dr. Rajib Kumar Mishra:** Yes, because the other two, I've already answered in the earlier questions. So, you can move to the next.
- Moderator:** Okay. We have a question from Narendra Khuthia from Robocapital. Please go ahead.
- Narendra Khuthia:** Thanks for sharing the Q number but, it would be helpful if you could share the FY23 number for HPX revenue?
- Pankaj Goel:** I am just trying to take it out, if I am able to find it I'll tell you. You are asking for the March 23 numbers?
- Narendra Khuthia:** FY23.
- Pankaj Goel:** The total revenue was around 17.44 crores. For the quarter it is 9.53 and for the last year as a whole it is 17.44 crore.
- Moderator:** Thank you. We have a text question from Sriram R. I understand that PTC India was one of the original promoters of IEX. Why did we exit and now we have reentered the same via HPX. Can you please explain the logic of exit and reentry?
- Dr. Rajib Kumar Mishra:** PTC in the past is the creator of the market, that is we are since 2000 we have started this process and we have created many institutions. And IEX was promoted by PTC at one point of time not PTC, but PTC Financial Services for that matter. And the decisions taken at that point of time, there is no point to look into what decisions have been taken. But HPX has been this decision to invest in HPX, the third power exchange was taken in 2016-17, got the license in 19-20. And since then the operationalizing 22-23 and we are at the stage what we are today. So, this is the real story and if you try to see any other reason other than that, we can discuss it separately.
- Moderator:** Thank you. We have a text question from Manoj Alimchandani from AFRS. What are the plans for expansion of Board and any fresh induction of reputed IDs?
- Dr. Rajib Kumar Mishra:** As far as the PTC is concerned, we have 12 Board members and six of them are reputed IDs and they have incredible records. So, that is, we are compliant 100% compliant as far as SEBI is concerned. Any new induction at any point of time will be informed to the both, the exchanges and will be informed to the shareholders as well.
- Moderator:** Thank you. We have a question from Vaibhav Gupta from Bowhead Investment Advisors. Mr. Gupta, please go ahead with your question.
- Vaibhav Gupta:** Sir just wanted to make one request with regard to sharing subsidiary financials going forward in the quarterly presentation itself.

Dr. Rajib Kumar Mishra: Okay, we will try to do that. As far as SEBI LODR because these are two listed companies and they have their separate analyst calls. So, we maintain that we have two different analyst calls. But in case if you feel that for sharing information, you want this additional information to be given to our investors. We can do that but again, my request to all our shareholders is, please restrict our call limited to this.

Moderator: Mr. Gupta does that answer your question?

Moderator: Thank you. We have a text question from the Vipulkumar Shah from Sumangal Investment. What is our stake in Teesta Urja Limited?

Dr. Rajib Kumar Mishra: CFO will inform this.

Pankaj Goel: To be precise 5.62%.

Moderator: Thank you. We have a question from the line of Rupesh Sankhe from Elara Capital. Please go ahead.

Rupesh Sankhe: Sir, just wanted to clarify, you said that we sold 10 billion units on IEX platform in Q1 FY24, is that correct number sir?

Dr. Rajib Kumar Mishra: Yes, the exchange volume is this and most of it goes to IEX.

Rupesh Sankhe: Okay. So, let's say tomorrow HPX come out with a dam product. Do we intend to divert our volume from IEX to HPX?

Dr. Rajib Kumar Mishra: We have always informed you that all the customers who have faith on PTC to do their business on the exchanges, we give them full opportunity to choose which exchanges they would like to do business with. So, as far as PTC is concerned, we will not ask anybody to either do it through IEX or any other exchange but customer has the full choice to choose which exchanges they would like to do business.

Moderator: Thank you. We have a text question from Manoj Alimchandani from AFRS. What are the plans for expansion of Board and any fresh induction of reputed IDs?

Dr. Rajib Kumar Mishra: We have already answered it, there's a repetition please.

Moderator: Thank you.

Dr. Rajib Kumar Mishra: So, if there is no fresh question, we can thank all our investors.

Moderator: Sir we have two text questions should I read that?

Dr. Rajib Kumar Mishra: Please continue with that.

Moderator: We have a question from Lipika Kundu an Individual Investor. Sir, next year 2024-25 is silver jubilee year, what are plans to reward investors?

Dr. Rajib Kumar Mishra: I mentioned it during my opening remarks itself that PTC Management, Board, both are very keen to reward their investors. And the dividend declaration policy also speaks very clearly about that. But the important thing is, if the value is created in terms of whatever will be shared and will be rewarded to the shareholders, and the Board is very much in favor of that.

Moderator: Thank you. We have a question from Sriram R. What is the current operating margin of HPX, how would that change when market coupling happens?

Dr. Rajib Kumar Mishra: The trading margin what is prescribed in the PMR is very clearly Rs.0.02 buy side, Rs.0.02 sales side. And that's the margin on which they operate. Of course, they can offer some discounts and any new exchange in the initial years, we will offer some discounts and this is not going to change even if there is a market coupling there is nothing which we know at the aftermarket coupling the exchanges or for that matter, bid aggregators will be reduced from this Rs.0.02 plus Rs.0.02 margin.

Moderator: Thank you, sir. As there are no further questions, I would now like to hand the conference over to Dr. Rajib Kumar Mishra for closing comments. Over to you sir.

Dr. Rajib Kumar Mishra: Thank you very much. And I'm really thankful to all the investors because we know that tomorrow is an Independence Day for the country. And just after the weekend, and before the Independence Day it's a tough day for all of us. But you all participated, and I'm thankful for all our investors that they have shown faith in this company all these years, and particularly during some time when we were not facing the best of the times. So, I'm really thankful for all our investors. And I can assure you that the company is on the right track. And we are doing good as far as we have planned. Thank you very much.

Moderator: Thank you, sir. Ladies and gentlemen on behalf of PTC India that concludes today's session. Thank you for your participation. You may now exit the meeting.