



Dated: 16.07.2024

To
Department of Corporate Services,
BSE Limited,
25th Floor, P.J. Towers,
Dalal Street, Mumbai-400001

Scrip Code: 538882

Dear Sir/Madam,

Subject: Submission of Investor/ Analysts Meet Transcripts

In continuation of the letter dated July 9, 2024 related to the Investor Conference Call to discuss the Financial Results for the Quarter 1 of Financial Year 2025 and pursuant to Regulations 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), please find enclosed the Transcripts of the Company's Investor Call.

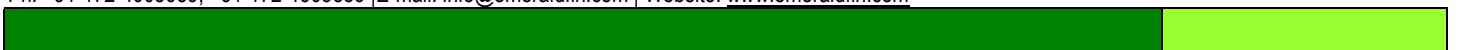
The said Transcript is also available on the website of the Company at <https://emeraldfin.com/wp-content/uploads/2024/07/Emerald-Finance-Q1-FY25-Earnings-Call-Transcript.pdf>

It is further confirmed that no unpublished price sensitive information was shared/discussed in the meeting / call.

We request you to take the same on record.

Yours Sincerely
For Emerald Finance Limited

(Amarjeet Kaur)
Company Secretary cum Compliance Officer
Membership No. :A17273





“Emerald Finance Limited
Q1 FY '25 Results Conference Call”

July 12, 2024



MANAGEMENT: **MR. SANJAY AGGARWAL – MANAGING DIRECTOR–
EMERALD FINANCE LIMITED**
**MR. TALIN AGGARWAL – HEAD OF BUSINESS
DEVELOPMENT –EMERALD FINANCE LIMITED**

MODERATOR: **MS. CHANDNI CHANDE – KIRIN ADVISORS**

Moderator: Ladies Ladies and gentlemen, good day and welcome to Emerald Finance Limited Q1 FY '25 Results Conference Call hosted by Kirin Advisors. 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 star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Chandni Chande from Kirin Advisors. Thank you and over to you ma'am.

Chandni Chande: Thank you. On behalf of Kirin Advisors, I welcome you all to the conference call of Emerald Finance Limited. From management team, we have Mr. Sanjay Aggarwal, Managing Director. Mr. Talin Aggarwal, Head Business Development.

Now I hand over the call to Mr. Sanjay Aggarwal. Over to you sir.

Sanjay Aggarwal: Hi, good afternoon everyone. I am delighted to welcome you all to our Q1 FY '25 Earnings Call. Thank you for taking the time to join us today to discuss Emerald Finance's financial performance for the first quarter of FY '25.

In this year, our total consolidated total income was at INR4.4 crores which represents a substantial year-on-year increase of 58.41. On stand-alone basis, our total income increased by 42.35%. Our EBITDA margin jumped by 114% on a year-on-basis to INR2.95 crores and on stand-alone basis by 65.52% to INR1.94 crores. PAT also increased almost doubled by 98.92% to INR1.17 crores and on a stand-alone basis, it increased by 45% to INR1.10 crores. Since this is a major focus in the last quarter and going forward will be on the EWA product, which is Earned Wage Access.

This product is weak in US, mainly US as well as European countries. In this particular product, we tie up with the employers and whereby we give a dashboard to the employer and he sends the links to all his employees. From that link, employees can withdraw up to 40% of their monthly salary and the repayment comes from the employer next month.

He deducts from the salary, let's say that employee's salary is worth 20,000 and he withdraws up to 8,000. So next month, the employer deducts 8,000 from the employee's salary and he pays 8,000 and the balance 12,000 gives to the employee. So we have till now total 15 live partnerships and the major focus going forward also is going to be on this particular product.

Here, the money is almost 100% secured because the repayment is by the employer. So there's hardly any chance of delinquency coming in. The only worst case scenario will be that only the employer starts delinquency himself on the employee's salaries.

And the second growth was from a subsidiary in which we did more than INR50 crores of gold loan business through Axis Bank and HDFC Bank. Here, it was only a fee-based income and we didn't have any risk involved in this thing. And the first quarter of FY '25, we also issued warrants of INR10 crores to Investi Global. It's a Mauritius-based FPI. We have received 25% of the payment and the balance 75% we expect to receive in this coming quarter.

In the closing, I would like to express my gratitude to all my employees, customers, partners, as well as shareholders for the unwavering support and trust in our company. We are really excited about our future growth prospects mainly in our EWA as well as our syndication business. Thanks once again for joining us today. I'm looking forward to engaging discussion and addressing any questions you all may have.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Bhumika Jain from Desvelado Advisory. Please go ahead.

Bhumika Jain: Good afternoon, sir. Congratulations on your good results. My question was, you have told that you are tied up with 15 companies in total and you have given a target of 100 to 120 corporates this year. So, how are you planning to catch up with this target?

Sanjay Aggarwal: See, we have appointing sub-agents pan-India. We are targeting about 50 sub-agents pan-India. And even if they, you know, each one of them gets two corporates, we should easily cross 100 mark. And like we have got with one HR firm in Bombay. So they have the -- they're working at senior level recruitment for Tata's, Birla's, Mahindra's. Even if they get one or two major corporates like that, we should have substantial disbursement through them.

Bhumika Jain: Okay, sir. Also, your fee-based income has also doubled. So what can be the reason of fee-based income? Is there an increase in existing clients or there is a new addition in new clients?

Sanjay Aggarwal: It's the addition in new clients. It's majorly an addition of new clients only. Of course, we are doing top of businesses, but it's a major increase of -- we're almost working in 100-plus cities with pan-India for the distribution business. For HDFC Bank, I think we're third or fourth largest distribution for gold on pan-India.

Bhumika Jain: Okay, sir. Also, if you are planning to increase on new contracts, so the ticket size of EWA is INR20,000 to INR50,000 for now. And are you planning to increase on your ticket size also?

Sanjay Aggarwal: Come again, please. I can't place you.

Bhumika Jain: Your ticket size of EWA is INR20,000 to INR50,000 for now. Are you planning to increase on your ticket size?

Sanjay Aggarwal: No, we are not planning as such to increase the ticket size. It depends on what is the salary bracket of the employees who are taking money. We normally give up to 40% of the salary. Suppose if somebody's salary is INR50,000, we'll disburse about INR20,000. If somebody's salary is INR2 lakhs, then accordingly we'll disburse about INR80,000. See, normal people who take this EWA from us get the salary bracket of INR15,000 to INR50,000.

Bhumika Jain: Okay, sir. Also, your data days have been doubled. So is this the reason for not increasing your ticket size?

Sanjay Aggarwal: Come again. I can't place you, please.

Bhumika Jain: Data days have been doubled. So is this the reason for not increasing the ticket size?

- Sanjay Aggarwal:** No. See, ticket size is not any constraint. If somebody, an employee who has a salary of, let's say, INR 2 lakhs, he wants to withdraw up to INR 80,000, we are more than willing to disburse the loan to him. See, data days increase the basic fee-based activities, our syndication business, where sometimes payments get delayed, either from the parent company or from the individual major company. There's no delay in EWA collections. We are receiving on due dates. All the payments are receiving on the due dates. Normally in EWA, we receive the payment before 15th of next month, we receive all monies collected. These debtors are mainly on account of syndication business.
- Bhumika Jain:** Okay, sir. Thank you.
- Sanjay Aggarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Harsh Shah from Sumaria Family Office. Please go ahead.
- Harsh Shah:** Hi. Congratulations firstly on a great set of numbers.
- Sanjay Aggarwal:** Thank you very much.
- Harsh Shah:** I wanted to ask a couple of questions. So the first question is like, what is the total loan book size currently? And out of the total loan book size, if you can give me the breakup of business loans and early wage access that we are doing currently like monthly? So if you can give me that breakup that would be helpful?
- Sanjay Aggarwal:** Total book size is around INR 49 crores. Currently, EWA is only for INR 2 crores out of that. But going forward, we expect EWA to increase, but much more focus will be on EWA.
- Harsh Shah:** Okay.
- Sanjay Aggarwal:** EWA, we started about three, four months back only. So we're just setting up sub-agents and tying up with more and more corporates. Our future growth prospects will come majorly from EWA. As of date, it's about INR 2 crores only.
- Harsh Shah:** Okay. So in the last con-call, I guess the EWA was INR 1 crore monthly. So we have increased that to INR 2 crores.
- Sanjay Aggarwal:** Yes.
- Harsh Shah:** Okay. And sir, can you give me what is the status on the partnership that we are tying up, that we are doing with the corporates? So are we in talks with many new corporates, if you can guide me in the growth?
- Sanjay Aggarwal:** Yes, we are in talks with a number of corporates and we got a major tie-up with, you know, like I told HR firms, a couple of CA firms also, who are also sourcing clients for us. See, the main problem in this product is it takes a little time more to tie up with the corporate. We have to convince the corporate to tie up. Once the tie-up is done, then the business flow starts automatically. That is a major challenge.

Tying up with the corporate is a major challenge in this product. See, technology-wise, we have very robust technology. Our system can handle 20,000 transactions per second. The system is that robust. The major challenge is finding new corporates and convincing them to tie up for this particular product.

Harsh Shah: Okay. Sir, a follow-up question on that. So what exactly is the challenge that we face in terms of onboarding or tying up with corporates? Because in the model that we see, there is typically no cost that the corporate or the company has to face, right, because the employee is bearing the interest and the corporate has to just repay the thing that, repay the money that the employee worked for, right? So the cost on the corporate is zero, per se. So what is the challenge that we face in tying up with corporates?

Sanjay Aggarwal See the major challenge always comes from the HR department. They have to do additional work. I'm talking about one very large corporate in Mumbai, where even the CEO and the CFO have agreed. HR department is not agreeing because they see there's additional burden, additional work we have to do. Otherwise CEO has cleared, CFO has cleared the proposal. We get mostly stuck up at the HR department level.

But still that's not because they're slowly and steadily, the number of corporates is increasing, month on month. And now we've got in the meantime, we're setting up a good network also, which will, they will source up the corporates for us. We part certain mode of commission to them. So they also the sub-agents also have the advantage of, sourcing for us.

Harsh Shah: Okay. That's helpful. Thank you. Thank you, sir. And one last question was like, out of the total employee strength of a corporate, like, what is the percentage of the workforce that avails for the EWA facility month by month?

Sanjay Aggarwal: 10% to 15%.

Harsh Shah: Okay. So 10% to 15% of the employee strength?

Sanjay Aggarwal: Yes. 10% to 15% of the employee strength. What you're typically seeing, but that keeps on increasing, by word of mouth increases month on month. Let's say about 100 employees in a company, let's say 10 people take they tell their neighbors also, the co-workers that we have taken. And they also, typically see 10% growth in every corporate, which we have tied up. And it's mostly by word of mouth only.

Harsh Shah: Okay sir. Thank you so much. That's very helpful. I have more questions, but I will get back in queue. Thank you.

Sanjay Aggarwal: Sure.

Moderator: Thank you. The next question is from the line of Himanshu Mandel, who's an Investor. Please go ahead.

Himanshu Mandel: Hello sir. Congratulations first of all to all of us, I would say not only to you, but to all of us that the business is growing. And definitely we will also find some growth together with you.

So my question would be, which market cap businesses are we concentrating on? I mean to say that, is it to the mid cap companies or large cap companies that you are making tie ups and giving your services?

Sanjay Aggarwal: See we are open to all the corporates like I told you, we have onboarded one agent who has tied up with, yes, looking for Tata's and all major corporates in India. But we are not able to make enrout as right now. Currently the 15 companies we have, these are basically small companies or mid cap companies, you can say.

But we are open to all sorts of companies. Because our system is robust, we can handle, as I said earlier, 20,000 transactions per second. So even if we are able to work somewhere large corporate, we will be able to handle the volume of business.

Himanshu Mandel: Yes, please go ahead.

Sanjay Aggarwal: And funding is also not an issue, because we have a tie up with State Bank, term loan from State Bank, the money will come from there.

Himanshu Mandel: Great, sir. And are we only concentrating in the Indian market? Or do we have any future plan to accelerate the business in the global world?

Sanjay Aggarwal: India market is so huge now, it's totally untapped as of date. It's a trillion dollar market. We don't go elsewhere now just focus on to this. It's a huge I don't know why, it started in India. If you look at US, this EWA product is so popular over there. I mean, I was recently in US, the market is like, take your salary after every shift. In US, they work in the morning and in the evening, they withdraw the salary.

Himanshu Mandel: Yes sir. Actually sir I am a TCS employee. And I already know all these things that my company is also providing the similar kind of services. I don't know which company is tie up with the TCS at this moment. So I am also sometimes utilizing these facilities which company is providing. And my next question would be what verticals are we planning? Is it to any vertical specific plans we have or I mean, for the future, as well as for now? Or it is like you said that it is open for all.

Sanjay Aggarwal: Vertical in the sense, any particular segment?

Himanshu Mandel: Vertical, yes. Verticals like automobiles, IT, pharma, like...

Sanjay Aggarwal: There's no particular vertical like that. We are open to all sorts of...

Himanshu Mandel: There is no relation.

Sanjay Aggarwal: No, no. We recently tied up with IDS infotech Services in Chandigarh. This is one of the largest IT company, about 1,500 employees. So next week, we'll start the disbursements also. So we are open to all sectors.

- Himanshu Mandel:** Okay great sir. And my next question is, are we only tying up with the private sector companies or do we have any future plan by going with the government subsidiaries or some government organization or something?
- Sanjay Aggarwal:** See currently we are working only for the private sector. We had approached a couple of government companies also. But the problem over there is they are hesitant to share the data of their employees because we need all their KYC documents, the salary brackets.
- We approached a couple of departments in Haryana. So but they said they will not share all the employee data but in our particular product, we need to have the entire, KYC documents or bank account numbers supplied by the employer. Government departments are a little hesitant on sharing that particular data.
- Himanshu Mandel:** Great sir. I know, I wish we will get these things also through with the government sector companies or maybe the subsidiaries in going future. Sir how Emerald is getting income out of all these things what we are doing? I mean, see, you are giving money to the employee, employer giving it back to you. So is there any interest or what kind of income Emerald is costing in between?
- Sanjay Aggarwal:** See we charge upfront processing fees. Like let's say if we disburse somebody INR10,000, we deduct a certain processing fees upfront from the employee. See let's say, see, we are given a range of 18% to 60% to RBI. We have submitted the entire product program to RBI. The interest rate ranges between 18 to about 60%.
- We don't charge 60%, this is much lesser than that. It's upfront, the processing fees upfront deducted from the disbursement amount. And the employer pays up, let's say if somebody is withdrawing INR10,000, we pay him INR10,000 minus the processing fees. And the employer will pay us back INR10,000 complete.
- Himanshu Mandel:** Fantastic, sir. Maybe this question is also related to the same. So is this the only income model Emerald has or are we also switching in some other income models in future? I mean, if I want to stick with the company for longer period and maybe I will increase my stake also. So what kind of models are we planning in future? Business model, I mean.
- Sanjay Aggarwal:** See currently we have three models. One is we are doing business loans. that is what we started with us. And majority of the chunk of book size is because of business loan as of date. Two is the e-work. Third is the distribution model, which we're doing PAN India for almost 40 banks. We are distributing the various retail products, right from gold loans to personal loans to business loans to home loans and loan against property.
- And going forward we are talking to couple of more -- starting off with a couple of more products that is still in the pipeline. As and when they mature we'll let you know. We inform the BSE about that as and when we start with that, but one or two things are already in the pipeline for that.
- Himanshu Mandel:** Sure. Thank you so much sir for nice talking to you and I wish we all will grow together like I said at the beginning. So thank you so much and wish you good luck.

- Sanjay Aggarwal:** Thank you very much. Thank you so much, please.
- Moderator:** Thank you. The next question is from the line of Raj, who's an Investor. Please go ahead.
- Raj:** Hi. My question is like who are our competitors and what is our USP that makes a company choose us instead of any other firm, any other competitor that we have in India?
- Sanjay Aggarwal:** See we've got three main competitors. One is Refyne that's Chennai-based. Second is Jify and third is FatakPay. FatakPay is not doing -- not into, but they are into basically personal loans. See only two NBFCs currently have this doing this in your product. We and Refyne in Chennai. Jify is a FinTech. Jify doesn't have the NBFC license, but they have received funding from Nexus and one more big equity frame Investor.
- Raj:** All right. And like you keep saying like we have the capability of having 20,000 transactions per second. Just to see the scale like where are we right now? What is our current utilization if we can call that term?
- Sanjay Aggarwal:** I think it's quite less means 20,000 is the maximum the systems can handle as of date. So right now we're quite less on that. I think as of date we have about 900 clients.
- Raj:** All right. Thanks.
- Moderator:** Thank you. The next question is from the line of Gaurav Maggu who is an Investor. Please go ahead.
- Gaurav Maggu:** Hi congratulations on the good set of numbers.
- Sanjay Aggarwal:** Hi, Gauravji. Thank you.
- Gaurav Maggu:** So are you facing like are we facing any kind of competition from private banks who keeps these salary accounts with them of these employees? Have you seen, I mean, are they preparing any such product or have they approached corporates with some similar kind of a product or not is my first question?
- Sanjay Aggarwal:** No, we have not come of date. As of date only four companies in India are doing it forefront rather than I mentioned four only three. We, Jify and Refyne.
- Gaurav Maggu:** And how many clients have we added in this quarter?
- Sanjay Aggarwal:** I think about 6 more clients, 6 or 7 total as of date are 15.
- Gaurav Maggu:** Okay so it's like we have not crashed even the surface probably.
- Sanjay Aggarwal:** We don't even it's a huge, it's a trillion dollar market. It's a huge market. We are right now focus is to activate our sub-agents and we have done one or two major partnerships in Mumbai and I think that results should come to either should start flowing in this quarter max the next quarter. These are the agents who have huge corporate tie-ups with them. We're parting certain

part of the fees to them and you should have major growth prospects maybe going forward next quarter or the end of this quarter.

Gaurav Maggu: And is there any clients who have stopped or doing -- stopped using the services or they started with us?

Sanjay Aggarwal: Not as of now.

Gaurav Maggu: So even the first client is still there and we are...

Sanjay Aggarwal: Yes it's there. It happens once you enter into company it happens in auto mode. Touchwood we haven't received a delinquency as of date.

Gaurav Maggu: Yes the product is such that I think delinquency cannot be I mean even if there is only one reason of delinquency if the company defaults?

Sanjay Aggarwal: Company will default is the last thing they will default is the employee salary, they may default with the bank, of course when we onboard a company we do all the CIBIL checks and everything, background checks we all do. We onboard with good background and that is the worst case scenario when they start defaulting on the employee salary.

Gaurav Maggu: I understand. My second question is what is the reason for our increase in debtor days?

Sanjay Aggarwal: See that is the fee based income basically some people have been delayed. I think now it's more or less clear. We do some syndication business also where we built directly to the company. Let us say we are doing some working capital limit for a certain client. So it is built not to the bank, but to the client. There is a certain delays I think they will be sorted out that shouldn't be an issue.

Gaurav Maggu: All right. And what is the current month run rate for the EWA?

Sanjay Aggarwal: Run rate in the sense as of date it is about INR2 crores.

Gaurav Maggu: All right. Thank you. Thanks a lot.

Moderator: Thank you. The next question is from the line of Jatin Grover who is an Investor. Please go ahead.

Jatin Grover: Good afternoon sir. Sir my first question sir I want to ask you what is the target for expand this loan book in next two or three years?

Sanjay Aggarwal: We want to double at least from this level. I can't give the figures, but you can say that doubling or see there is a huge scope and we have the requisite funding with us. The only challenge is to tie up with more and more corporates and expand this loan book, but at least what we are targeting is doubling off from this level in this current year that is the main target. Year-on-year we should have very good growth prospects because we have even scratched the surface, look at it it's not scratched and we have fantastic returns in this particular product and with almost 0% delinquency.

- Jatin Grover:** My next question is sir you talk about it 10x growth in next three years, sir are you talking about total revenue and net profit?
- Sanjay Aggarwal:** Come again.
- Jatin Grover:** Sir my question is sir you talk about 8x or 10x growth in these three years.
- Sanjay Aggarwal:** In the bottom line yes.
- Jatin Grover:** Okay sir. Bottom line. Thank you sir.
- Sanjay Aggarwal:** Thank you.
- Moderator:** Thank you. The next question is from the line of Sagar J who is an Investor. Please go ahead.
- Sagar J:** Thank you for the opportunity. Am I audible?
- Sanjay Aggarwal:** Yes Sagar j.
- Sagar J:** Sir most of my questions were answered earlier itself just couple of questions. First like do we have any contract period signed with this new employees that we get onboard let us say three years or five years for EWA program?
- Sanjay Aggarwal:** We sign with the employer. We sign the draft agreement with the employer but loan agreement is actually signed with the employee.
- Sagar J:** Okay, is there any time period for that?
- Sanjay Aggarwal:** With the employee, 12 months.
- Sagar J:** Okay, and with the employer?
- Sanjay Aggarwal:** No, that's what I didn't mention with the employer. With the employee, with whom we'll sign the loan agreement. Just 12 months.
- Sagar J:** Okay, so is there a possibility that if someone else comes up with competitive rates the employer may choose to switch?
- Sanjay Aggarwal:** Yes, that possibility is there. Of course, that possibility is there. But we have not seen a -- we don't normally see this kind of thing because then so many employees are also involved in that they normally don't change. Look at it from other countries there are only three or four players and such a huge market. There's room for everyone.
- Sagar J:** Agreed, yes. And my second question was on a comment you made earlier that there is some, what do you say bottleneck from HR department because their workload is increasing. So does that also mean it is adding to the cost of employer? If we -- if they're on board with us?
- Sanjay Aggarwal:** No, it's a little additional work not too much because our dashboard is self-explanatory. Our dashboard shows to the HR department which particular employee has withdrawn how much

amount. Let's say 20 employees withdraw, let's say about INR2 lakh rupees. Our dashboard shows that these 20 employees have withdrawn INR2 lakh rupees. All he has to do is deduct that INR2 lakhs from the employee's salary and pay it to us and the balance amount to the employees directly.

So some of the HR department really don't want to take that additional work, which is hardly they won't take too much of their time or they have to hire additional person it's nothing like that. Our dashboard is quite sophisticated it is self-explanatory. It's just what you can say, become lazy whatever you may call it. They don't want to take additional hassle, they don't want to take additional hassle.

Sagar J: So they need to start with that, yes, am I audible? Yes, I'm audible.

Sanjay Aggarwal: Yes, you're audible, please go ahead.

Talin Aggarwal: Add to that, so we're in the process of developing processes in which the workload for HR won't go up. So then we're creating those technological infrastructure at our end, wherein the data will directly flow into their systems from us without any HR's interfere any HR's additional workload. So all of that is in the pipeline as of now.

Sagar J: Okay, so we can go through that challenge the HR challenge that we're having?

Talin Aggarwal: Absolutely. So we launched, we saw all these challenges that's why we are now announcing the product further and further.

Sagar J: Got it. Yes. But thank you for the answers. That's it from my side, sir.

Moderator: Thank you. The next question is from the line of S. Modi who's an investor. Please go ahead.

Vimal Modi: My name is Vimal Modi, actually, hello. Am I audible?

Moderator: Yes, you're audible, sir.

Sanjay Aggarwal: Yes. You have a very good name.

Vimal Modi: Yes. You need to take care now. See, I have a basic question. One is this source of funds of present INR49 crores loan book. I would like to know the purpose of this fund who has funded and what is the interest cost on the same? That is first question. And my second question is, we have INR227 crores of fees-based income. I'm talking about consolidated number.

I would like to have a break-up of this INR227 crores of fee-based like what type of like EV maybe some small fees and which are the other major fees. And if I, my third question is if I extrapolate this INR227 crores it comes to roughly INR900 crores of INRR9 crores of fee-based income. So is it correct to extrapolate or this number can it's just one of a kind or like exactly what exactly is happening? Three questions. Thank you, sir.

Sanjay Aggarwal: Yes. See, the source of fund of this INR49crores, INR37 crores is our equity. That includes our reserve and surplus. Of that, INR30 crores is the paid-up capital and about INR9 crores is our reserve and surplus. INR7 crores is our reserve and surplus and the balance is debt.

Majority chunk, INR7 crores is from state bank. That is at about 10.95%. Balance is from private sector NBFCs. That'll be around 14% to 15% average. And this one, 2.77, we got a couple of products. Major is your this thing gold loan income. Plus, we are doing a lot of unsecured loans. Like, I think we are the sixth largest of SFMG. That's a Japanese company.

We are the sixth largest distributor in India. And part of the income is from Kotak Mahindra also where we're doing home loans and loan against property. And, yes you can extrapolate it. This just the nine quarters, let's say what I got here and we should get past that. Definitely getting past that.

Vimal Modi: And one more thing. Are we planning any placement again, sir?

Sanjay Aggarwal: Come again? Any planning, any?

Vimal Modi: Are we planning any equity placement?

Sanjay Aggarwal: So we already done two this in this quarter. Two investing global, just a monetary-based fund. We have issued a warrants worth INR10crores. INR2.5 crores we already received from them in the month of May. And the balance will most probably come in this quarter. Balance INR7.5 crores. Although they have about 18 months time, which we can subside to those INR7.5 crores funds. But the most we're going to give it in this quarter only in all probability.

Vimal Modi: No further dilution?

Sanjay Aggarwal: As of date, no.

Vimal Modi: Thank you, sir.

Moderator: Thank you. We have a question from the line of Harsh Shah from Sumaria Family Office. Please go ahead.

Harsh Shah: Thank you for taking my follow-up. So, one question was regarding, if you can give a brief about who all are there in the management team and the role and responsibility of the people in the management team?

Sanjay Aggarwal: See, on the Board of Directors with me, I'm a Chartered Accountant. And Mr. Deepak Gaur is there. He's an Independent Director. He's also a Chartered Accountant. And then Mr. Raman Aggarwal is there. He was the Chairman of FIDC. That's the NBFC Association. And now Mr.-- shortly, one very prominent guy, he was the one who set up KPMG in Africa and started Grand Thoughts in India. Most probably, he's a very senior track guy, front industry guy. He's most probably going to join the board. This is not finalized as of date, but most probably, he's going to join on the board.

Harsh Shah: And in the management team for the Board of Directors?

Sanjay Aggarwal: And the management team, we have Mrs. Gurmeet Kaur. She's our CRO. She was Head of Credit in Citi Financial. And she was heading credit in Fullerton as well as Bajaj Finance. Then Ms. Sheetal Kapoor is there. She's with us since 2011. She's the CFO. She's MBA Finance and ICWA.

And then the Company Secretary is Mrs. Amarjeet Kaur. She handles our legal aspects and other aspects. And my son, Talin, handles the business development and strategic partnerships. Overall, this technology is a part of the EWA. He's handling it.

Harsh Shah: Okay, sir.

Sanjay Aggarwal: But the new gentleman I'm talking about, he's a very senior guy. He's also on the Board of HCL Philanthropy Company and Blu Smart.

Harsh Shah: Thank you, sir. And one more question. So, with regard to the debt-to-equity ratio, what are the leverage that the company is planning to -- what is the debt-to-equity ratio that we are targeting in the next few years?

Sanjay Aggarwal: See, as of date, our current debt is very low. But we are planning to raise more debt, mostly from State Bank. State Bank has already sanctioned us INR15 crores term loan limit. Out of that, we have utilized, as of date, INR7.25 crores. So INR7.75 crores is spending over there. Plus, once we utilize these funds, they will press the limits more.

Harsh Shah: Okay, sir.

Sanjay Aggarwal: And of course, INR7.5 crores equity is going to come now, most probably in this quarter.

Harsh Shah: Yes. So, as and when there will be a requirement, we will try to raise debt, right?

Sanjay Aggarwal: Yes. Debt, we can always raise, no? We can go up to seven times. We're not even at one time. Out of this INR49 crores, INR37 crores equity is hardly debt-to-use for, debt. And, Touchwood, you are a very good lender in the shape of State Bank. Funds will not be an issue. They said utilize this INR15 crores. They'll give us further more for lending.

Harsh Shah: And, sir, one more question in terms of, like, are we seeing any, like, NPA this quarter?

Sanjay Aggarwal: No, we didn't have any, zero NPA last quarter. There's absolutely zero NPA last quarter.

Harsh Shah: Okay, sir. Thank you.

Sanjay Aggarwal: See, Touchwood, we have run into proper Baniyas. We have been, conservative, and we just try to keep our NPAs as low as possible. Touchwood, we had a zero NPA last quarter, and this quarter, going forward also, we expect zero NPA as of date. Money comes from the payment is by the employer, no? We have nothing to do with the employee now.

Harsh Shah: So, no, not just about the leave-age access, but the business loans as well, so...

- Sanjay Aggarwal:** Yes. That's what Touchwood has zero NPAs in this last quarter. This quarter, Q1, there was zero NPA in that.
- Harsh Shah:** Okay. Thank you.
- Sanjay Aggarwal:** See, most of the clients whom we have funded, we have a 15 years to 20 years-old relationship. let's say HDFC has given INR10 crores, or Kotak Mahindra given INR20 crores. These are only corporates, we fund them for business loans, short-term funding to those people.
- Harsh Shah:** Okay, yes, that's helpful, sir. Thank you.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question. As there are no further questions from the participants, I now hand the conference over to Ms. Chandni Chande from Kirin Advisors for closing comments.
- Chandni Chande:** Thank you, everyone, for joining the conference of Emerald Finance Limited. If you have any queries, you can write to us at research.@kirinadvisors.com. Once again, thank you for joining the conference.
- Sanjay Aggarwal:** Thank you very much.
- Moderator:** Thank you. On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.