

Date: 05.08.2021

To,  
Department of Corporate Services  
BSE Limited  
P.J. Towers, Dalal Street,  
Mumbai-400001  
SME Platform

**Sub: Submission of Notice of the 10<sup>th</sup> Annual General Meeting and Annual Report for the Financial Year 2020-2021**

**Script Code: 543284**

Dear Sir(s)


In compliance with Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, we enclose herewith soft copy of our Company's Annual Report for F.Y 2020-21, along with Notice of the 10<sup>th</sup> Annual General Meeting (10<sup>th</sup> AGM) to be held on Monday, August 30, 2021 at 11:30 a.m. (IST) through Video Conference/Other Audio Visual Means ('VC/OAVM').

Notice of 10<sup>th</sup> Annual General Meeting and the Annual Report for F.Y 2020-21 has also made available on the company's website at [www.enkingint.org/investors](http://www.enkingint.org/investors)

We request you to take the above information on record

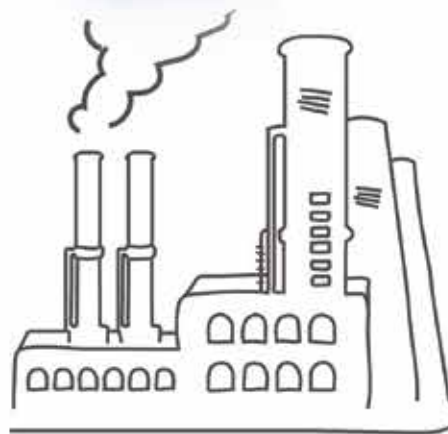
Thanking You,  
Yours faithfully

For **EKI ENERGY SERVICES LIMITED**

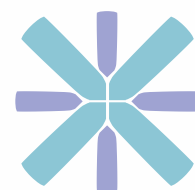
  
Itisha Sahu  
Company Secretary  
Membership No: 59200



Encl: a/a



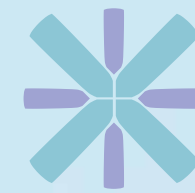
**Future  
aligned to  
Global  
Growth!**



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10TH ANNUAL REPORT 2021  
**EKI ENERGY SERVICES LIMITED**





# Let the Globe Smile

Strategic Sustainable Solutions that are intended for businesses, organisations and for healing global climate on the whole, will lead towards a greener future. Using natural energy without harming the nature is a thought towards aligning future with global growth. Protecting the environment is protecting human life and channelising carbon emissions plays a major role.



## Numbers that create a story!

**900+**  
PROJECTS

**100+**  
EMPLOYEES

**200+**  
MEN YEARS EXPERIENCE

A mission that started in 2011, had a vision towards net zero carbon and climate resilient global economy. Offering carbon sustainability advisory services, EKI Energy works towards creating a healthy balance between environment and human life. Successfully serving numerous projects worldwide, EKI is dedicated towards crafting a healthy future to live in.

**2.9x**  
GROWTH IN  
REVENUE (YOY)  
TO RS. 191 CR

**4.1x**  
GROWTH IN EBITDA (YOY)  
TO RS. 25.33 CR

**4.1x**  
GROWTH IN PAT (YOY)  
TO RS. 18.58 CR

**75%**  
RETURN ON EQUITY

**2.6X**  
GROWTH IN CASH FROM  
OPERATIONS (YOY) TO RS. 15.7 CR



# INDEX

## YEAR IN REVIEW

■ Business Overview	29
■ Business and Financial Highlights	33
■ MD and CEO's Letter	40
■ Awards & Recognition	42
■ Board of Directors	46
■ Governance Structure	47
■ Sustainability	48

## STATUTORY REPORTS

■ Directors' Report	52
■ Management Discussion & Analysis Report	74

## FINANCIAL HIGHLIGHTS

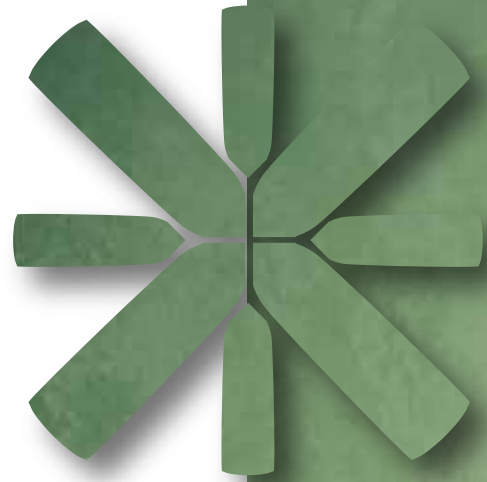
■ Independent Auditors Report	83
■ Balance Sheet	90
■ Statement of Profit and Loss	91
■ Cash Flow Statement	92
■ Notes Forming parts of Financial Statement	98

NOTICE OF ANNUAL GENERAL MEETING	115
----------------------------------	-----

GLOSSARY	136
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COMPANY INFORMATION	147
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## Many Routes- One Destination!

Diversified projects whose ultimate goal is carbon reduction are handled within and outside Indian territories to deliver measurable benefits aligned with the objectives of Kyoto Protocol, Paris agreement and the UN sustainable development goals. Generating profitable measures for the business by generating nature benefits lead to attainment of these sustainable development goals. Solar energy, wind energy, hydro energy and various other energy efficient projects add on to our portfolio with an expert panel and active on ground support. Protecting the Biodiversity in line with the individual business growth finally leads to global lifestyle progress.



Wind turbine could result in annual CO<sub>2</sub> savings of more than 3.2 billion tons in 2030.



Every kilowatt of green energy can reduce your carbon footprint by 3,000 pounds annually.



Globally, forests cover 4 billion hectares (ha) of land, or 30% of the Earth's land surface.



To limit the global temperature rise to 1.5°C, car emissions must be zero by 2050 at the latest.



Although seagrasses account for less than 0.2% of the world's oceans, they sequester approximately 10% of the carbon buried in ocean sediment annually.



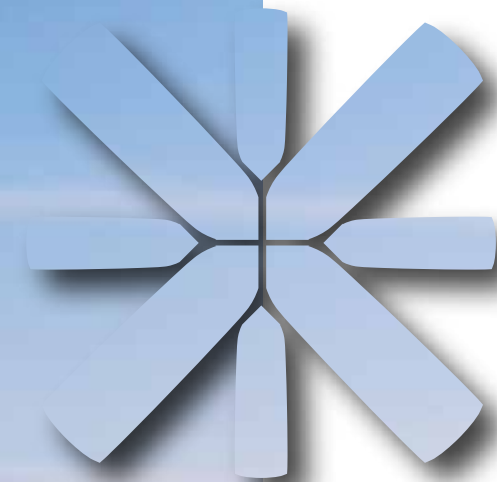
Hydroelectric power plants reduce greenhouse gas emissions by 97.7%



Inefficient stoves emit one-quarter of global black carbon emissions the second largest contributor to climate change after carbon dioxide (CO<sub>2</sub>).



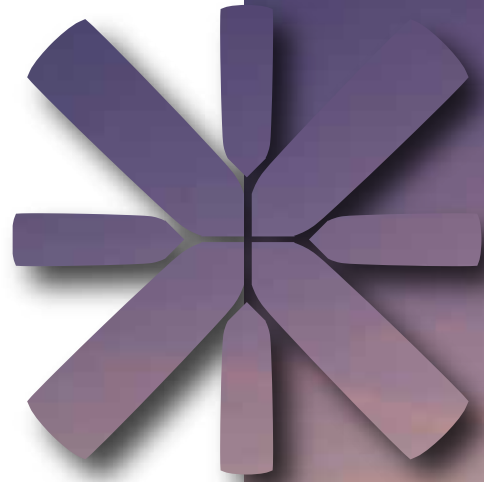




## The Power of Wind!

Power sector is believed to provide 40% CO<sub>2</sub> emissions to the entire world. Deploying wind farms at large scale is a quick and approved approach towards emission free renewable energy development. It is stated that, global wind energy could contribute 76% (for a reduction of 11%) to 47% (18% reduction) of the total emissions reductions, i.e. 1.5 billion tons of CO<sub>2</sub> every year. A wind turbine runs practically emission free for 20 years.



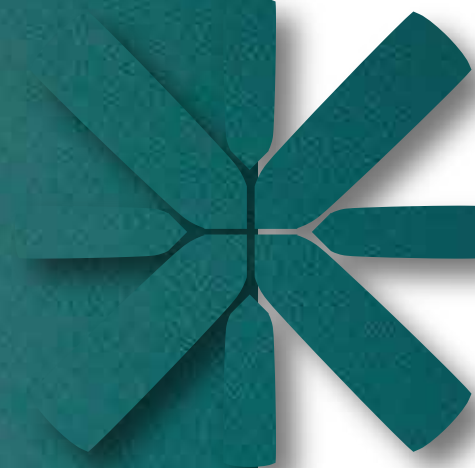
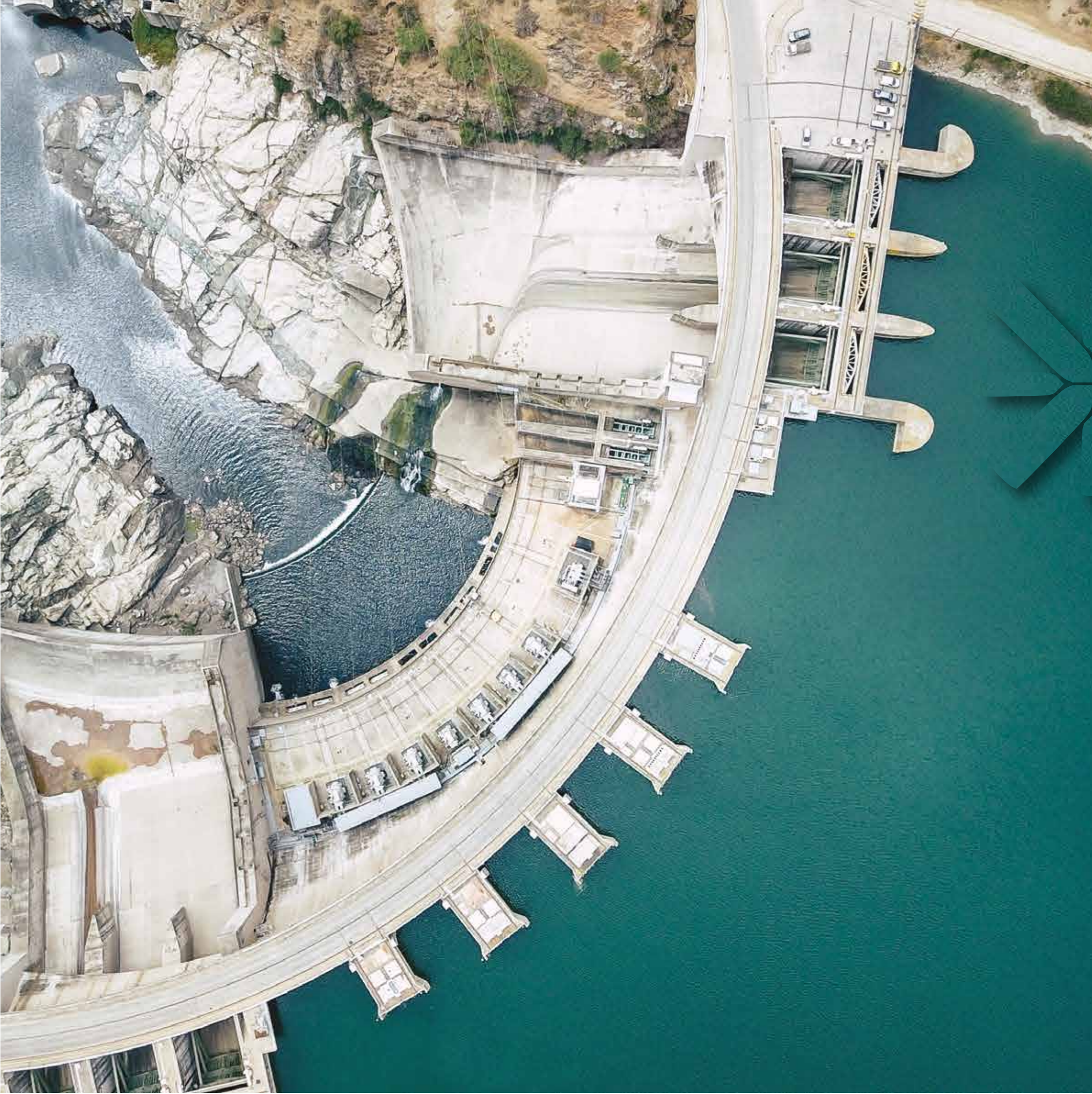


## The Power of Sun!

A greener healthier tomorrow, on this planet is a target that has to be hit with green energies. Solar panel installation on ground or on roof is with expert guidance and team. Energy created through solar panels leaves very low carbon footprint and in turn this type of energy generation will move towards sufficient Global electricity supplies.







## The Power of Water!

Under the carbon control mechanism hydroelectric power is the clean renewable energy source that reduces carbon footprint to a greater extent. A large setup aligned with Global experience helps us build a clean and green tomorrow.

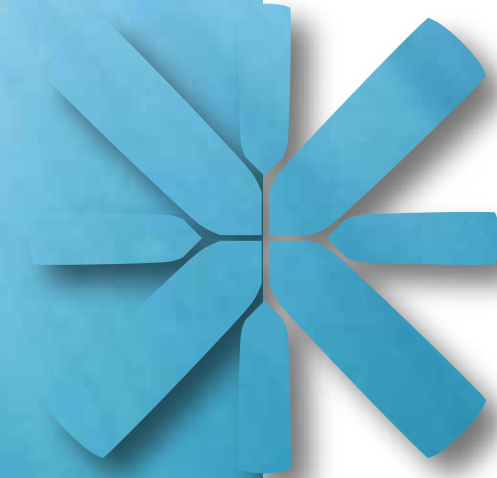


# The Power of Earth!

Forest development help to mitigate climate change. The forest act as a stabilizing force. We work towards forest landscape restoration, sustainable management of wetlands, ecosystem - based adaptation, bioenergy, and transformational change, to design and implement cost-effective and equitable land-based climate policies and practices. Earth's energy is restored and retained through these sustainable measures.



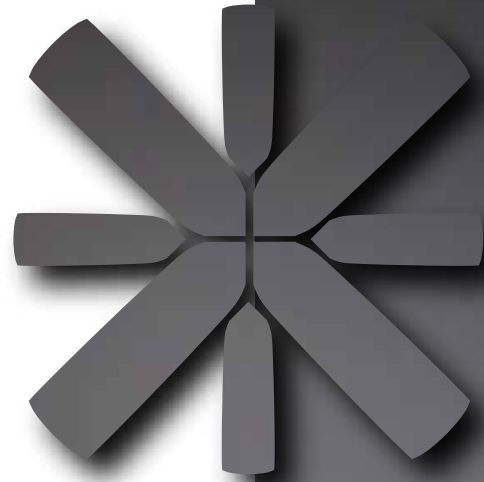




## The Power of Nature!

Seagrass Restoration is a great help in the fight against climate change. It captures carbon up to 35 times faster than Tropical rainforests. This stored blue carbon awards speeding up the process of natural carbon sequestration. A dedicated team and their visioned efforts channelises this source of mitigating CO<sub>2</sub> emissions.





## Redefining Traditional **Approaches!**

Rural areas still work on Biomass fuels for cooking, thereby infusing harmful emissions in the environment. Efficient biodegradable stoves that promotes green energy reduce environmental degradation and helps to combat global climate change.





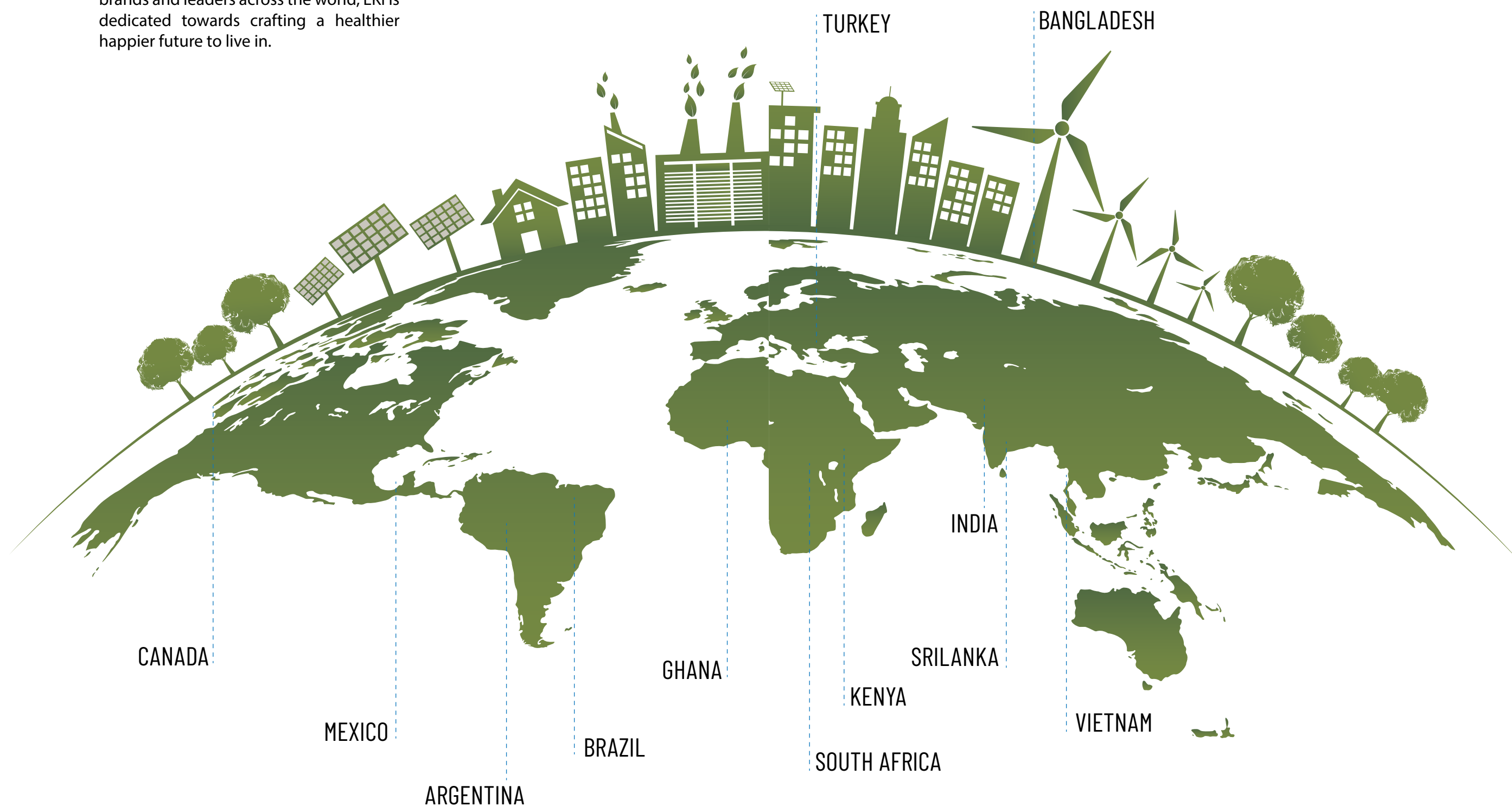


## Fuelling a **Better Future!**

Cars are the biggest problem and their emissions keep rising. To decarbonise, by far the most efficient and convenient zero emission technology available today are battery electric cars. These save on the resources and the environment on the whole.

# Global Reach for Global Growth!

Having a widespread global presence, EKI makes carbon credit trade easy and performs towards sustaining global environment. Working with leading brands and leaders across the world, EKI is dedicated towards crafting a healthier happier future to live in.





# Countries Pledge to Carbon Neutrality

## **India,**

### **Target Date – 2030**

India will stick to the Paris pledge to reduce its carbon footprint by 30-35% from its 2005 levels by 2030 and is aiming to outperform those goals.

## **United Kingdom,**

### **Target Date – 2050**

The UK already passed a framework law for cutting emissions in 2008, setting a net zero target by 2050

## **Germany,**

### **Target Date – 2045**

Germany raised its climate ambition to target net zero emissions by 2045 following a landmark court ruling in May 2021. The cabinet adopted a 65% emissions reduction by 2030, 85-90% by 2040 and net zero emissions by 2045

## **United States of America,**

### **Target Date – 2050**

On a climate platform, Joe Biden the elected president of the United States committed to aim for net zero emissions by 2050.

## **European Union.**

### **Target Date – 2050**

The European Commission is working towards a bloc-wide 2050 net zero emissions target, under a “Green Deal” published in Dec 2019

## **China,**

### **Target Date – 2060**

President, Xi Jinping announced to the UN General Assembly in September 2020 that China would strive to achieve carbon neutrality by 2050. The country would adopt “more vigorous policies and measures” to peak emissions before 2030





A portrait of Bill Gates, wearing glasses and a dark sweater over a light blue collared shirt. He is looking slightly to the right with a thoughtful expression.

Climate change  
is one of the  
most urgent  
issues of our  
generation –  
one that  
demands  
greater  
investment in  
innovation to  
support the  
needs of  
everyone.

**-Bill Gates**

Co-founder of the Bill &  
Melinda Gates Foundation

## BUSINESS OVERVIEW A 10 YEAR DYNAMIC JOURNEY

Having been incorporated in May 2011, EKI Energy Services Limited (EKI Energy) has rapidly become a leading Company in the carbon credit industry with an established global footprint. The Company delivers client services in the areas of Climate Change Advisory, Carbon Offsetting, Business excellence advisory and training services.

At the outset, EKI Energy started with its Climate Change Advisory business which provides consultancy services for the validation, registration, monitoring, verification and issuance and supply of eligible carbon credits. Based on the early market and client traction in this area, EKI Energy expanded its services into Carbon Credits Offsetting business. This was then followed by the establishment of the ISO Consultancy business in 2015 and with increasing awareness of environment safety and energy conservation, the Company started to provide clients with Electrical Safety Audits in 2015.

Across the world today, governments and corporations are fully dedicated to clean and green energy strategies and policies. With heightened environmental focus across all stakeholders, the implementation of renewable energy has been at the top of the agenda for the business community. In the last few years, oil and gas companies have set up detailed timelines to reach net-zero emissions across all of their operations and products. These companies view renewables as a significant growth area and are aggressively diversifying their portfolio to build an optimal mix of reliable, clean and affordable energy.

Over the years, EKI Energy has continued its growth trajectory and expanded its operations in line with these market developments. Today EKI Energy offers services to both governments and private sector industries such as power generation, waste management and airports. As part of our ongoing commitment to quality control, EKI Energy has been certified under ISO 9001:2015. Having now successfully managed over 1,000 projects worldwide, EKI Energy has over 135 skilled and experienced team members, including 25 highly skilled engineers with master's degrees in the field of energy. EKI Energy has an established client base of over 2,000 companies and organizations across the globe.





We will build an optimal mix of reliable, clean and affordable energy with hydrogen, wind, solar, fuel cells and battery. On successful implementation of this strategy, the company aimed to become net carbon-zero by 2035. While Reliance will remain a user of crude oil and natural gas, it is committed to embracing new technologies to convert its carbon dioxide emissions into useful products and chemicals.

**Mukesh Ambani**  
Chairman, Reliance Industries



Our company began to take action to combat climate change in 2008 and I am delighted to announce Infosys' carbon neutrality in 2020. Today, our 2030 vision reflects how ESG will continue to be integral to Infosys' sustainable business performance.

**Nandan Nilekani**  
Co-founder and  
Chairman, Infosys



In 2016, we launched VMware 2020, our global impact vision to serve as a force for good. We committed to clear & ambitious goals for the year 2020, including becoming carbon neutral across our global operations, and I'm incredibly proud that we have reached that target two years ahead of schedule. This represents both a significant step toward fulfilling our commitment to long-term sustainability and global impact, as well as our commitment to accountability and transparency in the management of our environmental footprint. We must work together to create an economy that will enable dramatic reductions in emissions and build resilience.

**Nicola Acutt, Vice President,  
Sustainability Strategy, Office of  
the CTO, VMware**



IAG has led aviation action on climate change for over a decade. Now, we are stepping up our commitment with a package of new measures to reduce our carbon footprint and a long-term goal to reach net zero CO<sub>2</sub> emissions by 2050.

**International Airlines Group  
(IAG)**



Society's expectations have shifted quickly in the debate around climate change. Shell now needs to go further with our own ambitions, which is why we aim to be a net-zero emissions energy business by 2050 or sooner. Society, and our customers, expect nothing less.

**Ben van Beurden, Chief  
Executive, Shell**



A significant portion of Glencore's earnings is derived from the metals and minerals that enable the transition to a low-carbon economy. As the world prioritizes renewable technologies, battery storage and electric mobility, our business is well-positioned to meet the growing demand for the commodities that underpin these future-focused industries. Our ambition to be a net zero total emissions company by 2050 reflects our commitment to contribute to the global effort to achieve the goals of the Paris Agreement.

**Ivan Glasenberg, Glencore Chief  
Executive Officer**



## CLIENT TESTIMONIALS

The team really understands our needs and customize the product according to our needs. Moreover, they are easily available whenever we need clarification with their prompt solutions to every issue. It reflects their expertise and leadership they hold in the market. We had really an amazing and smooth experience with EnKing International and look forward to maintain our relations in the long-run.

**Vishal Singh**  
Sr. Manager (Renewable), Eastman International

In my experience customer relation is the key to business growth. Having a repeat customer or having a repeat vendor is a very calming experience. I think EnKing has mastered that. We started with them with 1 CDM project and today they handle our entire portfolio of 9 projects aggregating to well over a 100MW. I have dealt with Manish and Naveen on a personal level and they are always available to sort out your queries.

**Anirudh Agrawal**  
VP and Director, Agrawal Renewable Energy

I have been interacting with EKI Energy Services Ltd. (EKI), since last two years in relation to trading of Carbon Credits (Conventional CERs & VERs, Gold Standard CERs & VERs) of Godawari Power and Ispat Ltd. & Godawari Green Energy Ltd. – the two corporate entities belonging to Hira Group of Industries headquartered in Chhattisgarh State. My experience in dealing with EKI has been quite satisfying and at times excelling my expectations. I rate them as the top trading house of Carbon Credits in the country with substantial exposure to overseas carbon market. I have found them innovative and abreast with the latest market scenario in this field. They have made substantial contribution in furthering our carbon business pulling it out from a rather depressed state to an exciting level of infusing confidence, which we appreciate very much. EKI has established as our reliable business partner and we wish to travel many miles together to scale new heights in carbon market.

**Laxman Prasad**  
Advisor Hira Group of Industries

## EKI ENERGY BUSINESS SEGMENTS

### A. CLIMATE CHANGE & SUSTAINABILITY ADVISORY AND CARBON OFFSETTING

#### Climate Change and Sustainability Advisory

EKI Energy offers carbon neutrality services to a wide range of projects such as bio-methanation, renewable power (wind, solar, hydro, biomass and geothermal), waste management including landfill, compost formation, energy efficiency, cookstove and water purification. The Company provides fully integrated, end to end solutions for clients to achieve their carbon neutrality goals.

Carbon neutrality involves balancing the emission of greenhouse gases (GHGs) and absorbing GHGs from the atmosphere in carbon sinks. Removing carbon dioxide from the atmosphere and then storing it in natural habitats is known as carbon sequestration. To achieve net-zero emissions, worldwide greenhouse gas emissions will have to be counterbalanced by carbon sequestration.

Encouraging the use of different forms of renewable energy and discouraging the use of conventional sources of energy, which lead to massive emission of GHGs, serves to protect the environment. The Company's Climate Change Advisory services allow clients to achieve their carbon neutrality objectives through the following process:

#### a) Validation of Projects

The validation process starts with identifying viable projects capable of generating carbon credits. EKI Energy has an experienced and skilled team who assist clients to:

- Understand the various technologies to reduce the level of GHG emissions;
- Evaluate whether the project can be validated based on the approved methodology or if it can be suitably modified to complete the validation;
- Verify the projects by evaluating its operations and potential to generate carbon credits.

#### b) Preparation of Project Concept Note (PCN)

Post the validation of a project, EKI Energy:

- Works closely with clients to better understand the project objectives, collect the necessary data to analyze and complete the PCN in predefined format of apex registry bodies;
- Prepares a detailed guidance note on how the project can comply with various GHG program requirements.

### c) Application of Host Country Approval for CDM Projects

In addition to supporting the validation process and PCN guidance, EKI Energy also assists clients in arranging various stakeholder consultation meetings. In line with the United Nations Framework Convention on Climate Change (UNFCCC) procedures, companies can invite local and international stakeholders for a meeting at the project site and seek their comments on the project. At this stage of work, the Company:

- Assigns a representative to the project site during the meeting who advises clients in explaining the project and answering queries;
- Host the Project Design Document (PDD) on the UNFCCC CDM website for public comments;
- Supports clients in responding to the queries posted by various parties, if any, to meet the validation requirements;
- Presents the PDD to the Ministry of Environment, Forests and Climate Change (MoEF & CC), which is also the National CDM Authority (NCDMA), after fulfilling all secretarial requirements and assists companies in receiving approval from the NCDMA.

### d) Assistance During Project Validation and Registration:

Post completion of PDD submission process, EKI Energy assists clients in the registration and verification under various GHG programs including:

- Gold Standard (GS CER and GS VER Projects);
- Voluntary Carbon Standards (VCS);
- Clean Development Mechanism: Program of Activities (POA);
- REC: Airport Carbon Accreditation (ACA) (up to level 4+).

### e) Project Verification and Monitoring:

EKI Energy assists in preparing the datasheet for carbon credit calculations according to the requirement set out in the PDD to its clients.

### f) Preparation of Monitoring Report and Assistance in Verification:

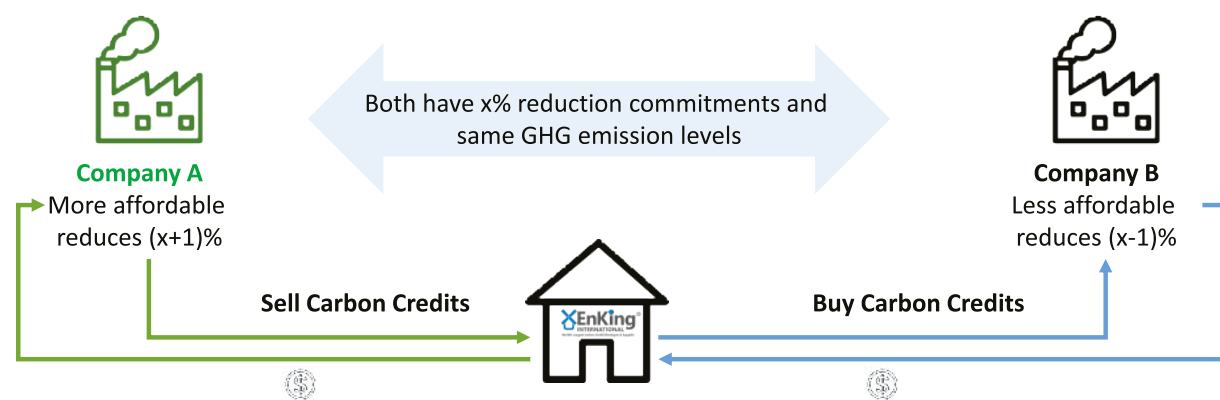
EKI Energy completes the monitoring report, compares and analyses the gathered information and address any findings raised by auditor.

### g) Reporting and Issuance of Carbon Credits:

At the final stage of the advisory services process, EKI Energy works closely with clients to complete the offset issuance process.



## CARBON CREDIT OFFSETTING



EKI Energy facilitates the management of the carbon offset process on behalf of its clients. Once companies have decided to acquire carbon offsets to achieve their carbon neutrality goals, the next decision is to select the appropriate type of carbon offset. EKI Energy conducts all the due diligence required to ensure that the right type of industry specific offsets are selected.

Carbon offsetting is a global innovative tool that allows for collaboration among countries or parties that have higher carbon dioxide emissions than the set limit with those that emit relatively less carbon. This provides business opportunities in developing countries such as Argentina, Brazil, China and India as they are more likely to benefit from carbon offsetting.

As a developing country, India is a part of the Kyoto Protocol which has been developed under the UNFCCC. However, India does not have binding targets on the amount of carbon released that many developed countries have. Any attempt at reducing carbon and producing a positive output earns carbon credits. These can then be transferred to the buyer of carbon credits which generally include companies from developed countries that are required to keep their carbon emissions within the limits set by the Kyoto Protocol.

Emitters in developing countries that can successfully reduce their emissions at a cheap rate can in turn sell their surplus allowances to emitters with higher reduction costs. Waste disposal units, plantations, chemical plants, municipal corporations and even small investors can sell their carbon credits. Carbon credits are held in digital form and may trade over the counter.

The EKI Energy business development team identifies purchasers of carbon credits in various countries and also a corresponding suitable supplier from its project portfolio. The team studies the project requirements, credibility, quantum and profile of the buyer to offer the suitable credits at a competitive price and complete the transaction. Various projects registered with the Company hold carbon credits and once a suitable buyer is located for their credits, issuance fees for the projects are paid to registry bodies (Gold Standard, CDM, VERRA etc) to make them tradable.

Apart from registered projects in EKI Energy's portfolio, the Company may also locate sellers across the globe with the requisite carbon credits. Before executing any contract, EKI Energy ensures that the credits are quantifiable and verified by a third party.

Carbon offsets are currently sold in either voluntary or regulated markets. In the regulated market, buyers operate within the cap-and-trade regime. The Kyoto Protocol to the UNFCCC established a cap-and-trade system that sets a total upper limit on emissions and then either allocates or auctions emission allowances. These systems are meant to achieve the greatest emission reduction at the least cost because emitters with cheap options for reducing their emissions can sell their surplus allowances to emitters with higher reduction costs.

The voluntary market does not function under a cap-trade system and neither individuals nor companies are mandated to act. They choose to offset their emissions out of concern for the environment or to improve the company's positioning. They enable businesses, governments, NGOs, and individuals to offset their emissions by purchasing carbon offsets.

## B. BUSINESS EXCELLENCE ADVISORY & TRAINING SERVICES

EKI Energy provides clients with fully integrated solutions for ISO standards implementation across their organization. The Company also ensures the formal maintenance of organization standards and procedures through management training programs. ISO Certification services involve the following activities:

- **Assessment of Management Systems:** EKI Energy assists clients with the documentation process and record keeping that allows them to de-risk their businesses in a fully ISO compliant manner. It ensures that standards are correctly followed and maintained.
- **Management Training:** EKI Energy offers training to company's executives on various management corporate aspects. These types of trainings are generally customized on the basis of needs of the client and nature of business.
- **Consultancy and Certification Services:** Additionally, EKI Energy is also offers consultancy over implementation of ISO norms, implementation of various other management theories like JIT, Kaizen, 5S etc. in practical environment.

## C. ELECTRICAL SAFETY AUDIT

EKI Energy provides a systematic approach to evaluate potential hazards and to recommend suggestions for

improvements in electrical installations. The Electrical Safety Audit (ESA) process is an important tool for identifying any deterioration of standard and areas of risks or vulnerability. The Company's services minimize the risk of potential electrical related accidents in plants/offices by pre-determining actions to minimize such hazards. An ESA is performed by inquiry, inspection, testing and verification duly conducted by skilled professionals who assist clients in reducing risk and ensure compliance with applicable standards and regulations. The ESA is applicable to all key industries, commercial buildings and fuel retailers.

### The ESA process comprises the following steps:

- **Inspection of existing electrical equipment:** The energy audit specialist conducts an inspection of the premises, review of documents, verification of the records.
- **Preparation of preliminary report:** Post inspection, the specialist records the work practices and business processes of clients. The specialist also notes the details of all electrical installations and electrical equipment of the company and assess the feasibility basis the current requirement of the client.
- **Submission of final report:** Following the review and recording stage, EKI Energy prepares and present an audit report based on the findings of audit team. This report involves details of all electrical hazards, findings and recommendations.

# KYOTO PROTOCOL & PARIS AGREEMENT

## Kyoto protocol and carbon credits

The Kyoto Protocol is a protocol to the International Framework Convention on Climate Change to reduce Green House Gases (GHGs) that cause climate change. The Kyoto Protocol was agreed on December 11, 1997, at the third conference of the parties (COP) to the treaty when they met in Kyoto and entered into force on February 16, 2005. India signed and ratified the Kyoto Protocol in August 2002. The Kyoto Protocol defines legally binding targets and timetables for reducing the GHG emissions of industrialized countries that ratified the Kyoto Protocol. Governments have been separated into developed nations (who have accepted GHG emission reduction obligations) and developing nations (who have no GHG emission reduction obligations). The protocol includes Flexible Mechanisms which allow developed nations to meet their GHG emission limit by purchasing GHG emission reductions from elsewhere. These can be bought either from projects

which reduce emissions in developing nations under the CDM or the Joint Implementation scheme or under Emission trading from developed nations with excess allowances. According to Article 12 of the Kyoto Protocol, the CDM allows emission-reduction (or emission removal) projects in developing countries to earn certified emission reduction (CER) credits. One CER is equivalent to one tonne of carbon dioxide. These CERs can be traded and used by industrialized countries to meet a part of their emission reduction targets under the Kyoto Protocol.

Article 17 of the Kyoto Protocol, allows countries that have emission units to spare – emissions permitted to them but not "used" - to sell this excess capacity to countries that are over their targets. Thus, a new commodity was created in the form of emission reductions or removals. Since carbon dioxide is the principal greenhouse gas, it is known simply as trading in carbon.



The procedure for obtaining certification was laid down in a Decision of the Conference of Parties in 2005 (the apex decision-making body under the Kyoto Protocol). It involves submitting proposals to the 'Designated National Authority', which must register the project before it can be submitted to the relevant authority under the executive board of the UNFCCC. The designated authority in India is the National Clean Development Mechanism Authority (NCDMA) under the Ministry of Environment and Forests. Once a proposal has been approved by the Designated National Authority an accredited third-party institution, a Designated Operational Entity validates the project and submits the proposal to the 'Executive Board', which is a body set up under the Kyoto Protocol to monitor CDM projects at the international level.

#### Paris Agreement

The Paris Agreement is a landmark environmental accord that was adopted in 2016 to address climate change and its negative impacts. India also ratified this agreement in 2016. The agreement aims to substantially reduce global greenhouse gas emissions to limit the global temperature increase in this century to 2 degrees Celsius above pre-industrial levels while pursuing means to limit the increase to 1.5 degrees. The agreement includes commitments from all major emitting countries to cut their climate-altering pollution and to strengthen those commitments over time. The pact provides a pathway for developed nations to assist developing nations in their climate mitigation and adaptation efforts. It also creates a framework for the transparent monitoring, reporting, and racking up of countries' individual and collective climate goals.

#### The Paris Agreement aims at:

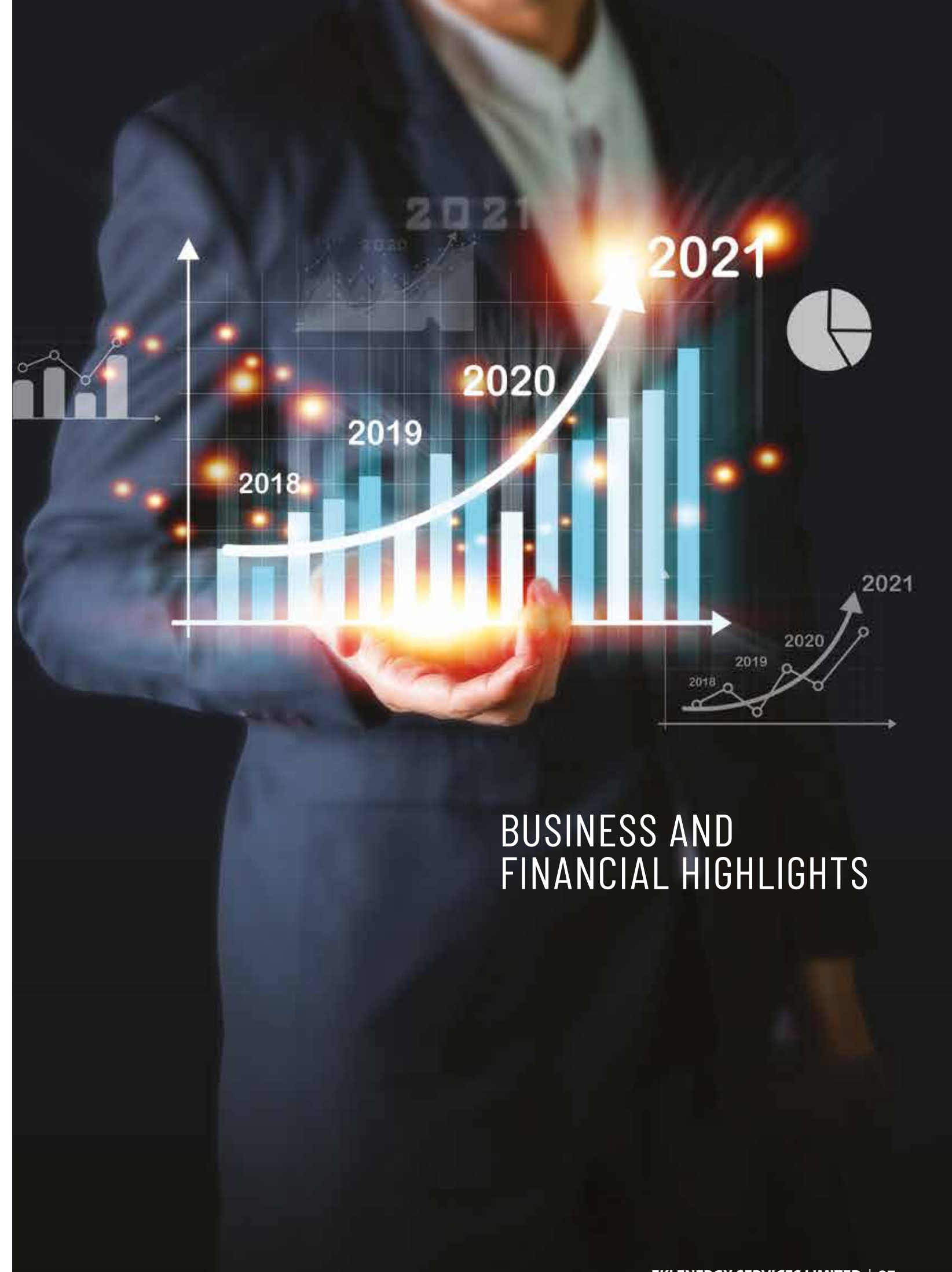
- A requirement for mitigation measures of individual countries to be expressed in nationally determined contributions (NDCs)
- A process that demands a revision of NDCs at least every 5- years representing progression beyond the last NDCs
- A mechanism for countries to achieve NDCs jointly, sharing mitigation targets, and a mechanism for countries to cooperate in achieving NDCs. Countries can meet their NDC targets by transferring 'mitigation outcomes' internationally – either in the context of emission trading or to allow results-based payments
- A mechanism for private and public entities to support sustainable development projects that generate transferrable emission reductions

- A framework for enhanced transparency and an expert review of NDCs
- A Global Stocktake from 2023 and every 5 years thereafter to review progress
- Encouragement for Parties to implement existing frameworks for REDD+ including through the provision of results-based payments
- A global goal of enhancing adaptive capacity, strengthening resilience and reducing vulnerability to climate change, and commitment to providing enhanced support for adaptation

Article 6 of the Paris Agreement aims at promoting integrated, holistic and balanced approaches that will assist governments in implementing their NDCs through voluntary international cooperation. Article 6.2 allows countries to strike bilateral and voluntary agreements to trade carbon units. Article 6.4 creates a centralized governance system for countries and the private sector to trade emissions reduction anywhere in the world. This system known as the Sustainable Development Mechanism (SDM) is due to replace the CDM, established under the Kyoto Protocol. Finally, Article 6.8 develops a framework for cooperation between countries to reduce emissions outside market mechanisms, such as aid. Under the Paris Agreement, a share of proceeds from the markets needs to be deployed to help developing countries adapt to climate impacts. Whether this applies to the centralized SDM market only or to all trading, including from bilateral agreements has not yet been agreed. Under this mechanism, countries with low emissions would be allowed to sell their exceeding allowance to larger emitters, with an overall cap of greenhouse gas (GHG) emissions, ensuring their net reduction. Supply and demand for emissions allowances would lead to the establishment of a global carbon price that would tie the negative externalities of GHG emissions to polluters. In other words, by paying a price on carbon, states exceeding their NDCs would bear the costs of global warming.

#### Comparison between Kyoto Protocol and Paris Agreement

Unlike the Kyoto Protocol, which established legally binding emissions reduction targets (as well as penalties for non-compliance) for developed nations only, the Paris Agreement requires that all countries do their part and slash greenhouse gas emissions. Under Paris Agreement, no language is included on the commitment's countries should make, nations can voluntarily set their emissions targets, and countries incur no penalties for falling short of their proposed targets.





## Business Highlights

EKI Energy shares were listed on the Bombay Stock Exchange (BSE) (SME Platform) on April 07, 2021

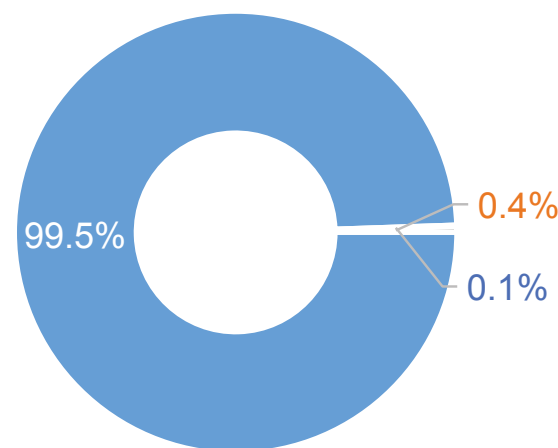
- It is the first climate change related company to be listed in India and the IPO was oversubscribed by ~3.66 times and gained 37% on the first day of trading.
- Supplied the highest number of carbon credits in the history of the Company.
- Expanded business operations with ground presence in Brazil, Canada, Mexico, South Africa,

Turkey, Kenya, Ghana, Argentina, Srilanka, Bangladesh & Vietnam.

- Reported a record turnover of Rs. 19079 Lakhs with a Y-o-Y growth of 189%.
- Reported Y-o-Y growth of 314% in profit after tax i.e. Rs. 1,870 lakhs with consistently improving margins.
- System enhancement to provide work from home environment for employees during the pandemic.
- Presented with Best Broker & Best Trading Company Award at Annual Market Ranking Awards held by Environmental Finance.

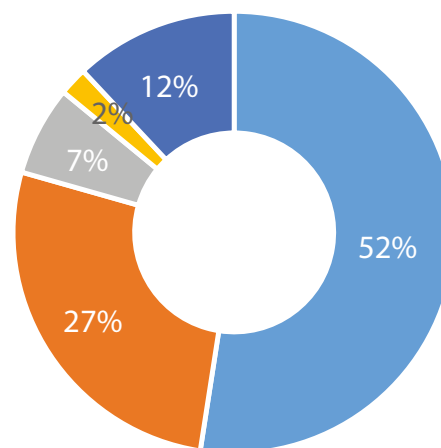
## Financial Highlights

Revenue from Operations  
(Segment Breakdown)



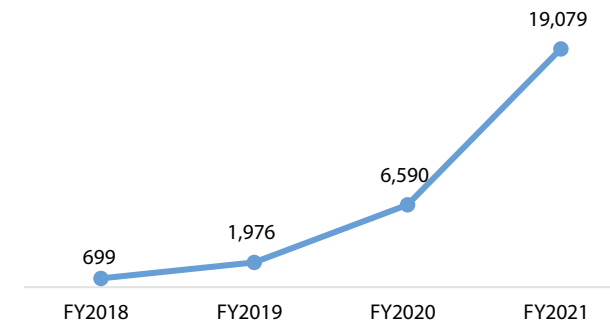
- Climate Change & Sustainability Advisory and Carbon Offsetting
- Business Excellence Advisory & Training Services
- Electrical Safety Audits

Revenue from Operations  
(Geographic Breakdown)

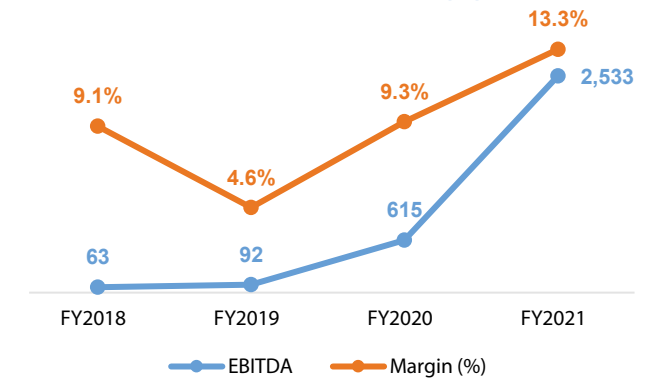


- Europe
- USA
- Australia
- Others
- India

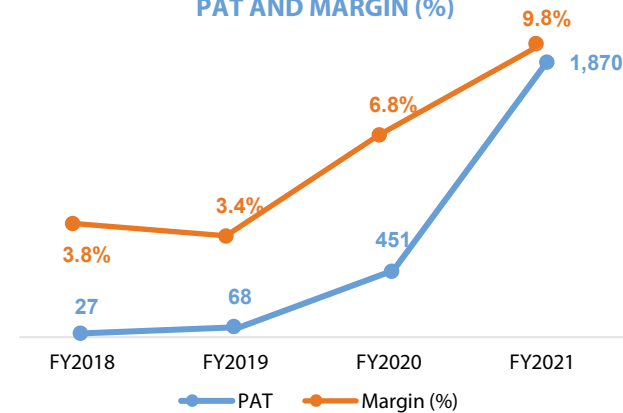
## REVENUE FROM OPERATIONS



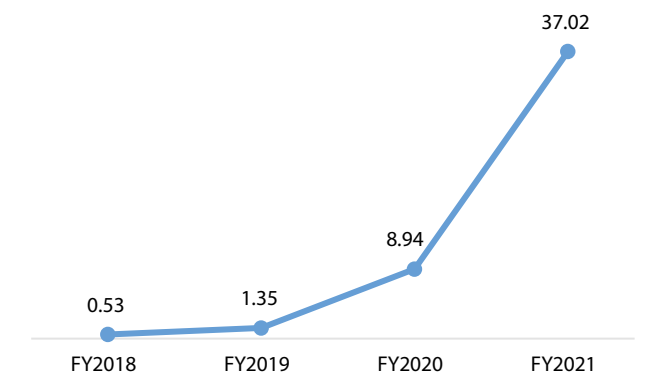
## EBITDA AND MARGIN (%)



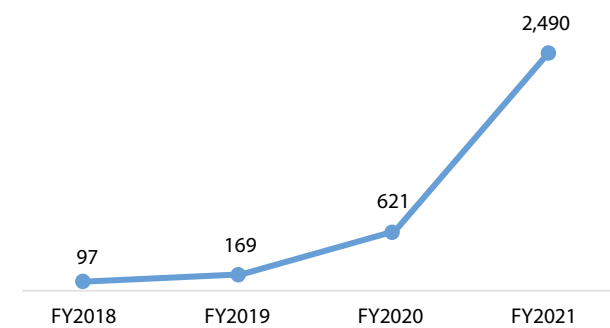
## PAT AND MARGIN (%)



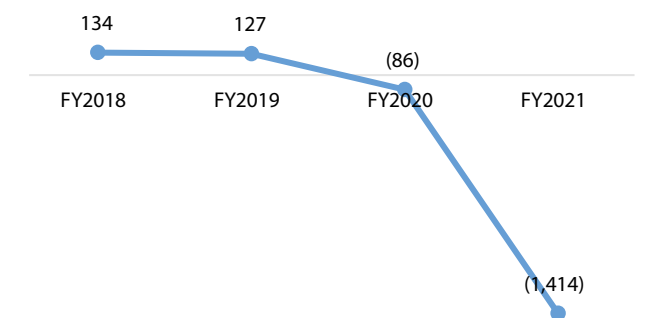
## BASIC EPS (RS.)



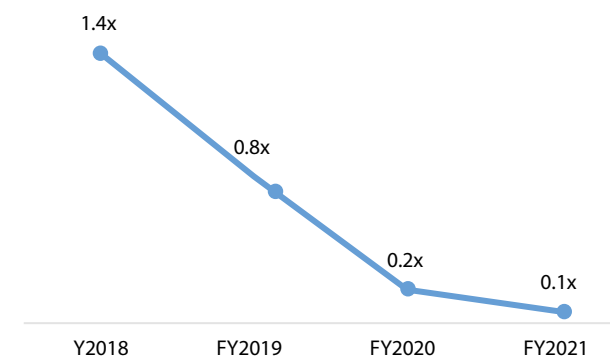
## SHAREHOLDERS' FUNDS



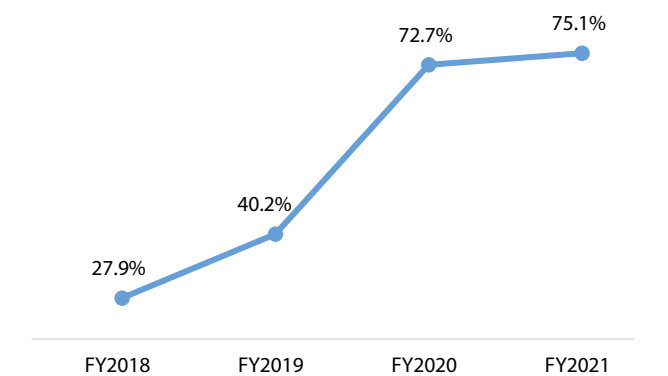
## NET DEBT



## DEBT TO EQUITY (X)



## RETURN ON EQUITY







## LETTER FROM MANAGING DIRECTOR

Dear Shareholders,

We are delighted to announce the successful launch of our IPO on Bombay Stock Exchange (BSE) - SME Platform in April 2021 and I would like to take this opportunity to thank all our new shareholders for placing their confidence in EKI Energy. This is an important milestone in our growth journey and will support our objective of assisting businesses and organizations progress toward a net-zero carbon and climate resilient global economy.

We received overwhelming response from the investors and our IPO was oversubscribed by ~3.66 times. I would like to highlight that this was the highest subscription achieved by any company in SME segment in the last 3 years. The Company has raised Rs 18.60 crore by issuing fresh equity shares.

On listing day, there was strong appreciation in the share price, a representation of capital market's trust in the company's leadership and favorable outlook on growth prospects of the business. I would like to assure that the management is fully committed to work hard in creating value for all our shareholders.

Fiscal year FY2021 was a difficult and challenging year for all of us. Covid-19 pandemic had adversely impacted lives, livelihoods, and businesses around the country and world. Government instituted lockdowns to restrict the spread of diseases, resulting in shutting down of all economic activities and overall GDP growth for year was contracted. The relentless commitment and dedication of our health workers and subsequent easing of lockdown norms has now put the economy on a recovery road.

Despite a challenging environment, EKI Energy reported robust business growth in last fiscal year supported by 'Climate Change & Sustainability Advisory and Carbon Offsetting' business vertical. Revenue from Operations stood at Rs. 190.78 crore, registering a growth of 189% on YoY basis. Operating EBITDA saw a four-fold increase to Rs. 25.33 crore, with margins of 13.3%. Net Profit for the year was Rs. 18.70 crore with margins 9.8%. Company was able to deliver an exemplary performance as our operations continued un-hindered and technological initiatives helped us to enable remote working for our employees with similar productivity. With strong business fundamentals and efficient working capital management, the Company continue to sustain and improve operating margins and also maintain a net cash position on balance sheet.

In line with our business expansion strategy, we are constantly identifying and evaluating projects in both domestic and global markets that reduce carbon emissions, protect biodiversity, and deliver measurable benefits which are aligned with the principles and objectives of Kyoto Protocol, Paris Agreement and the UN SDGs. During the last fiscal year, we have expanded our operations in Argentina, Brazil, Canada, Ghana, Kenya, Mexico, South Africa, Turkey, Vietnam and many more.

As the country, unfortunately, is tackling with fast spreading second wave of Covid-19, EKI energy has prepared and implemented business contingency plan in consultation with senior management. We are cautiously optimistic that business scenario will improve in the second half of FY2022 and as vaccination programme will expedite, India will be able to overcome the challenging situation it is facing.

As a service providing organization, our manpower is our main asset and safety and well-being of our employees is our highest priority. We have introduced numerous initiatives to support our employees in these trying times, through improvement in IT infrastructure, providing "work from home" alternatives and extending financial assistance wherever required.

Looking ahead

With increasing global awareness about environment protection and cumulative global efforts for carbon neutral economies, relevance of our business - climate change and carbon offsetting advisory – has increased multifold and we are confident of strong growth in demand for our services in near future.

To support our next phase of business expansion, we are strategically focussing on:

1. Addition of new clients and increase international presence: Company is aiming to expand into new geographies which has high growth potential for climate change advisory services and acquisition of carbon credits. We are also planning to expand our end-users client base in the developed countries. These measures will streamline operations by eliminating middlemen and will also improve profitability
2. Backward integration to project owners: Company plans to do backward integration of its carbon credit business by investing in low-cost environmental projects in India
3. Increasing tender participation: We are also planning to expand our Electrical Safety Audit (ESA) and Business Excellence Advisory services by increasing our participation in tenders and by building new business relationships, particularly with banks and oil & gas sector companies, where huge potential exists for ESA services

With our strong business model, innovative offerings, improving operational efficiency and increasing client base, EKI Energy is poised in maintaining growth momentum going forward and create value for all its shareholders. Furthermore, under the guidance of our experienced board, vibrant leadership and committed employees, we will overcome the near-term challenges and the Company will deliver sustainable growth.

I would like to conclude by expressing my gratitude and appreciation to our clients and business partners for their constant support and to Board of Directors and employees whose diligent efforts have brought us thus far.

Yours sincerely,

**MANISH DABKARA**  
Managing Director



## AWARDS, CERTIFICATIONS AND MEMBERSHIPS

The high quality and consistency of EKI Energy's services has consistently won the confidence of its clients. Some of the prominent awards and certifications received are:

### Awards:

- Won Best Broker & Best Trading Company Award at Annual Market Ranking 2020
- Runner up at SIDBI-ET India MSE Award 2019 for Women MSE Achiever category
- Super 30 company of the year 2018 – The Silicon Review
- Winner of Rajiv Excellence Award in 2014
- Awarded Best Broker & Best Trading Company at Annual Market Ranking Awards held by Environmental Finance in 2020

### Certifications:



#### ISO 9001:2015 (QMS):

The quality management system (QMS) of the EKI Energy is certified as ISO 9001:2015 standard by the United Accreditation Foundation (UAF) and Trans Continental Certifications Private limited.



#### QMS Consultancy:

Certificate of accreditation as a QMS Consultant Organization by the National Accreditation Board for Education and Training (NABET), a constituent of the Board of Quality Council of India.

### Memberships:



#### ESCO Grade:

Achieved ICRA-BEE Grade 3 ESCO grading that indicates 'Good' ability of the graded energy service company to carry out energy efficiency audits and undertake energy efficiency projects under the guidance of Bureau of Energy Efficiency, Ministry of Power and Government of India.



#### International Emissions Trading Association (IETA):

Membership of the International Emissions Trading Association. IETA membership helps to develop an emissions trading regime that results in real and verifiable greenhouse gas emission reductions, while balancing economic efficiency with environmental integrity and social equity.



#### Carbon Disclosure Project (CDP):

Membership of the Carbon Disclosure Project helps members to measure and manage a company's risks and opportunities on climate change, water security and deforestation.



# ASSOCIATIONS AND ACCREDITATION



## MEMBERSHIP



## ACCREDITATION

We are the first generation to be able to end poverty, and the last generation that can take steps to avoid the worst impacts of climate change. Future generations will judge us harshly if we fail to uphold our moral and historical responsibilities.

**-Ban Ki-Moon**  
Secretary-General (Former)  
United Nations





# BOARD OF DIRECTORS



**Mr. Manish Kumar Dabkara**  
(Chairman & MD)



**Mr. Naveen Sharma**  
(Whole Time Director)



**Mrs. Sonali Sheikh**  
(Whole Time Director & Chief Financial Officer)



**Mrs. Priyanka Dabkara**  
(Non-Executive Director)



**Mr. Ritesh Gupta**  
(Independent Non-Executive Director)



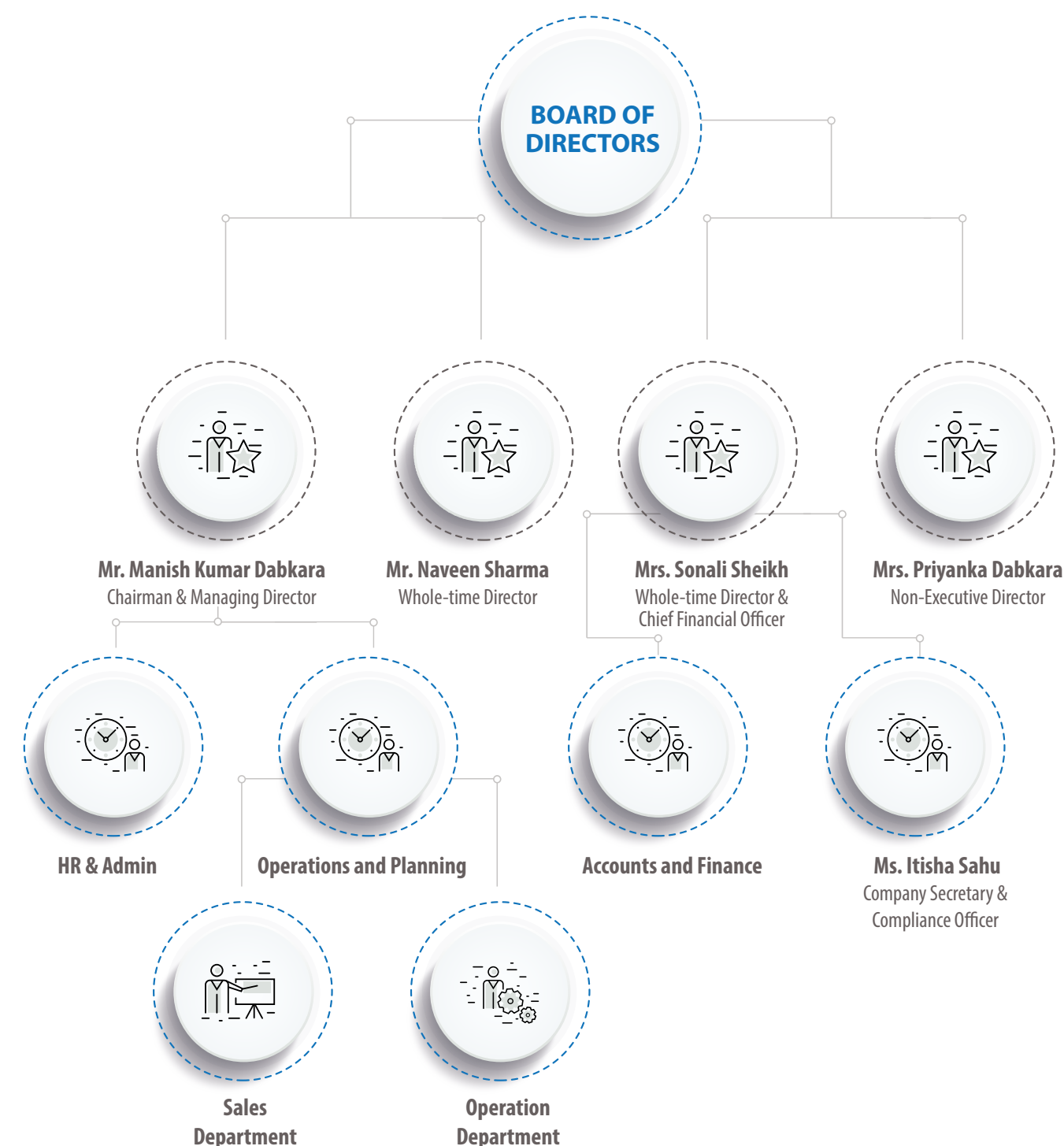
**Mr. Burhanuddin Maksiwala**  
(Independent Non-Executive Director)



## Committees:

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Chairperson

# GOVERNANCE STRUCTURE





# SUSTAINABILITY

**Our vision is to rehabilitate the Earth to a low carbon environment. Our commitment to sustainability is longstanding.**

Sustainability is a foundation of EKI Energy's core business operations and integral to how the Company contribute to social value creation. The Company's sustainability principles include being environmentally responsible, ensuring health and safety of people and supporting the communities in which it operates. Furthermore, the Company is determined to reduce climate change by creating awareness about the impact of carbon and GHG gas emissions on the society. EKI Energy's business fundamentals are fully aligned with sustainability as the Company provides range of climate change, carbon credit and sustainability solutions to clients and enable them to contribute to the society in which they operate.

## Environment:

There is an increased pressure on the preservation of environmental resources, such as land, forest, biodiversity, water due to scarcity of the resources and climate change intensifies the need to reduce carbon and GHG emissions. EKI Energy guide companies to reduce their carbon footprints by offering them range of services in the areas of climate change advisory and carbon credits offsetting. The Company closely work with the project owners to get their projects registered/verified under various GHG program. In addition, the Company ensures regular monitoring, verification and issuance and supply of eligible carbon credits. The Company itself seek to avoid, minimize and mitigate adverse environmental impacts at every stage and is committed to reduce energy and water consumption by adopting renewable energy sources in its operations.

- **Green Initiative:** In order to minimize paper waste generation and preserve natural resources, EKI Energy has introduced "Green Initiative" policy across its business division and departments. All employees are using "Cloud based applications" to transfer and store files/data among others. This not only helps to minimize printing cost but also reduce paper waste.
- **Renewable Energy:** During the year, EKI Energy has placed solar panel located at the rooftop of its corporate office.
- **Plantation drive:** The Company has initiated plantation drive program along with its employees within the nearby community.

## Social:

EKI Energy is committed to create a working environment which support the needs of workforce, partners, customers, economies and communities. The Company is actively working in the areas of social welfare and community development through its Corporate Responsibility Programs (CSR). The Company continues to create a positive impact on the society by maintaining respectful and mutually beneficial relationships with all its stakeholders.

## Community Development:

For wellbeing of the communities, EKI Energy has provided a grant towards promoting education, healthcare, environment and livelihood. During the year FY2021, the Company has granted Rs. 5 lakhs to NGO. For the upcoming year, the Company is in the process of launching free distribution of cookstove in rural and forest areas. This will help in reduction of carbon emission, as it will reduce the consumption of wood. It will also help to improve health quality of women as well as uplift the social status of the people in rural areas.

## Our People

EKI Energy as an organization consider its employee as one of the most valuable assets. The Company provide the transparency in culture, process and policies to nourish 3 E i.e. Enhance, Extend and Empower. The Company's human resource policies are aimed at recruiting talented, qualified, young professionals, enable them to achieve their full potential and ensure their personal growth is fully aligned with the Company's growth strategy.

- **Diversity and Inclusion:** The Company promotes and adopts diversity, equity, and inclusion in the organization. Its systems, processes and practices are designed to support fair treatment for all. The Company do not discriminate with employees based on any ground, including race, caste, religion, color, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

## Workforce Diversity as on 31.03.2021:

Gender	MALE	FEMALE	TOTAL
Number of employees	76	30	106
Number of Contractual employees	-	-	-
Age Group:			
Less than 30 age	40	16	56
Between 31-50 age	32	13	45
More than 50 age	4	1	5
Staff Turnover Rates (%)	-	-	-

## The keys aspects and EKI Energy's approach for wellbeing of its employees are:

- **Employee Compensation:** The compensation is determined on the basis of skills and experience of an individual. The employees are paid according to Employees' Compensation Act and other benefits include Employees Provident Fund Scheme, Employees Pension Scheme and Employees Deposit Linked Insurance Scheme.
- **Working and living conditions:** Offices are well equipped with computer systems, internet connectivity and other communication equipment. The Company is committed to ensure safety of all its employees and has implemented physical layout changes to follow social distancing protocol at workplace.
- **Employee engagement:** The Company believes in "suggestion of everyone is important" and therefore have developed a feedback mechanism through which it collects feedback of each member about infrastructure and work culture. These feedbacks are periodically reviewed by HR representatives and necessary actions steps are taken with an aim to create an inclusive working environment.
- **Training and development:** EKI Energy has a defined training and development program for all its employee. The Company impart training for the new recruits and conduct skill set development programs for its employees. All employees go under three days training program to develop skill and knowledge with external agency like Confederation of Indian Industry (CII) and Indore Management. The training session enable employees to learn new skills and receive special training required to perform their duties.
- **Talent acquisition and retention:** The Company continues to place emphasis on attracting, enabling and retaining the best talent in the industry. Human Resource division remains committed to create a collaborative, transparent and participative work environment to keep all employees motivated. The hires its employees through internship programs and through walk-in job interviews. The Company is hiring 4-5 interns every year which is projected to increase to 20 during FY2022. Additionally, the Company is also proposed to hire more than 50 employees during FY2022. Furthermore, in order to attract and retain skilled and experienced talent, the Company has framed ESOP policy and planning to offer its share under the same. As a result of efforts towards employee wellbeing and effective employee retention measures, the Company's attrition rate was sub 1% during FY2021.
- **Employee well-being:** Worker's well-being is a key factor in determining the Company's long-term effectiveness. To promote health and well-being of its employees, the Company has introduced various employee benefit programs such as medical insurance policy, regular health check-up etc.
- **Anti-harassment at workplace:** The Company has a zero tolerance for sexual harassment at workplace. It has adopted a Policy on Prevention, Prohibition and Redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- **Conference participation:** EKI Energy always encourages its employee to participate in industry conferences to keep themselves informed about the latest environmental laws and trends.
- **Human rights:** The Company adheres to all local regulations related to Human Rights in areas where it operates. EKI Energy neither overlooks nor permits child labor or forced labor. During the year, no instance of such practices has been reported.
- **Work-life balance:** Working hours are as per government guidelines and the Company encourage its employees to maintain work life balance. The Company's human resources department closely monitors working hours and productivity of all employees. During the year, the Company has announced no-work Saturdays to achieve a better work life balance.



## Governance:

Maintaining highest levels of corporate governance practices is imbibed in the core values of EKI Energy. The Company ensures that all its activities are carried out with transparency, accountability and in adherence to the best-in-class governance practices. As part of its governance structure, the board has established a set of comprehensive policies and established multiple committees. The Company's board has been constituted in compliance with the Companies Act and has a prudent mix of executive, non-executive and independent directors. To ensure that the Company's governance policies meet the requirements of ever evolving business environment, it undertakes regular monitoring of the policies and its efficacies. Supporting policies and appropriate monitoring systems are added at regular intervals.

The various material aspects of corporate governance and EKI Energy's approach to them is discussed below:

- **Board oversight:** The Board plays an important role in directing EKI Energy's value-creation process. The board of directors along with its committees directs and supervises the performance of the Company. EKI Energy's economic, environment, social and corporate governance performance are reviewed annually by the board.
- **Board diversity and expertise:** The Company has highly skilled and experienced board with an average industry experience of +15 years. The board members of the Company have a very diverse background spanning across carbon credit, climate change, environment, strategy, finance, audit, sales, HR and administration, etc. domains. Of the total board members two are female, representing a 33.33% representation.
- **Board composition and committees:** EKI Energy's Board of Directors consist of six directors of which two are Independent Directors. The constitution of Board is in compliance with Section 149 of the Companies Act, 2013.
- The Audit Committee reviews quarterly/ annual financial statements, adequacy of internal control systems, internal audit reports. It comprises of three directors, of which two are independent directors.
- The Nomination and Remuneration Committee consists of three directors (one non-executive & two independent directors) who are responsible for identifying the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The committee also identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

- The Stakeholders' Relationship Committee is comprised of three directors, of which one is independent directors. The committee is responsible for reviewing statutory compliances and services relating to security holders, dividend payments and performance of Registrar and Transfer Agents.
- The formulation of CSR policy, monitoring of expenditure and adherence to stated objective is undertaken by the CSR Committee. It comprises three directors, of which one is independent director.
- **Remuneration policy:** EKI Energy believe in creating a clear link between performance and reward. Remuneration paid to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The details of the remuneration paid out to members of the Board in FY2021 are disclosed in this Annual Report . The Nomination and Remuneration Policy is available on the Company's website.
- **Related Party Transactions:** All contracts/ arrangements/ transactions entered by the Company during the FY2021 with related parties were on an arm's length basis and in the ordinary course of business. The Company's related parties principally consist of associate, major shareholders, directors and key management personnel of the Group. All dealings are subject to approval of Audit Committee and Board. During the FY2021, the Non-executive Directors of the Company had no pecuniary relationship or transactions with the Company other than sitting fees and reimbursement of expenses, as applicable.
- **Independent and effective validation:** EKI Energy has appointed D. N. Jhamb and Company as an independent statutory auditor. They conducted an assessment of the effectiveness of the Internal Control over Financial Reporting and have not issued any Qualification / Observation in their Statutory Auditors' Report on the Audited Financial Statements of the Company. During the year, the Company has paid Rs. 1.90 lakhs as Auditor's remuneration to D.N. Jhamb and Company.
- **Data protection and cybersecurity:** The Board of Directors along with senior officials identifies and mitigate Information Technology and Cyber Security Risks that the Company is or may be exposed to, on a regular basis. The protection of its customers' data is paramount, and EKI Energy is committed to helping its customers on their environment sustainability journey as a trusted advisor.
- **Vigil mechanism:** In compliance with the requirement of the Companies Act, 2013 and SEBI LODR, the Company has established Whistle Blower Policy / Vigil mechanism policy which has been disseminated to all the Directors, Officers, Employees



and other stakeholders. They are free to raise concerns regarding any discrimination, harassment, victimization, fraud or any other unfair practice being adopted against them. In addition, appropriate system is in place to ensure that complaints are resolved quickly in an informal and conciliatory manner, confidentiality is maintained and both the complainant and the person against whom the complaint is made are protected.

- **Risk management:** The Company has developed and implemented a Risk Management System, for identifying the risk associated with business of the Company and measures to be taken to mitigate the same. The Audit Committee has additional oversight in the area of financial risks and controls.



# DIRECTORS' REPORT

## Dear Members,

Your Directors have pleased to present the 10<sup>th</sup> Annual Report together with the Audited Financial Statement of the Company for the financial year ended March 31, 2021.

## Financial Highlights

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>Income</b>		
Revenue from Operations	19,078.98	6,590.44
Other Income	22.85	8.29
<b>Total Revenue</b>	<b>19,101.83</b>	<b>6,598.73</b>
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>2,555.37</b>	<b>623.17</b>
Less: Finance Costs	25.20	8.88
Less: Depreciation and amortization expenses	38.60	19.82
<b>Profit before Tax</b>	<b>2,491.56</b>	<b>594.46</b>
<b>Less: Tax Expenses</b>		
Current Tax	627.46	143.28
Deferred Tax (Assets)/Liabilities	(5.40)	(0.08)
<b>Profit for the year</b>	<b>1,869.50</b>	<b>451.26</b>
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>1,869.51</b>	<b>451.27</b>
Earning per equity share		
Basic	37.02	8.94
Diluted	37.02	8.94

## PERFORMANCE REVIEW & COMPANY AFFAIRS

The Company's total revenue for the year under review amounted to Rs. 19,101.83 Lakhs as compared to Rs. 6598.73 Lakhs of the previous year. The Profit before Tax for the year under review amounted to Rs. 2491.56 Lakhs as compared to Rs. 594.46 Lakhs of the previous year. The Profit after Tax for the year under review amounted to Rs. 1869.50 Lakhs as compared to Rs. 451.26 Lakhs of the previous year.

## RESERVES

There is no requirement for transfer of the profit to the general reserves, therefore to provide an open ended opportunity to utilize the profits towards the Company's activities, during the year under review the Board have not considered appropriate to transfer any amount to the general reserves.

## PUBLIC ISSUE OF THE EQUITY SHARES AND LISTING ON BSE SME PLATFORM

During the year the Company has issued Red Herring Prospectus to the general public on 16<sup>th</sup> March, 2021 for making public issue of 18,24,000 Equity Shares of Rs. 10/- each at a premium of Rs. 92/- per share aggregating Rs. 18,60,48,000/- and the issue was

successfully oversubscribed by 3.66 times and has made allotment of 18,24,000 equity shares and the company's entire post issue capital of Rs. 6,87,40,000/- divided into 68,74,000 Equity Shares of Face Value of Rs. 10/- each were listed at the BSE SME Platform on 07th April, 2021.

Your Directors place their sincere thanks to all the investors and the SEBI, BSE, CDSL, NSDL, Merchant Bankers, Registrar to the Issue, Bankers to the Issue, Professionals and all the agencies involved for their guidance and support. The Company's equity shares are regularly being traded at the floor of the BSE SME Platform.

## ISSUE OF BONUS SHARE

During the year under review, the Company has issued Bonus Share to the existing shareholders of the Company in ratio of 100:1 i.e., 100 (Hundred) equity shares for every 1 (One) existing Equity Share held by the member.

## DIVIDEND

Your Directors recommended 10% Dividend on face value of Rs. 10 each as final dividend for the year under review.

## LISTING OF THE SHARES

The Equity Shares of the Company are presently listed at BSE Ltd. Further the Company has paid listing fees to BSE Ltd. for the year 2020-2021.

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(3) (c) read with Section 134 (5) of the Companies Act, 2013 your Directors state that:

- In the preparation of the annual accounts for the year ended March 31, 2021 the applicable accounting standards read with requirements set out under schedule III to the act have been followed and there are no material departures from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors, have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DIRECTORS & KEY MANAGERIAL PERSONNEL

During the year under review,

- Mr. Naveen Sharma, designated as Whole Time Director w.e.f. November 05, 2020.
- Ms. Sonali Sheikh, Designated as Whole Time Director & Chief Financial Officer w.e.f. November 05, 2020.
- Mr. Ritesh Gupta and Mr. Burhanuddin Ali Hussain Maksi Wala, appointed as an Independent Director of the Company, w.e.f. November 05, 2020.
- Ms. Babita Kumawat, Company Secretary and Compliance Officer has resigned w.e.f. February 17, 2021.
- Ms. Itisha Sahu, Appointed as a Company Secretary and Compliance Officer w.e.f. February 17, 2021.

The Company has received the necessary declarations from each Independent Director under Section 149(7) of

the Act that he/she meets the criteria of independence laid down in Section 149(6) of the Act. The Board have taken on record these declarations after undertaking the due assessment of the veracity of the same.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Manish Dabkara (DIN: 03496566) Managing Director who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for his re-appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on date are Mr. Manish Dabkara, Managing Director, Mr. Naveen Sharma, Whole Time Director, Mrs. Sonali Sheikh, Whole Time Director & Chief Financial Officer and Ms. Itisha Sahu, Company Secretary.

## DECLARATION BY INDEPENDENT DIRECTORS

The Company had received declaration from all the Independent Directors of the Company confirming that they meet criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

## BOARD EVALUATION

The Company has duly approved Nomination and Remuneration policy prescribing inter-alia the criteria for appointment, remuneration and performance evaluation of the directors. As mandate by Section 134 & 178 of the Companies Act, 2013, as applicable on the Company. The Independent Director in their separate meeting held on February 17, 2021 have reviewed the performance of Non-Independent Directors and Board as a whole along with review of quality, quantity and timeliness of flow of information between Board and management and expressed their satisfaction over the same.

Further the Board, in its meeting held on February 17, 2021 also reviewed the performance of the Board, its Committees and all Individual Directors of the Company and expressed its satisfaction over the performance of the Board its Committees and Individual Directors. Furthermore Board is of the opinion that Independent Directors of the Company are person of high repute, integrity & possess the relevant expertise & experience in their respective field.

## INSURANCE

Assets of the Company are adequately insured.



## DEPOSIT

During the year under review, your Company has not accepted any deposits from public, pursuant to Section 73 and 74 of the Companies Act, 2013 & Rules made there under. Further, the Company has not accepted any deposit or loans in contravention of the provisions of the Chapter V of the Companies Act, 2013 and the Rules made thereunder.

## NO DEFAULTS

Your Company has not defaulted in payment of interest and/or repayment of loans to any of the financial institutions and/or banks during the year under review.

## SUBSIDIARIES, ASSOCIATE & JOINT VENTURE COMPANIES

During the year under review your Company does not have any subsidiaries, associates & joint ventures.

## RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements with related parties as prescribed in Form No. AOC-2 of the Companies (Accounts) Rules, 2014, is annexed to this report as **ANNEXURE - I**. Details of related party transactions are given in the notes to the financial statements.

## INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. All the transactions are properly authorized and recorded. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in financial statements. The Internal Audit is conducted by outside auditing firms which evaluate the functioning and quality of internal controls and check; and provides assurance of its adequacy and effectiveness. The Internal Audit Reports are actively reviews by the Audit Committee and adequate remedial measures, if any, are taken. The Internal Audit Reports are also reviews by the Board of Directors periodically. During the year, no reportable material weaknesses in the design or operations were observed.

## DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT PLAN

In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. Your Company recognizes that the risk is an integral part of business and is committed to managing the risk in proactive and efficient manner. The Company had adopted Risk Management System to ensure sustainable business growth with stability and to promote a proactive approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the system establishes a structured

and disciplined approach to Risk Management.

The management is however, of the view that none of the risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case of any of these risks materialize. The risk management framework is reviewed periodically by the Board and Audit Committee. The details of risks and other concerns are included in the Management Discussion and Analysis Report which is the part of this Report.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Management Discussion and Analysis Report is appended to and forms part of this Report.

## PARTICULARS OF LOAN GIVEN, INVESTMENTS MADE, GUARANTEE GIVEN UNDER SECTION 186 OF COMPANIES ACT, 2013

During the year, there are no loans given, investments-made, guarantee given or security provided by the Company under Section 186 of the Companies Act, 2013.

## CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO

During the year ended March 31, 2021, earning in foreign currency stood at Rs. 18,684.71 Lakhs and expenditure in foreign currency stood at Rs. 6,227.24 Lakhs.

The Company is in business of sale of Carbon Credit and hence its operations are not energy intensive. The Company is cognizant of the importance of imbibing measures towards optimum energy utilization and conservation.

## ANNUAL RETURN

The Form No. MGT-7 for FY 2021 is uploaded on the Company's website.

## MEETING OF DIRECTORS

### Board Meeting

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other Board business. The notice of Board meeting is given well in advance to all the Directors. The Agenda of the Board/Committee meetings is circulated to all the Directors as per the provisions of Companies Act, 2013 and rules made thereunder. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision .

During the year, the Board met Fourteen (14) times. The details of the meeting are given below:

S.No	Date of Board Meeting	No. of Director's Present
1.	June 14, 2020	4
2.	June 23, 2020	4
3.	September 26, 2020	4
4.	November 4, 2020	4
5.	November 28, 2020	6
6.	December 18, 2020	6
7.	February 17, 2021	4
8.	March 03, 2021	6
9.	March 10, 2021	4
10.	March 16, 2021	6
11.	March 18, 2021	6
12.	March 23, 2021	4
13.	March 26, 2021	6
14.	March 31, 2021	4

The attendance of the Director at the above-mentioned board meeting is listed below:

S.No	Directors	No. of meeting attended
1.	Mr. Manish Dabkara	14
2.	Mr. Naveen Sharma	14
3.	Ms. Sonali Sheikh	14
4.	Ms. Priyanka Dabkara	14
5.	Mr. Ritesh Gupta	6
6.	Mr. Burhanuddin Ali Hussain Maksi Wala	6

## Audit Committee

The Company has constituted Audit Committee as per section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on 28<sup>th</sup> November, 2020. The Audit Committee consist of majority of Independent Directors. The members of Committee are - Mr. Ritesh Gupta (Chairperson), Mr. Manish Dabkara (Member), and Mr. Burhanuddin Ali Hussain Maksi Wala (Member) and Ms. Itisha Sahu (Company Secretary). The members of Audit Committee have accounting and financial management expertise. The quorum of Audit Committee meeting is two members.

The term of reference of the Audit Committee inter alia include approving and implementing the audit procedure and techniques, reviewing the financial reporting system, financial statement, internal financial control systems and procedures, records relating to related party transactions, analysis of risks, compliance of regulatory guidelines and reviewing IT strategies in line with the corporate strategies, cyber security arrangements and any other matter related

to IT governance. The committee also ensures that an information systems audit of the internal systems and processes is conducted periodically to assess operational risks faced by the Company. The financial results are made available to the committee in advance. This enables a review and discussion with the auditors before recommending it to the Board of Directors for its approval.

The committee also grants approval for related party transactions to be entered into by the Company and reviews the said transactions on a periodic basis in terms of the Policy on Related Party Transactions of the Company.

During the year, the committee met one time. The meeting was held on February 17, 2021. All the member of the Audit Committee attended the meeting.

## Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee as per section 178 of the Companies Act, 2013, and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on 28<sup>th</sup> November, 2020.



The Nomination and Remuneration Committee consists of a majority of independent directors. The members of the committee are Mr. Burhanuddin Ali Hussain Maksi Wala (Chairperson), Mr. Ritesh Gupta and Mrs. Priyanka Dabkara. The quorum for the Nomination and Remuneration Committee Meeting is two members.

The terms of reference of the committee inter alia include identifying persons who are qualified to become directors of the Company, ensuring that such persons meet the relevant criteria prescribed under applicable laws, ensuring the fit and proper criteria at the time of appointment of directors of the Company and on a continuing basis, scrutinising the declarations received from the proposed/existing directors and evaluating every director's performance, formulating the Policy for appointment of Directors and Senior Management and Remuneration Policy, formulating the criteria for determining qualifications, positive attributes and independence of a director and for evaluating their performance.

The Policy on Appointment of Directors and Members of Senior Management inter alia lays down the criteria for appointment including qualifications, attributes, experience and skills etc., the nomination and evaluation process.

The Company also has a Policy for Fit and Proper Criteria for Directors based on which the existing directors whose appointment is intended to be continued and new directors proposed to be appointed are evaluated.

The Remuneration Policy ensures that remuneration is aligned to the overall performance of the Company, is fair and reasonable to attract and retain necessary talent, is linked to attaining performance benchmarks and involves a judicious balance of fixed and variable components.

The Policy on Appointment of Directors and Members of Senior Management and the Remuneration Policy are available at Company's website [www.inkingint.org](http://www.inkingint.org) and annexed herewith as **ANNEXURE-II** to this Report.

During the year, the committee met one time. The meeting was held on February 17, 2021. All the member of the Nomination & Remuneration Committee

attended the meeting.

#### Stakeholder Relationship Committee

The Company has constituted Stakeholder Relationship Committee as per section 178 (5) of the Companies Act 2013, and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; vide resolution passed at the meeting of the Board of Directors held on 28<sup>th</sup> November, 2020. The Stakeholder Relationship Committee consists of a Mrs. Priyank Dabkara (Chairperson), Mr. Ritesh Gupta and Mr. Naveen Sharma. The quorum for the Stakeholder Relationship Committee Meeting is two members.

The terms of reference of the committee inter alia include resolution of grievances of stakeholder.

During the year, the committee met one time. The meeting was held on February 17, 2021. All the member of the Stakeholder Relationship Committee attended the meeting.

#### Corporate Social Responsibility Committee

In accordance with the provisions of Section 135 of the Companies Act, 2013 and rules framed there under, your Company has a Corporate Social Responsibility (CSR) Committee of Directors duly constituted at the meeting of the Board of Directors held on 28<sup>th</sup> November, 2020, comprising Mr. Ritesh Gupta (Chairman), Mr. Manish Dabkara and Mrs. Priyanka Dabkara and framed Policy for CSR indicating the activities to be undertaken by the Company. The CSR Policy is annexed herewith as **ANNEXURE- IV**.

**The quorum for the CSR Committee Meeting is two members.**

The terms of reference of the committee inter alia is to review the CSR policy, indicate activities to be undertaken by the Company towards CSR and formulate a transparent monitoring mechanism to ensure implementation of projects and activities undertaken by the Company towards CSR.

During the year, the committee met twice. The meetings were held on February 17, 2021 and March 18, 2021.

**The attendance of the members of the committee at the abovementioned meetings is listed below:**

S.No	Members	No. of Meeting Attended
1.	Mr. Ritesh Gupta	2
2.	Mr. Manish Dabkara	2
3.	Mrs. Priyanka Dabkara	2

The report on CSR activities, as required under the Companies (Corporate Social Responsibility Policy)

Rules, 2014 is annexed herewith as **ANNEXURE- V** to this Report.

#### VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a Vigil Mechanism / Whistle Blower Policy to report genuine concerns or grievances. The vigil mechanism provides for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. Besides, as per the requirement of SEBI (Prohibition of Insider Trading) Regulations as amended by SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018, the Company ensures to make employees aware of such Whistle –Blower Policy to report instances of leak of unpublished price sensitive information. This policy may be accessed on the Company's website at : [www.inkingint.org/investors](http://www.inkingint.org/investors).

#### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information in accordance with the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **ANNEXURE -III** to this Report.

#### AUDITORS

##### • Statutory Auditors

M/s D. N. Jhamb and Company, Chartered Accountants (Firm Registration No.0019675C), were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 11<sup>th</sup> Day of November, 2020 for a term of 5 consecutive years commencing from 01.04.2019 to 31.03.2024, they have confirmed that they are not disqualified for appointment as auditor of the company.

The Auditors Report does not contain any qualification, reservation or adverse remark or disclaimer, and no explanation on part of the Board of Directors is called for.

##### • Secretarial Auditor

The requirement of Secretarial Audit Report for the financial year ended March 31, 2021 is not applicable to the Company, however the Board has appointed M/s Ruchi Joshi & Co. (CP No. 14971|M.No. 8570) Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2021-22.

##### • Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, M/s Arora Banthiya and Tulsian, (FRN No: 007028C) Chartered Accountants was appointed as an Internal Auditor of the Company for the Financial Year 2021-22.

##### • Cost Auditor

The Provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014 relating to the cost audit are

not applicable to the Company during the period under review.

#### PREVENTION OF SEXUAL HARASSMENT POLICY

The Company has a Prevention of Sexual Harassment Policy in force in terms of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to ensure a safe, secure and friendly work environment where employees will deliver their best without any inhibition, threat of fear. The company has constituted Internal Complaints Committee as per the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaints were reported during the year under review under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which have occurred after March 31, 2021 till the date of this report.

There has been no change in the nature of the business of the Company.

#### COMPLIANCE WITH SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

#### CORPORATE GOVERNANCE

The Company being listed on the BSE SME Platform is exempted from provisions of corporate governance as per Regulation 15 of SEBI (Listing Obligation disclosure requirements) Regulations, 2015. Hence no Corporate Governance Report is required to be disclosed with Annual Report. It is pertinent to mention that the Company follows majority of the provisions of the corporate governance voluntarily.

#### GENERAL

Yours Directors state that no disclosures or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

-Details relating to deposits covered under Chapter V of the Companies Act, 2013.

-No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that:

-In terms of the provisions of Section 134(3)(ca) of the Companies Act,2013, there were no fraud committed against the Company by any person under Section 143(12) during the year 2020-21, Further there were no frauds which needs to be reported by the Auditors of



the Company to the Central Government as prescribed under said section.

#### ACKNOWLEDGEMENTS

Your Directors would like to gratefully acknowledge all stakeholders of the Company viz: customers, dealers,

suppliers, banks, shareholders and their business associates for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company's well-being.

#### For and on behalf of the Board of Directors

Place: Indore

Date: August 5, 2021

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**PRIYANKA DABKARA**  
Director  
(DIN- 08634736)

#### Annexure-I

## FORM AOC -2

**(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:** NIL

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

S. No	Name(s) of the Related Party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements	Salient terms of the contracts or arrangements or transactions including the value, if any (Rs. In Lakhs)	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	Manish Kumar Dabakra	Salary Paid	Continuing Transaction	120	N.A	N.A
2	Naveen Sharma	Salary Paid	Continuing Transaction	36.19	N.A	N.A
3	Sonali sheikh	Salary Paid	Continuing Transaction	10.52	N.A	N.A
4	Priyanka Dabkara	Salary Paid	Continuing Transaction	10.50	N.A	N.A
5	Joshna Sheikh	Salary Paid	Continuing Transaction	5.40	N.A	N.A
6	Itisha Sahu	Salary Paid	Continuing Transaction	1.17	N.A	N.A
7	Vidhya Dabkara	Rent Paid	Continuing Transaction	19	N.A	N.A
8	Neha Sharma	Professional Fees	Continuing Transaction	24.30	N.A	N.A
9	Absolute lean services Pvt ltd	Professional service	Continuing Transaction	58.48	N.A	N.A

The above-mentioned transactions were entered into by the Company in its ordinary course of business. The materiality threshold is as prescribed under the Companies (Meetings of Board and its Powers) Rules, 2014.



# NOMINATION & REMUNERATION POLICY

## INTRODUCTION

The Nomination and Remuneration Policy adopted by the Board of Directors based on the recommendation of the Nomination and Remuneration Committee in compliance of Section 178 of the Companies Act, 2013, read along with applicable rules thereto and as amended from time to time.

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all directors, Key Managerial Personnel ("KMP") and employees of the company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013('Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), this Policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by Nomination and Remuneration Committee and approved by the Board of Directors ('Board') of the Company at its meeting held on June 16, 2021.

## APPLICABILITY

This policy is applicable to:

- Directors (Executive, Non-Executive & Independent)
- Key Managerial Personnel (KMP)
- Senior Management Personnel
- Other employees as may be decided by the Committees ("NRC")

## OBJECTIVE

The Committee and this Policy shall be in compliance with Section 178 of the Act and applicable provisions of Listing Regulations amended from time to time. The objective of this Policy is to lay down a framework in relation to remuneration of Directors, KMP, Senior Management personnel and other employees. The key objectives of the Committee would be:

- To lay down criteria for identifying persons who are qualified to become Directors and who may be appointed in Key Managerial and Senior Management positions and to recommend to the Board their appointment and removal.
- To lay down criteria to carry out evaluation of every Director's /KMP/Senior Management Personnel and other employees performance.
- Formulation of criteria determining qualification, positive attributes and independence of a Director.
- To recommend to the Board a policy, relating to remuneration of directors, key managerial personnel

and other employees. While recommending such policy the Nomination and Remuneration Committee shall ensure:

(i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.

(ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

(iii) Remuneration of Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

- To formulate a Board Diversity Policy.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To recommend to the Board, all remuneration, in whatever form, payable to senior management and KMPs.

## BRIEF OVERVIEW UNDER COMPANIES ACT 2013

{Section 178 & Companies [Meetings of Board and its Powers] Rules, 2014}

- Constitution of the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half shall be independent directors.
- The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and senior management personnel i.e. employees at one level below the Board including functional heads.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:-

-the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;

- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

- Such policy shall be disclosed in the Board's report.

## TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
- Removal should be strictly in terms of the applicable law/s and in compliance of principles of natural justice.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on the Board diversity.
- Recommend to the Board, remuneration including salary, perquisite and commission to be paid to the Company's Executive Directors on an annual basis or as may be permissible by laws applicable.
- Recommend to the Board, the Sitting Fees payable for attending the meetings of the Board/Committee thereof, and, any other benefits such as Commission, if any, payable to the Non- Executive Directors.
- Setting the overall Remuneration Policy and other terms of employment of Directors, wherever required.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

## CRITERIA FOR DETERMINING THE FOLLOWING

### Qualifications for appointment of Directors (including Independent Directors)

- Persons of eminence, standing and knowledge with

significant achievements in business, professions and/or public service.

- Their financial or business literacy/skills.
- Their industrial experience.
- Appropriate other qualification/experience to meet the objectives of the Company.
- As per the applicable provisions of Companies Act 2013, Rules made there under.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

### Positive attributes of Directors (including Independent Directors)

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively, and the willingness to address issues proactively.
- Actively update their knowledge and skills with the latest developments in the industry, market conditions and applicable legal provisions.
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities.
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct.
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company.
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees.
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### Criteria for appointment of KMP/Senior Management

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities.
- To practice and encourage professionalism and transparent working environment.
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission.
- To adhere strictly to code of conduct.



## EVALUATION

The Evaluation will be done on the following parameters:

### (i) Board

Evaluation criteria for evaluation of Board inter-alia shall covers: Composition in light of business complexities and statutory requirements; establishment of vision, mission, objectives and values for the Company; lying down strategic road map for the Company, growth attained by the Company; providing leadership and directions to the Company and employees; effectiveness in ensuring statutory compliances and discharging its duties/ responsibilities towards all stakeholders; identification, monitoring & mitigation of significant corporate risks; composition of various committees, lying down terms of reference and reviewing committee's working etc.

### (ii) Chairperson of the Company

Evaluation criteria for evaluation of Chairperson of the Company are: providing guidance and counsel in strategic matters; providing overall direction to Board towards achieving Company's objectives; effectiveness towards ensuring statutory compliances; maintain critical balance between the views of different Board Members; ensuring maximum participation and contribution by each Board Member; monitoring effectiveness of Company's governance practices; conducting Board and Shareholders meetings in effective and orderly manner etc.

### (iii) Committees of the Board

Committees of the Board shall be evaluated for their performance based on: effectiveness in discharging duties and functions conferred; setting up and implementation of various policies, procedures and plans, effective use of committee's powers as per terms of reference, periodicity of meetings, attendance and participation of Committee members, providing strategic guidance to the Board on various matters coming under committee's purview etc.

### (iv) Executive Directors

The performance of Managing Director, Chief Executive Officer and other Executive Directors, if any, shall be evaluated on the basis of achievement of performance targets/ criteria given to them by the Board from time to time.

### (v) Non-Executive Directors including Independent Directors

The performance of Non-Executive Directors including Independent Directors shall be evaluated based on: Objectivity & constructivity while exercising duties, providing independent judgment on strategy, performance, risk management and Board's deliberations; devotion of sufficient time

for informed decision making; exercising duties in bona fide manner; safeguarding interest of all shareholders; upholding ethical standards of integrity & probity; updating knowledge of the Company & its external environment ; fulfillment of the independence criteria of Independent Director and their independence from the management etc.

The Board has carried out performance evaluation of its own , the Board Committees and of the Independent Directors, whereas at a separate meeting Independent Directors evaluated performance of the Non Independent Directors, Board as whole. All the Non-executive and Independent Directors having wide experience in their field. Their presence on the Board is advantageous and fruitful in taking business decisions.

## POLICY RELATING TO REMUNERATION OF DIRECTORS, KMP & SENIOR MANAGEMENT PERSONNEL

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.

No director/KMP/ other employee is involved in deciding his or her own remuneration and the trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration & It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.

- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- Following criteria are also to be considered:-
  - Responsibilities and duties;
  - Time & efforts devoted; Value addition;
  - Profitability of the Company & growth of its business;
  - Analyzing each and every position and skills for fixing the remuneration yardstick;
  - Standards for certain functions where there is a scarcity of qualified resources;
  - Ensuring tax efficient remuneration structures;
  - Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown

inflated and the effective take home remuneration is not low;

- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

## DISCLOSURES:

This Policy shall be disclosed on the website of the Company at: [www.enkingint.org/Investors/codes-policies](http://www.enkingint.org/Investors/codes-policies).

## REVIEW

- This Policy shall be reviewed by the Board as and when any changes are to be incorporated in the Policy due to change in law, regulations or as may be felt appropriate by the Board. Any changes/ amendment/modification in the Policy will in writing and approved by Board of Directors of the Company.
- In case of any subsequent changes in the provisions of the Companies Act, 2013, Listing Regulations or any other regulations which makes any of the provisions in the Policy inconsistent with the Act or Regulations, then the provisions of the Act or Regulations would prevail over the Policy and the provisions in the Policy would be modified in due course to make it consistent with law.

# DISCLOSURE ON MANAGERIAL REMUNERATION

## 1. Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21.

Name	Designation	Ratio of remuneration to the median employees' remuneration
Mr. Manish Dabkara	Managing Director	375.00
Mr. Naveen Sharma	Whole Time Director	113.11
Mrs. Sonali Sheikh	Whole Time Director	32.88

# Remuneration excludes provision for gratuity.

## 2. Percentage increase in remuneration of each Director and Key Managerial Personnel in the financial year 2020-21.

Name	Designation	Increase in Remuneration (%)
Mr. Manish Dabkara	Managing Director	-1.21
*Mr. Naveen Sharma	Whole Time Director	-
*Mrs. Sonali Sheikh	Whole Time Director & Chief Financial Officer	-
#Ms. Itisha Sahu	Company Secretary	-

\* Appointed w.e.f. 05.11.2020, therefore the remuneration figure is not comparable.  
# Appointed w.e.f. 17.02.2021 therefore the remuneration figure is not comparable.

## 3. The percentage increase/ decrease in the median remuneration of employees in the financial year 2020-21 is 0.00 %.

## 4. The number of permanent employees on the rolls of Company:

There were 106 permanent employees on the rolls of Company as on March 31, 2021.

## 5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration

Average percentile increase in the salaries of employee other than the Managerial personnel in the Financial Year 2020-21 was 4.80 % and the increase in the salary of the Managerial personnel was -1.22 %. There is no direct relationship between

the average increase in remuneration and Company performance. The Company takes various things like inflation, market trend and other related issue at the time of increase in remuneration of the employee. The Individual Performance is also one of the major criteria in increase of remuneration.

## 6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

## 7. Details of employees as per rule 5(2) read with rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

a) Name of the top 10 employees in terms of remuneration drawn during the financial year 2020-21.

Sr. No	Name of Employee	Designation of the Employee	Remuneration received (in Rs.)	Nature of employment whether contractual or otherwise	Qualification and experience of the employee	Date of commencement of employment	Age of employee	The last employment held by such employee before joining the company	Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager
1	Manish Kumar Dabkara	Managing Director	1,20,00,000	Permanent	M.TECH & BE	03.05.2011	37	N.A	Priyanka Dabkara
2	Naveen Sharma	Whole Time Director	36,19,677	Permanent	MBA	03.05.2011	37	N.A	-
3	Pankaj Senger	Vice President	20,38,893	Permanent	BE	03.03.2020	53	Suzlon Energy Limited	-
4	Sachin Kumar Patra	Senior Manager	18,75,000	Permanent	PGP	15.11.2019	27	Waaree Energies Ltd.	-
5	Mukesh Bhalse	Vice President	14,93,975	Permanent	MANAGEMENT PROG., BBA	22.09.2016	50	Bureau Veritas Private Limited	-
6	Barun Kumar Sharma	Deputy General manager (Operation)	14,62,604	Permanent	MSC,BSC	05.11.2019	33	Afcons Infrastructure Limited	-
7	Supratik Dutta	Deputy General manager (Operation)	14,46,875	Permanent	MBA	12.11.2019	40	Great Energy Corporation Limited	-
8	Pavan Kumar Kundi	Senior Manager	13,25,274	Permanent	MBA	01.11.2019	26	Waaree Energies Ltd.	-
9	Bhaskar Dutta	Deputy General manager (operation)	11,55,003	Permanent	PGDM,BSE	01.12.2015	35	Development Alternatives	-
10	Kishore Gaikwad	General Manager (Sales)	10,64,232	Permanent	MBA	05.12.2018	42	Ujaas Energy Limited	-

- b) During the financial year, Mr. Manish Dabkara, Managing Director received remuneration in excess of Rupees One Crore and Two Lakhs or more per annum.
- c) During a part of the financial year, none of the employee received remuneration in excess of Rupees Eight Lakhs and Fifty Thousand or more per month.

- d) During the year or a part thereof, none of the employees received remuneration is excess of that drawn by the Managing Director or Whole Time Director and holds himself or along with his spouse and dependent children, 2% or more of the equity shares of the Company.

For and on behalf of the Board of Directors

Place: Indore

Date: August 5, 2021

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**PRIYANKA DABKARA**  
Director  
(DIN- 08634736)



# CORPORATE SOCIAL RESPONSIBILITY POLICY

## 1. TITLE AND APPLICABILITY

The document describes the Corporate Social Responsibility Policy ("CSR Policy") of EKI Energy Services Limited ('The Company'). It includes Company's vision, mission, and other relevant attributes of Corporate Social Responsibility.

In term of the provision of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR Rule'), Company has formulated and adopted this Corporate Social Responsibility ('CSR') Policy.

The CSR Policy shall be guided by Company's corporate philosophy of respect for the individual and the society at large.

Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, requires Company to constitute a CSR Committee of Directors, adopt a CSR Policy, spend at least 2% of its average net profit made during the immediately preceding three financial years towards CSR activities as set out in Schedule VII to the Companies Act, 2013 and confirm compliance thereof in the Annual Report.

Accordingly, the Board of Directors at its Meeting held on November 28, 2020 approved and adopted the Company's CSR Policy.

## 2. CSR OVERVIEW

"Corporate Social Responsibility" (CSR) is a way of conducting business, by which corporate entities visibly contribute to the social good. The essence of CSR is to integrate economic, environmental, and social objectives with the company's operations and growth. CSR is the process by which an organization thinks about and evolves its relationships with society for the common good and demonstrates its commitment by giving back to the society for the resources it used to flourish by adoption of appropriate business processes and strategies.

The main objective of CSR policy is to make CSR a key business process for sustainable development of society. In its endeavors to mutually achieve the said objective, the Act stipulates the provisions regarding mandatory adherence to the Corporate Social Responsibility practices by the prescribed classes of companies.

## 3. OBJECTIVE

Corporate Social Responsibility is a form of corporate self-regulation integrated into a business model. Therefore, the Policy will function as a built-in, self-regulating mechanism whereby the business will monitor and ensure its active compliance with the

spirit of law, ethical standards and national norms.

The main objective of this Policy is to set guiding principles for carrying out CSR activities and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken.

## 4. CSR COMMITTEE

### i. Composition:

The Corporate Social Responsibility committee (CSR Committee) shall consist of three or more directors.

The CSR Committee may invite Executives, Advisors, representatives of Social Organizations, Auditors of Company, and such other person(s) as it may consider necessary to attend the meeting.

### ii. Scope and Responsibility of Committee:

- Formulate and recommend to the Board the CSR Policy and any amendments thereof which shall indicate the activities to be undertaken by the Company as specified in schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities, as per CSR Policy.
- Be responsible for implementation and monitoring the CSR projects or programs or activities.
- Any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy.

### iii. Meetings: The CSR Committee shall meet as and when necessary.

### iv. Sitting Fees: Sitting fees shall be payable for attending CSR Committee as per Article of Association of the Company.

### v. Quorum: Quorum of meeting of CSR Committee shall be one third of the total strength or two directors, whichever is higher.

## 5. LIST OF ACTIVITIES /PROJECTS

Company shall undertake any of the following Activities/Projects as specified in Schedule VII or such other activities/projects as may be notified by the Ministry of Corporate Affairs from time to time as a part of the Corporate Social Responsibility (CSR):

- Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promoting of sanitation and making available safe drinking water;
- Promoting education, including special education

and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects;

- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- Measures for the benefit of armed forces veterans, war widows and their dependents;
- Training to promote rural sports, nationally recognized sports, and Olympic sports;
- Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Schedule Castes, the Schedule Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the central govt;
- Rural development projects.
- Slum area development.

Explanation. - For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.

### xii. Disaster management, including relief, rehabilitation, and reconstruction activities.

The provisions of the Companies Act, 2013 and CSR Rules made thereafter shall have overriding effect Vis-a Vis the provisions of this policy.

Periodic review of this policy shall be done to ensure its continued suitability, adequacy, and efficacy.

## 6. FUNDING

In line with extent provisions of Section 135 of the Companies Act, 2013 and requirements laid down in the Companies (CSR Policy) Rules, 2014; 2 % of the average net profit of the Company made during the

three immediately preceding financial years will be allocated for CSR activities.

CSR budget for the relevant financial year shall be approved by the Board.

Companies may build CSR capacities of their own personnel as well as those of their Implementing agencies through Institutions with established track records of at least 3 financial years but such expenditure, including expenditure on administrative overheads, shall not exceed 5% of total CSR expenditure of the company in one financial year.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the Business profit of a company and same shall be spent for undertaking any CSR activities only.

If the Company fails to spend, the amount stated hereinabove, then reason for not spending shall be stated in the Directors Report.

## 7. IMPLEMENTATION OF CSR ACTIVITIES

Company may undertake CSR Activities either directly by itself or through a company established under section 8 of the Act or a registered trust or a registered society, established by the company, either singly or alongwith any other company, or a company established under section 8 of the Act or a registered trust or a registered society, established by the Central Government or State Government or any entity established under an Act of Parliament or a State legislature :

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfilment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014(the rules).

The scope of this policy will extend to activities as stated under Schedule VII of the Companies Act, 2013, as presently in force. The scope of the policy to also include all additional and allied matters, as will be notified by Ministry of Corporate Affairs or such other body, as appointed/notified by Central or State Government, from time to time for this purpose.

CSR programs will be undertaken by Company to the best possible extent within the defined ambit of the identified Project/Program.

The time period/duration over which a particular program will be spread, will depend on its nature, extent of coverage and the intended impact of the program.

The process for implementation of CSR programs will involve the following steps:

Identification of programs will be done by means of the following:

- i. Need identification studies by the Senior Management/Professional Institutions/agencies.
- ii. Receipt of proposals/ requests from District Administration/local Govt. etc.
- iii. Suggestion from the Board of Directors/Senior Management level.
- iv. Detailed assessment survey.

Company shall give preference to the local areas and areas where the Company operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.

#### 8. MONITORING AND FEEDBACK

The administration of the CSR policy and execution of CSR Projects/programs and activities shall be carried out under the overall superintendence and guidance of an internal monitoring group (herein after CSR Team) formed for this purpose.

The internal monitoring group/CSR Team shall consist of:

- i. Managing Director
- ii. Executive Director
- iii. Chief Financial Officer of the Company
- iv. HR unit head

The CSR Team shall submit its report to CSR Committee formed under the Act.

CSR Team will try to obtain feedback from beneficiaries about the programs implemented at the area.

CSR initiatives of the Company will be reported in the Annual Report of the Company & the Board Report in compliance with Section 135 of the Act, and rules made there under.

#### 9. PROCEDURE FOR CSR ACTIVITIES

The Committee shall recommend the Board suitable CSR Activities to be undertaken during for the financial year along with the detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities;

The Board shall give its approval based on the recommendation of the Committee and in compliance

of this policy;

The Committee, after approval, shall submit its report giving status of the CSR Activities undertaken, Expenditure incurred and such other details as may be required by the Board.

#### 10. EXCLUSION

The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.

Company shall not make any payment directly or indirectly to Political Party (ies) for CSR Activities.

The CSR projects or programs or activities that benefit only the employees of Company and their families shall not be considered as CSR activities in accordance with Section 135 of the Act.

Any surplus arising out of the CSR projects or programs or activities shall not form part of the business profit of the Company but should be added in the CSR Fund.

#### 11. ALLIED MATTERS

With regard to CSR activities, Boards Report to state such particulars as stated under Companies (Corporate Social Responsibility) Rules, 2014.

Company shall display such particulars relating to CSR Policy and activities undertaken there under as stated under Companies (Corporate Social Responsibility) Rules, 2014.

#### 12. GENERAL

In case of any doubt with regard to any provision of the policy and also in respect of matters not covered herein, a reference to be made to CSR Committee. In all such matters, the interpretation & decision of the Committee shall be final.

Any or all provisions of the CSR Policy would be subject to revision/amendment in accordance with the guidelines on the subject as may be issued from Government, from time to time.

The CSR Committee reserves the right to modify, add, or amend any of provisions of this policy subject to approval of the Board.

For and on behalf of the Board of Directors

Place: Indore

Date: August 5, 2021

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**PRIYANKA DABKARA**  
Director  
(DIN- 08634736)

#### Annexure-V

## THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014]

#### 1. Brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken:

In accordance with the provisions of the Companies Act, 2013 and rules made there under, the Company had framed its CSR Policy to carry out its CSR activities in accordance with Schedule VII of the Act. The CSR Policy annexed as Annexure-IV to this report. The CSR policy may be assessed on the company's website at [www.keningint.org](http://www.keningint.org)

The Company believes in conducting its business responsibly, fairly and in a most transparent manner. It continuously seeks ways to bring about an overall positive impact on the society and environment where it operates and as a part of its social objectives.

The main objective of the CSR Policy of the Company is to lay down guidelines to make CSR a key business process for sustainable development of the society and the environment in which it operates.

During the year, the Company as part of its CSR activities provided a grant towards promoting

education, healthcare, environment and skilling & livelihood. The CSR Committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR Policy including overview of the projects undertaken.

#### 2. The Composition of the CSR Committee:

Mr. Ritesh Gupta (Chairman)

Mr. Manish Dabkara (Member)

Mrs. Priyanka Dabkara (Member)

#### 3. Average net profit of the company for last three financial years: Rs. 2,42,83,992

#### 4. Prescribed CSR expenditure (2% of the amount as in item 3 above): Rs. 4,85,680

#### 5. Details of CSR spend during the financial year

a) Total amount spent during the financial year: Rs.5,00,350

b) Amount unspent, if any: NIL

c) Manner in which the amount spent during the financial year is detailed

The Company has undertaken CSR activities in the areas of promoting Vocational Training.

Manner in which the amounts spent during the financial year ended March 31, 2021 are detailed below:

Sr. No.	CSR project or activity identified	Sector in which the Project is covered (clause no. of Schedule VII to the Companies Act, 2013 as amended)	Projects or Programmes (1) Local area or other (2) Specify the State and district where projects or programmes wasundertaken	Amount (Rs.) outlay (Budget project or programs wise)	Amount(in Rs.) spent on the projects or programs Sub-heads: 1. Direct expenditure on projects or programmes 2. Over-heads(Rs.)	Cumulative expenditure (in Rs.) upto the reporting period. i.e. 2014-15 onwards	Amount spent: Direct or through implementing agency
1.	Promotion of Vocational Training	Promoting vocational skillsetc. {Clause.(ii)}	Gujrat	5,00,320	Direct Exp-5,00,320 Overheads-Nil	5,00,320	Through registered Trust (Shri Jagatbharti Education & Charitable Trust)
			<b>Total</b>	<b>5.00 Lacs</b>	<b>5.00 Lacs</b>	<b>5.00 Lacs</b>	



6. In case the company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable
7. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

**For and on behalf of the Board of Directors**

**Place: Indore**

**Date: August 5, 2021**

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**RITESH GUPTA**  
Chairman – CSR Committee  
(DIN- 00223343)

# CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

To,  
The Members,  
**EKI ENERGY SERVICES LIMITED**  
**CIN: U74200MP2011PLC025904**  
Registered office: 201, Plot No. 48, Scheme No. 78,  
Part-II, Vijay Nagar (Near Brilliant Convention Centre)  
Indore (MP)-452010.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **EKI ENERGY SERVICES LIMITED (CIN: U74200MP2011PLC025904)**, Registered Office at 201, Plot No. 48, Scheme No. 78, Part-II, Vijay Nagar (Near Brilliant Convention Centre), Indore, Madhya Pradesh, India- 452010 (hereinafter referred to as 'the Company') and produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verification (including Directors Identification Number (DIN) status at the MCA portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Manish Kumar Dabkara	03496566	03/05/2011
2.	Mr. Naveen Sharma	07351558	27/11/2015
3.	Mrs. Sonali Sheikh	08219665	05/11/2020
4.	Mrs. Priyanka Dabkara	08634736	10/12/2019
5.	Mr. Ritesh Gupta	00223343	05/11/2020
6.	Mr. Burhanuddin Ali Husain Maksi Wala	08326766	05/11/2020

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on the basis of my verification. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR RUCHI JOSHI & COMPANY**  
Practicing Company Secretaries

**Place: Indore**  
**Date: August 5, 2021**

**RUCHI JOSHI**  
FCS: 8570 | CP No. : 14971  
UDIN: F008570C000713054

# CEO/ CFO CERTIFICATION

To,

The Board of Directors  
EKI Energy Services Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of EKI Energy Services Limited. ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2021 and to best of our knowledge and belief, we state that:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true & fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control system of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and Audit Committee:
  - (i) Instance of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

**Place: Indore**

**Date: August 5, 2021**

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**SONALI SHEIKH**  
Chief Financial  
Officer

We are the  
first  
generation to  
feel the  
impact of  
climate  
change and  
the last  
generation  
that can do  
something  
about it.

**-Barack Obama**





# Management Discussion & Analysis

## MACROECONOMIC DISCUSSION

### Global Economy

According to the IMF, during 2020 the global economy was expected to have contracted by 3.3%. The Covid-19 pandemic severely impacted global economic activity in the first half of the year however, the contraction is expected to have been less in the second half. During 2020, economic activity in the US is expected to have declined by 3.6%. The impact of the pandemic was lower than first expected due to the substantial fiscal support to household incomes. As a result, the US economy is expected to rebound by 3.5% in 2021 supported by improved Covid-19 containment.

Similarly, Euro area economic growth is projected to decline by 7.4% in 2020, while it is expected to recover by 3.6% in 2021. Positive growth forecasts are supported by national fiscal support packages, successful Covid-19 vaccination rollout plans and rising external demand. In Asia, China and Japan's economic activities are expected to contract by 2.0% and 5.3% respectively in 2020. Effective containment of Covid-19 coupled with strong fiscal support limited further economic contraction. Furthermore, the emerging market and developing economies declined by 2.6% in 2020 and were most adversely impacted by the pandemic. Government and regulatory support including policy rate cuts, sizable stimulus packages helped to reduce the decline in economic activity.

Overall, with greater progress on vaccination roll out programs and unprecedented economic policy support, global economic prospects have improved significantly in recent months. The global economy is projected grow at around 4.0% in 2021 and 3.8% in 2022 according to various economic forecasts. These growth rates are not surprising given the suppression effects of the pandemic's impact and as a result the global economy is expected to experience multi-speed recoveries in the near to short term. This expected economic recovery will remain heavily dependent on the control of various pandemic variants and corresponding government policy actions.

### Indian Economy

In FY2021, the year in which the pandemic had its full effect, the Indian economy is expected to have contracted by 8.5%. This de-growth has resulted from lower economic activity across all industry sectors and regions across India. However, with government's focused efforts on controlling the pandemic, supporting economic activity and improving infrastructure, the Indian economy has shown early signs of sustained recovery in last few months.

The resilience of the agriculture sector has resulted in record food grain production and buffer stocks in FY2021 and supported other sectors of the economy.

The normal monsoon forecasted by the India Meteorological Department (IMD) is expected to sustain rural demand, contain food price pressures and overall output in FY2022. Aggregate demand conditions across India are also improving gradually. During January to March 2021, sales of consumer goods reported double digit growth, while average daily electricity generation is up by 40% compared to the same period last year. Rail freight has grown by over 75% YoY in April 2021.

Following the Covid-19 second wave and extended lockdowns in a start of the fiscal year, the Indian economy is expected to grow at lower rate of 8-9% in FY2022. However, the recent vaccine roll-out drives, rising consumer demand in international markets coupled with a strong policy support are expected to restore economic growth in the second half of the year.

## INDUSTRY OVERVIEW

### Carbon Credit:

A carbon credit is a certificate which provides a holder the right to emit the equivalent of one metric ton of carbon dioxide or any other equivalent greenhouse gas. When a credit is sold, the buyer is purchasing the seller's allowance of emissions. A credit becomes tradeable because of a real reduction in emissions. Carbon credits fall into four main categories: 1. Conserving nature and restoring ecosystems (protecting biodiversity); 2. Nature-based sequestration (reforestation); 3. Avoidance of emissions (methane from landfills); 4. Direct removal of CO<sub>2</sub> from the atmosphere.

There are two types of carbon credit financial instruments traded in markets: 1. Voluntary Emissions Reduction (VER): a carbon offset is exchanged in the OTC or voluntary market; 2. Certified Emissions Reduction (CER): credits created through a regulatory framework with the purpose of offsetting a project's emissions. Unlike VERs, CERs are regulated and certified by third party.

As a result of global climate control treaties and the commitment to achieve the UNFCCC's objectives, there has been significant interest in and demand for carbon credits from governments and corporations emitting greenhouse gas.

### Carbon Offset:

With the objective of becoming carbon neutral, companies, governments and other organizations are focusing on the reduction of their CO<sub>2</sub> emissions and other greenhouse gases. This will enable them to compensate for emissions made elsewhere and this process is called carbon offset. The difference between carbon offset and a carbon credit is:

- A carbon credit is generated as the result of a project with clear boundaries, title, project documents and a verification plan;
- Carbon offsets generate reductions outside of the organization and, more importantly, outside of any regulatory requirement

As all carbon dioxide emissions have a global impact, the creation of credits coupled with the carbon offset process benefit the planet in terms of climate change control.

### Current State of Carbon Markets

International carbon markets play an important role in providing cost effective solutions to reduce global greenhouse gas emissions. Carbon markets and emissions trading originally started with the aim of reducing greenhouse gas emissions by the trading of emission units or carbon credits. This trading enabled entities to reduce greenhouse gas emissions at a relatively low cost. By placing a price on carbon emissions, carbon market mechanisms raise the awareness of environmental and social costs of carbon pollution. This ultimately encourages consumers to select lower carbon emitting paths.

There are two main categories of carbon markets. Cap-and-trade sets a mandatory limit (the cap) on greenhouse gas emissions and organizations that exceed these limits can purchase excess allowances to fill the gap or pay a fine. Voluntary markets enable the trading of carbon credits outside of the regulatory environment.

Cap-and-trade allows the market to find the least expensive way to cut emissions while driving technological innovation and economic growth. The cap is the upper limit On the amount of carbon emissions a company can legally produce. As the cap is reduced for future years, total emissions generated decline.

The voluntary carbon marketplace includes all transactions of carbon offsets not purchased with the intent to surrender them into an active regulated carbon market, as well as offsets purchased with the intent to re-sell or retire them to meet carbon neutral or other environmental claims. The voluntary market is driven by companies and individuals that take responsibility for offsetting their own emissions, and entities that purchase offsets before emissions reductions are required by regulation. Buyers are motivated by corporate social responsibility, business ethics and a desire to enhance their brand reputation.

According to Refinitiv, during 2020 the total value of global carbon markets increased by around 20% to USD 272 billion. The EU Emissions Trading System (EU ETS), one of the most accepted trading systems, accounted 90% of global carbon traded. During the year, global carbon markets remained volatile and were impacted adversely in the first half of the year as a result of the pandemic. However, carbon prices and volumes hit new highs in the second half of the year on the expectation of the tightening of emissions caps with more ambitious climate goals in the future. Globally in 2020 over 8 billion allowances through European markets were traded, a growth of 20% compared to the previous year.

Despite dedicated efforts from international institutions, governments and other entities, there is a significant gap in the current reduction commitments and the expected outcome from these efforts to achieve the climate control goals set by the Paris Agreement. Low carbon emissions, placing a price on carbon credits and the establishment of ETS, are all expected to play an important role in the development of carbon neutral economies. Looking forward, with ambitious climate change targets having been made by many governments, including China's pledge to deliver net-zero emissions by 2060, the global carbon market is expected to gain further momentum in the near term.

### Carbon Crediting Mechanisms

Carbon Crediting Mechanisms aim to cost effectively reduce greenhouse gas emissions through the trading of instruments. At present Kyoto mechanisms (Clean Development Mechanism (CDM) and Joint Implementation (JI)) are the only internationally agreed mechanisms for regulating carbon credit activities. Both of these mechanisms have been responsible for 75% of all credits issued to date, with 70% of those coming from projects in industrial gases and renewable energy. Presently CDM is the major issuer and has issued more than half of the total carbon credits ever issued, while JI has issued 22%.

### Crediting Under the Paris Agreement

Unlike the crediting process under the Kyoto Protocol, as all parties to the Paris Agreement have Nationally Determined Contributions (NDCs) commitments, there is an opportunity cost of selling credits under Article 6 that parties will need to assess. This is also relevant to countries where voluntary crediting is taking place within their jurisdiction. This would also impact a country's ability to achieve current or future NDC targets, as voluntary crediting mechanisms follow similar rules on exclusion for double counting. Article 6 of the Paris Agreement provides the mandate for countries to transfer mitigation outcomes in order to meet their NDCs. The Joint Crediting Mechanism (JCM), initiated by the Government of Japan, provides guidelines for bilateral cooperative approaches and implementation steps for fostering mitigation actions.

## India and Carbon Credit Market

India is the world's third-largest GHG emitter in 2020. The country's per capita emissions remain low, at 2.4 tCO<sub>2</sub> /capita which is less than half the global average of 6.3 tCO<sub>2</sub> /capita. However, emissions rates in India have been moving upwards rapidly over the past decade and are only estimated to escalate further. In 2030 India is projected to be the most populous country and the third largest economy in the world. This will lead to a significant increase in per capita energy consumption and correspondingly per capita emissions and India's overall emissions intensity.

In order to achieve the goal set in the Paris Agreement, India is undertaking various climate control measures including:

1. Promoting renewable energy by targeting to generate 450 GW from renewable energy by 2030;
2. Creating an additional carbon sink of around 3 billion tonnes of CO<sub>2</sub> through additional forest and tree cover;
3. Adopting clean technology and
4. Supporting various climate control projects

As stated in India's biennial update reports to the UNFCCC, India has achieved a 21% reduction in emission intensity of its GDP over 2005 levels and is aiming at a 33-35% reduction by 2030.

At present, India is actively considering the adoption of a cap-and-trade crediting mechanism to work towards its NDC commitments. The government is in process of implementing the World Bank administered Partnership for Market Readiness (PMR) program which uses carbon pricing instruments to scale up mitigation efforts predominantly in middle income countries.

As at December 2020, 1,681 out of total 7,846 projects registered by the CDM Executive Board are from India. The number of CERs issued to Indian projects is 255 million (12.36%) out of the total 2,062 million CERs issued.

## Covid-19: Impact, Responses and Initiatives

At the start of the pandemic and as its effects rippled through global economies, carbon markets were impacted adversely as prices and auction volumes initially declined. However, unlike many other global trading markets which were also impacted, the carbon markets remained relatively resilient during rest of the year. Carbon market activity levels have been supported by sound underlying market structures and future expectations of stringent climate control regulations around the world. As a result of recent reforms in policy frameworks, more ambitious 2030 targets and long-term net-zero commitments, ETS coverage continues to expand globally and gain greater market share.

During last year, the carbon market not only overcame the initial trading impact of the pandemic but experienced growth overall. With the launch of the

China national ETS, coverage of ETS nearly doubled to 16% of total emissions. Starting with the power sector and with other sectors expected to be introduced later, the China national ETS has become the world's largest system, covering around 4 billion tonnes of CO<sub>2</sub>, about 40% of the country's total emissions.

In line with the global carbon credit market, EKI Energy's operations demonstrated resilience in the context of the pandemic and there was limited negative impact on revenues and profitability. The major business segments of the Company reported a strong operational performance and recorded robust revenue growth. Furthermore, to safeguard and demonstrate the commitment to all team members, the Company has offered work from home, a bonus in Diwali and other employee-friendly steps have been taken. Going forward with diverse product portfolio coupled with strong customer base, EKI Energy expected to capitalize rapidly growing domestic and international carbon market.

## Strengths, Opportunities, Competition and Threats

### Strengths

- **Broad client base and strong working relationships:** EKI Energy has a strong and widespread client base located internationally and in many cities across India. The Company has a stable and core client base representing large industrial groups, power producers, banks and other financial institutions, central public sector undertakings, SMEs and government organizations.
- **One stop shop for multiple service offerings:** The Company offers clients closely linked services across its four business areas of Climate Change Advisory, Carbon Credits Offsetting, ISO Consultancy and Electrical Safety Audits. These service offerings are not only beneficial to clients but provide business and revenue diversification benefits to our stakeholders. The Company may continue to selectively add synergistic service offerings to cater for its client needs.
- **Experienced and qualified management team:** The Company has a qualified and experienced management team and an employee base with the requisite skills to drive future growth. EKI Energy believes that human capital is one of its most valuable assets given the teams skill sets and commitment creates a distinct competitive advantage. Learning and development, particularly on the job training, is a focus area for the Human Resources team. • **Quality assurance, timely payment and service delivery:** EKI Energy is well recognized for its innovative solutions in the fields of climate change, carbon credit and overall approaches to sustainability. The Company is relentlessly focused on timely service delivery along with assurances of the highest quality standards. In carbon credit trading, the Company prioritizes timeliness of client payments and the reliability of

purchased carbon credits as agreed by contractual agreements.

### Opportunities

- **Greater global climate control awareness:** The implications of not addressing climate related issues and failing to implement corrective environmental change is now well established. The global change required to achieve carbon neutrality reflects the scale of the opportunity.
- **Increasingly stringent regulations:** Governments around the world are actively promoting ecologically sustainable development and diligently implementing climate control policies. Countries have introduced various regulations to meet the targets set by the Paris Agreement. In India, SEBI recently has introduced the new disclosure requirements under Business Responsibility and Sustainability Reporting (BRSR). The BRSR is a notable departure from existing business responsibility report and a significant step towards bringing sustainability reporting at par with financial reporting with the new reporting format, listed companies now need to provide an overview of their material ESG risks, along with mitigating plans, and opportunities. Under environmental disclosures, companies need to cover aspects such as resource usage (energy and water), air pollutant emissions, GHG emissions, transitioning to circular economy, waste generated, waste management practices and bio-diversity.
- **Increasing corporate and social awareness:** With the changing business environment and heightened social environmental awareness, corporates are placing greater emphasis on sustainable business solutions. Being responsible corporate citizens, many companies are increasingly following more sustainable business practices and have in turn been actively supported by all their stakeholders. Additionally, many governments around the world including developing countries like China have set specific targets to become carbon neutral. This is further highlighting the global awareness and response for controlling climate change going forward.

### Competition

EKI Energy operates in a high growth and specialized industry. The Company has competitors offering similar services and client purchase decisions are based on service quality, competitive fees and pricing, timely delivery, reliability and most importantly responsiveness. EKI Energy believes that its cost effective and integrated facilities, focus on customer satisfaction, trusted brand and reliability, and ability to adapt to changing regulations provides it with a tangible competitive advantage.

### Threats

EKI Energy is subject to various general business risks

and uncertainties. The Company's operations and financial conditions can be affected by factors including the following:

- Change in regulations of carbon markets and trading rules.
- Change in carbon credit market dynamics.
- Dependency on the carbon credit trading business.
- Trading in carbon credits exposure to counter parties.
- Inability to maintain regular carbon credit order flow.
- Adverse fluctuations in foreign exchange rates.
- Inability to maintain an optimal level of working capital.
- Dependence on Promoter and Key Managerial Personnel.
- Regular changes in quality management standards, electrical safety norms and environmental laws and regulations related to GHG emissions.
- Adverse financial condition of EKI Energy's clients or the global economy.
- Developments in macroeconomic factors.
- General economic and business conditions in end customer markets.
- Changes in laws and regulations in end customer industries.

## Business Strategy

EKI Energy has delivered a strong financial performance during FY2021. This was based on a commitment to its vision, clear strategic direction and resilience during a challenging year. The Company remains confident in increasing its market share, building on its high quality client base and its ability to deliver dynamic services. However, with the pandemic it remains cautious in its business planning and responsive to unexpected challenges.

The four key elements of the Company's strategy comprise of the following:

1. **Focus on Climate Advisory Services and Carbon Credits Offsetting:** With an increasing awareness of carbon neutrality and a rapidly changing Indian and international regulatory environment, EKI Energy intends to continue to focus on its core businesses through the retention of existing clients and the acquisition of new clients. The Company's inherent strength lies in the domain expertise developed over the years in providing these services to clients across various industry sectors. EKI Energy has a clearly defined strategy which is underpinned by disciplined investment in the hiring of technical expertise and onboarding energy efficient projects across the world by expanding its geographic presence.



2. **Application of technology to drive operational efficiency:** Since it was established over a decade ago, EKI Energy has always experienced rapid growth and applied technology to increase the scale and scope of the business. This dynamic growth profile has always reinforced the need for further improvement in technology led operational efficiency. EKI Energy has enhanced its productivity by documenting and continuously updating its knowledge base to ensure efficient and quality delivery of its services. It will help the Company to easily access real time information and improve its operational efficiency.
3. **Expanding the customer base across industries and geographies:** In order to capitalize on the growth opportunities, EKI Energy plans to engage with new customers and selectively enter new regional markets. The Company plans to grow its business primarily by increasing both the number of customers and projects. EKI Energy seeks to also build on its existing client relationships to ensure

profitable repeat business and ongoing brand awareness. Going forward, the Company will continue developing its client centric services and expand its customer base on this foundation.

4. **Creating awareness in society to reduce carbon emissions:** EKI Energy's communication strategies encourage behavioral changes across society with the aim of reducing the quantity of greenhouse gas emissions on a daily basis. This can be achieved through daily initiatives such as responsible electricity usage, recycling unwanted waste, car-pooling, tree plantation and public commutes by walk or bicycle. Often organizations offer incentives to employees to suggest greener ways of commuting and support these ideas with practical infrastructure such as bike racks and sheds. Other initiatives include the use of efficient heating systems, reducing and reusing office furniture and supplies and sourcing from ethical and sustainable manufacturers.

## Operational Review

### Operational Performance

(Rs. in Lakhs)

Revenue from Operations by Segments	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Climate Change & Sustainability Advisory and Carbon Offsetting	18,976.21	6,505.76
Business Excellence Advisory & Training Services	27.30	64.92
Electrical Safety Audits	75.47	19.76
<b>Total</b>	<b>19,078.98</b>	<b>6,590.44</b>

### Financial Performance

PARTICULARS	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Revenue From Operations	19,078.98	6,590.44
Other Income	22.85	8.29
<b>Total Revenue</b>	<b>19,101.83</b>	<b>6,598.73</b>
<b>Expenditure:</b>		
Direct Expenses	14,967.27	5,310.38
Employee Benefits Expenses	847.77	451.02
Finance Cost	25.20	8.88
Depreciation and Amortisation Expenses	38.60	19.82
Other Expenses	731.42	214.16
<b>Total Expenditure</b>	<b>16,610.27</b>	<b>6,004.27</b>
<b>Profit/(Loss) Before Exceptional &amp; extraordinary items &amp; Tax</b>	<b>2,491.56</b>	<b>594.46</b>
<b>Profit/(Loss) Before Tax</b>	<b>2,491.56</b>	<b>594.46</b>
<b>Tax Expense:</b>		
Current Tax	627.46	143.28
Deferred Tax	(5.40)	(0.08)
<b>Net Current Tax Expenses</b>	<b>622.06</b>	<b>143.20</b>
<b>Profit/(Loss) for the Year</b>	<b>1,869.51</b>	<b>451.27</b>
<b>Earning per Equity Share:</b>		
(Nominal Value of Share Rs. 10 each)		
Basic EPS (Rs. Per Share)	37.02	8.94
Diluted EPS (Rs. Per Share)	37.02	8.94

- Total revenues increased by 189.4% YoY to Rs. 19101.8 lakhs in FY2021. Climate Change & Sustainability Advisory and Carbon Offsetting delivered total revenue of Rs. 18,976.2 lakhs, up 191.7% YoY.
- Business Excellence Advisory & Training Services business reported a revenue of Rs. 27.3 lakhs as compared with Rs. 64.9 lakhs in FY2020. Electrical Safety Audits revenue was up 281.9% to Rs. 75.5 lakhs.
- EBIDTA for the year was up 311.9% to Rs. 2,532.5 lakhs.
- Net profit after tax during the year up by 314.7% YoY to at Rs. 1,869.5 lakhs.
- Earnings per share was Rs. 37.02 per share in FY2021, as compared with Rs. 8.94 per share in FY2020.
- Total Shareholders' Fund increased to Rs. 2,490.1 lakhs, as on March 31, 2021, compared with Rs. 620.6 lakhs as on March 31, 2020.

## Key Financial Ratio and Detailed Explanation for Significant Change

### Consolidated Key Financial Ratios

PARTICULARS	FY2021	FY 2020
Debtors Turnover	35.3x	19.5x
Interest coverage ratio	100.5x	69.2x
Current Ratio	2.4x	1.3x
Debt equity ratio	0.1x	0.2x
Operating Profit Margin	13.3%	9.3%
Net Profit Margin	9.8%	6.8%
Return on Net worth	75%	73%

- Current ratio has improved due to efficient management of working capital.
- Interest Coverage ratio has improved by enhanced operational efficiencies and lower debt level.
- Operational efficiencies bring the upward movement in net profit margin & return on net worth.

### Internal Control Systems and Adequacy

The Company's internal controls are commensurate with the nature of its operations. These control systems ensure compliance with all Indian and international applicable laws and regulations, facilitate the optimal utilization of resources available within the Company and aim to protect the interests of all stakeholders. EKI Energy has clearly defined policies, standard operating procedures, delegated levels of authority and an appropriate business organizational structure that ensures efficient conduct of its operations.

EKI Energy's control systems rely on its IT platform for infrastructure and cloud-based storage for data security. These control systems are also designed to ensure that financial and other related records are representative and reliable for the preparation of financial information and reports, the maintenance and accountability of assets and other data. Control systems are further supplemented by an extensive program of internal audits, reviews by management and documented policies, guidelines and procedures. The Company's business continuity plan is a critical component of the scope of its internal control systems.

### Information Technology

EKI Energy has always been on the forefront for data privacy, information security and leveraging technology for the development of its different business areas. The business environment today is rapidly evolving with the emergence of new technologies and subject to digital disruption. EKI Energy has a dedicated team of technology specialists (in-house and outsourced) which is constantly enabling its business areas with innovative technologies to develop new services and drive operational efficiency.

During FY2021, EKI Energy implemented various technology-based initiatives including:

- Continued to build out its IT team with a focus on keeping business and IT infrastructure updated and available 24\*7
- Purchased cloud-based facilities from ZOHO to maintain accounting ledgers, CRM, monitor sales activities and streamline approval processes Human Resources, Learning and Development

EKI Energy believes that all its employees play a pivotal role in delivering on its strategic objectives and creating a valuable competitive advantage. The Company has fostered an environment where each employee is encouraged to continuously learn new skills, particularly on the job, and motivated to reach and contribute to their full potential. EKI Energy's Human Resources team has implemented progressive policies to provide support for its employees at all times, especially during work from home periods, and address the principles of fairness, diversity and inequality.

During the year, the Company announced no-work on Saturdays to enable individuals to achieve a better work life balance. This in turn will further enhance motivation and productivity levels. Furthermore, in line with the Company's policy to reward and incentivize its employees for their dedicated efforts, EKI Energy offered annual employee increments in the range of 10%-30%. This was despite the negative financial impact of the pandemic and believed to be at the top end of the industry. The overall industrial relations of the Company with its personnel have continued to be cordial and accommodating during the year. The Company has more than 100 permanent employees as at March 31, 2021.

### Business Outlook

Increasing global awareness of the impact of carbon emissions and the search for solutions and initiatives to reduce all greenhouse gas emissions are expected to continue to offer exciting growth opportunities for Climate Change Advisory and Carbon Credits Offsetting businesses. Major international climate control treaties,

building on the Kyoto Protocol and Paris Agreement, are forcing developing countries in particular to reduce greenhouse gas emissions and rapidly adopt cleaner sources of energy. In line with these governmental efforts to address environmental issues, many of the major oil-producing companies are diversifying their traditional operations towards renewable energy portfolios. In India larger and highly regarded corporations such as Reliance and Infosys have acted and publicly stated defined steps to achieve carbon neutrality timeframes.

Climate control initiatives have accelerated carbon credit generation in other developing countries such as

Argentina, Brazil and China. These are also expected to create significant business opportunities for EKI Energy in the near term. EKI Energy's ISO Certification and Electrical Safety Audit businesses are also expected to increase their contributions to the Company's overall performance. This is underpinned by corporations continuing to strengthen their internal processes and procedures and raise their safety standards. Overall, with innovative climate change related solutions, a strong client base and an improving regulatory environment, EKI Energy is poised to maintain its near-term growth trajectory.

**Cautionary Statement:** Statement in the "Management Discussion and Analysis" describing the Company's objectives, estimates, expectations or projections may be "forward looking statements" within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectation of future events. Actual results could, however, differ materially from those expressed or implied. The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.



# INDEPENDENT AUDITORS' REPORT

To

The Members

**EKI ENERGY SERVICES LIMITED**

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

## OPINION

We have audited the accompanying financial statements of **EKI ENERGY SERVICES LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March 2021, the Statement of Profit & Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the applicable rules and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, the profit and its cash flows of the year ended on that date.

## BASIS OF OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in 'the Auditors' Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance the ethical requirements that are relevant to our audit of the financial statements as per the Code of Ethics issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 2013, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements for the financial year ended 31st March 2021. These matters were addressed in the context of our audit of the Standalone

Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS & AUDITORS' REPORT THEREON

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance), and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## FINANCIAL STATEMENTS

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements for the financial year ended 31st March 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS

1. In our opinion, the managerial remuneration for the year ended 31st March 2021, has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

Place: **Indore**  
Date: **16th June 2021**  
UDIN: **21079696AAAAF M6686**

- e) On the basis of the written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over the financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" to this report;
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - 1) The Company does not have any pending litigations which could have any impact on its financial position in the financial statements;
  - 2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - 3) There are no amounts which are required to be transferred to Investor Education and Protection Fund by the Company during the year ended on 31st March 2021.

**For D.N. JHAMB AND COMPANY**  
Chartered Accountants  
Firm Reg. No. 019675C

**CA. DEVKI NANDAN JHAMB**  
Partner  
Membership No. 079696



## ANNEXURE: "A"

### REFERRED TO PARA 2 UNDER THE HEADING OF "REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF EKI ENERGY SERVICES LIMITED FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021.

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- a) In respect of the Company's fixed assets:
  - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The Company has a regular program for physical verification of its fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) The title deeds of all the immovable properties are held in the name of the Company.
- b) The Company is engaged in the business of climate change & sustainability advisory and carbon offsetting. In this nature of business, inventory is not available in physical form and thus, its physical verification is impractical. Accordingly, provisions under clause 3(ii) of the Order are not applicable to the Company.
- c) According to the information and explanations given to us, the Company has granted unsecured loan to its director, covered in the register maintained under section 189 of the Act, in respect of which:
  - (i) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
  - (ii) The schedule of repayment of principle and payment of interest was not stipulated upon, but complete repayment of amount advanced by the Company has been made as at the reporting date.
  - (iii) There is no overdue amount remaining outstanding as at the year end.
- d) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of loans, investments, guarantees and

security.

- e) In our opinion and according to the information and explanation given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- f) The Company is not required to maintain cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- g) In respect to statutory dues:
  - 1) According to the records of the Company and information and explanations given to us, the Company is regular in depositing undisputed statutory dues with the appropriate authorities including provident fund, employees' state insurance fund, income-tax, sales tax, goods & service tax, duty of custom, duty of excise, value added tax, cess or any other statutory dues as applicable to it. There were no such undisputed amounts payable as at the last day of financial year 2020-21 for a period of more than six months from the date they became payable.
  - 2) There are no cases where the dues of income tax and sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute.
- h) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowing to banks or financial institutions. The Company has not obtained any loans and borrowings from government and has not issued any debentures.
- i) In our opinion and according to the information and explanations given to us, although during the financial year 2020-21, the Company was in the process of issuing initial public offer and getting listed in the stock exchange, it did not raise any money by way of initial public offer in the reporting period. The Company did not raise any money by way of further public offer (including debt instruments). Money raised by the Company by way of term loan was applied for the purpose for which they were raised.
- j) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- l) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable to the Company.
- m) In our opinion, according to the information and explanations given to us and on the basis of our examination of records of the Company, the transactions with the related parties are in compliance with Sections 177 and 188 of Act, wherever applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- n) In our opinion, according to the information and

explanations given to us and on the basis of our examination of records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence, provisions of clause 3(xiv) of the Order are not applicable to the Company.

- o) In our opinion and according to the information and explanations given to us, the Company has not made / entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3(xv) of the Order are not applicable to the Company.
- p) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For D.N. JHAMB AND COMPANY**  
Chartered Accountants  
Firm Reg. No. 019675C

**CA. DEVKI NANDAN JHAMB**  
Partner  
Membership No. 079696

Place: **Indore**  
Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAF M6686**

## ANNEXURE: "B"

**REFERRED TO IN PARA 3(f) UNDER THE HEADING OF "REPORT ON OTHER LEGAL & REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF EKI ENERGY SERVICES LIMITED FOR THE YEAR ENDED 31st MARCH 2021.**

**Report on the Internal Financial Controls under clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Control Over Financial Reporting of EKI ENERGY SERVICES LIMITED ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the company for the year ended on that date.

### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial control over financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain

audit evidence about the adequacy of the internal financial Controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance With generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have material effect on the financial statements.

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by

the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial Reporting issued by the Institute of Chartered Accountants of India.

**For D.N. JHAMB AND COMPANY**

Chartered Accountants

Firm Reg. No. 019675C

**CA. DEVKI NANDAN JHAMB**

Partner

Membership No. 079696

Place: **Indore**

Date: **16<sup>th</sup> June 2021**

UDIN: **21079696AAAAF M6686**



BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2021

		(Rs. in Lakhs)	
Particulars	Notes	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>A) EQUITY AND LIABILITIES</b>			
<b>1. Shareholders' Funds</b>			
(a) Share Capital	4	505.00	5.00
(b) Reserves & Surplus	5	1,985.12	615.62
		<b>2,490.12</b>	<b>620.62</b>
<b>2. Non Current Liabilities</b>			
(a) Long Term Borrowings	6	76.08	91.04
(b) Deferred Tax Liabilities (Net)	7	-	-
		<b>76.08</b>	<b>91.04</b>
<b>3. Current Liabilities</b>			
(a) Short Term Borrowings	8	56.01	1.89
(b) Trade Payables	9		
(i) Outstanding dues of MSME		11.33	16.16
(ii) Outstanding dues of creditors other than MSME		1,225.91	704.20
(c) Other Current Liabilities	10	40.78	12.98
(d) Short Term Provisions	11	64.61	20.00
		<b>1,398.64</b>	<b>755.23</b>
<b>TOTAL</b>		<b>3,964.84</b>	<b>1,466.89</b>
<b>B) ASSETS</b>			
<b>1. Non Current Assets</b>			
(a) Property, Plant & Equipment			
I) Tangible Assets	12	<b>113.91</b>	<b>135.25</b>
II) Capital Work in Progress		2.65	-
(b) Non Current Investments	13	448.58	295.96
(c) Deferred Tax Assets (Net)	7	5.90	0.50
(d) Other Non Current Assets	14	61.32	30.45
		<b>632.36</b>	<b>462.16</b>
<b>2. Current Assets</b>			
(a) Trade Receivables	15	653.69	430.01
(b) Cash and Cash equivalents	16	1,560.37	191.97
(c) Current Investments	17	33.03	-
(d) Short-Term Loans and Advances	18	125.96	139.17
(e) Other Current Assets	19	959.43	243.58
		<b>3,332.48</b>	<b>1,004.73</b>
<b>TOTAL</b>		<b>3,964.84</b>	<b>1,466.89</b>

The accompanying notes (1-39) from integral part of the financial statements

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAFM6686**

For and on behalf of the Board of EKI ENERGY SERVICES LIMITED

**Manish Kumar Dabkara**  
(Managing Director)  
DIN: 03496566

**Sonali Sheikh**  
(Whole Time Director & CFO)  
DIN: 08219665

**Naveen Sharma**  
(Whole Time Director)  
DIN: 07351558

**Itisha Sahu**  
(Company Secretary)  
M.No.: A59200

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021

		(Rs. in Lakhs)	
Particulars	Notes	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
1. Revenue From Operations	20	19,078.98	6,590.44
2. Other Income	21	22.85	8.29
<b>Total Revenue (1+2)</b>		<b>19,101.83</b>	<b>6,598.73</b>
<b>3. Expenditure</b>			
(a) Direct Expenses	22	14,967.27	5,310.38
(b) Employee Benefits Expenses	23	847.77	451.02
(c) Finance Cost	24	25.20	8.88
(d) Depreciation and Amortisation Expenses	25	38.60	19.82
(e) Other Expenses	26	731.42	214.16
<b>4 Total Expenditure 3(a) to 3(e)</b>		<b>16,610.27</b>	<b>6,004.27</b>
5 Profit/(Loss) Before Exceptional & extraordinary items & Tax (1+2-4)		2,491.56	594.46
6 Exceptional item		-	-
<b>7 Profit/(Loss) Before Tax (5-6)</b>		<b>2,491.56</b>	<b>594.46</b>
<b>8 Tax Expense:</b>			
(a) Current Tax		627.46	143.28
(b) Deferred Tax		(5.40)	(0.08)
<b>Net Current Tax Expenses</b>		<b>622.06</b>	<b>143.20</b>
<b>9 Profit/(Loss) for the Year (7-8)</b>		<b>1,869.50</b>	<b>451.26</b>
<b>10 Earning per Equity Share</b>	<b>27</b>		
(Nominal Value of Share Rs. 10 each)			
(a) Basic EPS (Rs. Per Share)		37.02	8.94
(b) Diluted EPS (Rs. Per Share)		37.02	8.94

The accompanying notes (1-39) from integral part of the financial statements

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAFM6686**

For and on behalf of the Board of EKI ENERGY SERVICES LIMITED

**Manish Kumar Dabkara**  
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DIN: 03496566

**Sonali Sheikh**  
(Whole Time Director & CFO)  
DIN: 08219665

**Naveen Sharma**  
(Whole Time Director)  
DIN: 07351558

**Itisha Sahu**  
(Company Secretary)  
M.No.: A59200

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

(Rs. in Lakhs)			
Particulars	Notes	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>A) Cash Flow From Operating Activities :</b>			
Net Profit before tax		2,491.56	594.46
Adjustment for :			
Depreciation and Amortization		38.60	19.82
Interest Paid		25.20	8.88
Other Non-Operating Income		(22.85)	(8.29)
<b>Operating profit before working capital changes</b>		<b>2,532.51</b>	<b>614.87</b>
<b>Changes in Working Capital</b>			
Decrease / (Increase) in Trade Receivables		(223.68)	(183.06)
Decrease / (Increase) in Short-Term Loans & Advances		13.21	(138.54)
Decrease / (Increase) in Other Current Assets		(715.85)	(315.91)
Increase / (Decrease) in Trade Payables		516.88	634.17
Increase / (Decrease) in Short-Term Provisions		44.61	135.75
Increase / (Decrease) in Other Current Liabilities		27.80	0.96
<b>Cash generated from operations</b>		<b>2,195.48</b>	<b>748.24</b>
Less:- Income Taxes paid		627.46	143.28
<b>Net cash flow from operating activities</b>	<b>A</b>	<b>1,568.02</b>	<b>604.96</b>
<b>B) Cash Flow From Investing Activities :</b>			
Sale of Tangible Assets		0.95	0.07
Purchase of Tangible Assets		(20.88)	(141.28)
Decrease / (Increase) in Non Current Investment		(152.62)	(295.96)
Decrease / (Increase) in Current Investment		(33.03)	(8.84)
Decrease / (Increase) in Other Non-Current Assets		(30.87)	(7.12)
Other non Operating Income		22.85	8.29
<b>Net cash flow from investing activities</b>	<b>B</b>	<b>(213.60)</b>	<b>(444.84)</b>
<b>C) Cash Flow From Financing Activities :</b>			
Interest Expense on Borrowing		(25.20)	(8.88)
Increase / (Decrease) in Long-Term Borrowings		(14.96)	91.04
Increase / (Decrease) in Short-Term Borrowings		54.12	(113.51)
<b>Net cash flow from financing activities</b>	<b>C</b>	<b>13.96</b>	<b>(31.35)</b>

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAFM6686**

For and on behalf of the Board of **EKI ENERGY SERVICES LIMITED**

**Manish Kumar Dabkara**  
(Managing Director)  
DIN: 03496566

**Naveen Sharma**  
(Whole Time Director)  
DIN: 07351558

**Sonali Sheikh**  
(Whole Time Director & CFO)  
DIN: 08219665

**Itisha Sahu**  
(Company Secretary)  
M.No.: A59200

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

(Rs. in Lakhs)			
Particulars	Notes	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
(Cash flow statement continued...)			
Net cash flow from operating activities		1,568.02	604.96
Net cash flow from investing activities		(213.60)	(444.84)
Net cash flow from financing activities		13.96	(31.35)
<b>Net Increase/(Decrease) In Cash &amp; Cash Equivalents</b>	<b>(A+B+C)</b>	<b>1,368.40</b>	<b>128.78</b>
<b>Cash equivalents at the beginning of the year</b>		<b>191.97</b>	<b>63.19</b>
<b>Cash equivalents at the end of the year</b>		<b>1,560.37</b>	<b>191.97</b>
<b>Note 1: Components of Cash &amp; Cash Equivalents</b>			
Cash-on-Hand		5.62	5.84
Balances in current accounts with Banks		1,554.75	174.11
Debit balance in overdraft account with Banks		-	12.02
<b>Total Cash equivalents at the end of the year</b>		<b>1,560.37</b>	<b>191.97</b>

The accompanying notes (1-39) form integral part of the financial statements

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
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(Whole Time Director & CFO)  
DIN: 08219665

**Itisha Sahu**  
(Company Secretary)  
M.No.: A59200



## 1. CORPORATE INFORMATION

EKI Energy Services Limited "the Company" was incorporated under the Companies Act, 1956 vide Certificate of Incorporation dated 3rd May 2011 bearing Corporate Identification Number U74200MP2011PLC025904 issued by Registrar of Companies, Gwalior, Madhya Pradesh. The Company is engaged in the business of climate change & sustainability advisory and carbon offsetting, along with business excellence services which includes ISO certification, management training on JIT / Kaizen etc., and electrical safety audits.

## 2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India ("Indian GAAP"). The Company has prepared these financial statements to comply in all material respects with the accounting standards prescribed under section 133 of the Companies Act, 2013 ("the 2013 Act"), read with rule 7 of the Companies' (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year. All assets & liabilities have been classified as current or non-current as per Company's normal operating cycle and other criteria set out in Schedule III to the 2013 Act. The financial statements are prepared on a going concern basis, as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption. In making this assessment, the Management has considered a wide range of information relating to present and future conditions, including future projections of profitability, cash flows and capital resources. The outbreak of COVID-19 has not affected the going concern assumption of the Company.

## 3. SIGNIFICANT ACCOUNTING POLICIES

### 3.1. Use of Estimates

The preparation of Financial Statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based upon management's best knowledge of current event and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

### 3.2. Property, Plant and Equipments

Property, plant, and equipment have been stated at

cost of acquisition inclusive of expenses directly attributable / related to the acquisition/ construction/erection of such assets with the criteria specified in Accounting Standard (AS) 10: Property, Plant and Equipment. GST and other applicable taxes paid on acquisition of property, plant and equipment are capitalized to the extent not available/ utilizable as input tax credit under GST or other relevant law in force.

Expenditure incurred on renovation and modernization of Property, Plant and Equipments on completion of the originally estimated useful life resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset. In the carrying amount of an item of Property, Plant and Equipments, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the de-recognition principles.

After initial recognition, Property, Plant and Equipments is carried at cost less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is de-recognized.

### 3.3. Depreciation

Depreciation on Property, Plant and Equipment is calculated on a Written Down Value Method on the basis of AS 10: Property, Plant and Equipments, using the rates arrived at based on the useful lives estimated by the management commensurate with The Companies Act, 2013.

Depreciation on property, plant and equipment is provided on Written Down Value Method based on estimated useful life of the assets which is same as envisaged in schedule II of the Companies Act, 2013. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at each financial year end and adjusted prospectively, if appropriate.

### 3.4. Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, Intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Costs incurred towards purchase of the said intangible assets are depreciated using the straight-line method over a period based on management's estimate of useful lives or as prescribed under the Schedule II of the Companies Act, 2013, whichever is shorter.

## 3.5. Investments

Investments are either classified as current or non-current, based on Management's intent at the time of making the investment. Current investments are carried individually, at the lower of cost and fair value. Long-term investments are carried individually at cost less provision made to recognize any diminution, other than temporary, in the value of such investment. Cost of investments includes acquisition charges such as brokerage, fees and duties. Provision is made to recognize any reduction in the carrying value of long-term investments and any reversal of such reduction is credited to the Statement of Profit and Loss.

## 3.6. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment, excluding taxes or duties collected on behalf of the government.

### A) Revenue from Carbon Offsetting

The revenue from Carbon Offsetting is recognized when the substantial risk and rewards are transferred by the company to the customer, and there is reasonable certainty that the consideration is either receivable or received.

### B) Revenue from Services

Revenue from services provided is recognized when it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured taking into account, contractually defined terms of payment. As a policy, expenses related to prospective purchase and services are recognized upon achieving the relevant milestone.

### C) Other Revenues

Other revenues are recognized on accrual basis as per the terms of the respective contract/arrangements and in accordance with the provisions of AS 9: Revenue Recognition.

## 3.7. Inventories

The company is engaged in the business of climate change & sustainability advisory and carbon offsetting, along with business excellence services which includes ISO certification, management training on JIT / Kaizen etc., and electrical safety audits.

Inventory of carbon credits is recorded at cost of acquisition including all the direct expenses attributable to acquire it. The inventories are valued by the management at cost or market price whichever is lower. Value of Inventory as at 31st March 2021 was Nil.

## 3.8. Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily

takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

All other borrowing costs are recognized as an expense in the period which they are incurred as per Accounting Standard AS 16: Borrowing Costs.

## 3.9. Income tax

### Current Tax:

Provision is made for income tax liability estimated to arise based on the results for the year at current rate of tax in accordance with the Income Tax Act, 1961.

### Deferred Tax:

Deferred tax charge or credit reflects the tax effects of timing difference between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future, however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

Deferred tax assets are reviewed at each balance sheet date and are adjusted to reflect the amount that is reasonably certain or virtually certain (as the case may be) to be realized.

## 3.10. Cash Flow Statement

Cash Flow Statement is prepared in accordance with the Indirect Method prescribed in the AS 3: Cash Flow Statement. For the purpose of presentation in the cash flow statement, cash and cash equivalents includes cash on hand and other highly liquid investments with maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

## 3.11. Foreign exchange transactions

The functional currency of the Company is Indian rupee. The transactions in foreign currencies are stated at the rate of exchange prevailing on the date of transactions.

The difference on account of fluctuation in the rate of exchange prevailing on the date of transaction and the date of realization is charged to the Statement of Profit and Loss Differences on translations of Current Assets and Current Liabilities remaining unsettled at the year-end are recognized in the Statement of Profit and Loss.

In respect of transactions covered by forward foreign exchange contracts, the difference between the forward rate and exchange rate is charged to statement of profit and loss upon settlement of contract.

### 3.12. Employee benefit

Employee benefits include provided fund, employee's state insurance scheme, gratuity fund and compensated absences.

#### Defined contribution plans:

Contributions in respect of Employees Provident Fund and Pension Fund which are defined contribution schemes, are made to a fund administered and managed by the Government of India and are charged as an expense based on the amount of contribution required to be made and when service are rendered by the employees.

Company's contribution to Provident Fund and other Funds for the year is accounted on accrual basis and charged to the Statement of Profit & Loss for the year.

#### Defined benefit plans:

The eligible employees of the company are entitled to receive post-employment benefits in respect of gratuity in accordance with Payment of Gratuity Act, 1972. The company has made provision for the same in the financial statements for the year ended on 31st March 2021 on the basis of actuarial valuation made by an independent actuary as at the balance sheet date based on projected unit credit method. As per the actuarial valuation report taken, the company has provided for Gratuity of Rs. 17,01,226/- till the year ended on reporting date. However, as per the requirements of AS 15: Accounting for Employee Benefits, as on the date of financial statements, Company is still in the process of finding a viable way of compliance by either setting up a fund or contributing to an outside fund.

### 3.13. Leases

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc. The accounting of lease is dependent upon the type of lease contract entered by the company, i.e., operating lease or financing lease. The effect of relevant elements are recognized considering the relevant accounting standard, i.e. AS 19: Leases.

### 3.14. Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of such asset. If such recoverable amount of the asset or recoverable amount of cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the Statement of Profit and Loss.

### 3.15. Provisions, contingent liabilities, and contingent assets

Provisions are recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the Company. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

### 3.16. Earnings per share

The earning per share is calculated in accordance with AS 20: Earnings per share, by dividing net profit or loss for the period attributable to equity shareholder by the weighted average number of equity share outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholder and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive equity shares.

### 3.17. Cash and Cash Equivalent

Cash & cash equivalents include cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less, that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

### 3.18. Share Issue Expenses

The share issue expenses upon recognition shall be adjusted against the balance in the Security Premium Account as permitted under section 52 of the Companies Act, 2013. The company issued an Initial Public Offer vide ISIN CODE: INE0CPR01018 of 18,24,000 shares on SME platform of Bombay Stock Exchange of India. The IPO offering has closed on 26.03.2021 and the IPO allotment has been made in the F.Y. 2021-22.

Payments made in respect of IPO have been recognized as prepaid expenditure in the financial statements, as they are going to actualize in F.Y. 2021-22.

### 3.19. Segment Reporting

The Company has identified business segments as its primary segment and geographic segments as its

secondary segment. Primarily, business segments for the Company are a) Climate change & sustainability advisory & carbon offsetting and, b) others. Hence disclosure of Segment wise information is applicable under AS 17: Segment Reporting.

The accompanying notes (1-39) form integral part of the financial statements

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAFM6686**

For and on behalf of the Board of **EKI ENERGY SERVICES LIMITED**

**Manish Kumar Dabkara**  
(Managing Director)  
DIN: 03496566

**Naveen Sharma**  
(Whole Time Director)  
DIN: 07351558

**Sonali Sheikh**  
(Whole Time Director & CFO)  
DIN: 08219665

**Itisha Sahu**  
(Company Secretary)  
M.No.: A59200



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>4. SHARE CAPITAL</b>		
<b>Authorised Share Capital</b>		
Equity shares of Rs. 10 each (Numbers)	75,00,000	50,000
Equity Share Capital (in Rs. Lakhs)	750.00	5.00
<b>Issued, Subscribed and Paid up Share Capital</b>		
Equity Shares of Rs. 10 each fully paid up (Numbers)	50,50,000	50,000
Equity Share Capital (in Rs. Lakhs)	505.00	5.00
<b>TOTAL</b>	<b>505.00</b>	<b>5.00</b>

**1. Terms/rights attached to equity shares:**

- The company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

**2. The Company does not have any holding or ultimate holding company.**

**3. Reconciliation of the number of shares outstanding at the beginning and at the end of financial year**

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Number of shares at the beginning	50,000	50,000
Add: Bonus Share Issued	50,00,000	-
<b>Number of shares at the end</b>	<b>50,50,000</b>	<b>50,000</b>

**4. The detail of shareholders holding more than 5% of Shares: -**

(Rs. in Lakhs)

Name of Shareholders	Number of shares held as at		Percentage of holding as at	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Mr. Manish Dabkara	35,35,000	35,000	70.00%	70.00%
Mrs. Vidhaya Dabkara	10,10,000	10,000	20.00%	20.00%
Mrs. Priyanka Manish Dabkara	2,92,900	2,900	5.80%	5.80%

**5. Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	-	-
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	50,00,000 Equity Shares	-
Aggregate number and class of shares bought back	-	-

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

During the year, pursuant to the approval of the shareholders, the Company has allotted 50,00,000 bonus shares of ₹ 10/- each fully paid-up on 28th November 2020 in the proportion of 100 equity shares for every 1 equity share of ₹ 10/- each held by the equity shareholders of the Company. Consequently, the Company capitalized a sum of ₹ 500 Lacs from "retained earnings".

6. The company issued an Initial Public Offer 18,24,000 shares at price band of Rs. 100-102 per share, offering for which was closed on 26th March 2021. IPO allotment has been made in the F.Y. 2021-22. Shares of the company got listed for trading on 07th April 2021 on SME platform of Bombay Stock Exchange of India.

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>5. RESERVES AND SURPLUS</b>		
General Reserves		
Balance as per the last financial statements	615.62	164.36
Add: Surplus transferred to reserves during the year	1,869.50	451.26
Less: Bonus Share allotted	(500.00)	-
<b>Balance as at the end of Financial Year</b>	<b>1,985.12</b>	<b>615.62</b>
Surplus in Profit and Loss account		
Balance as per the last financial statements	-	-
Profit for the Year	1,869.50	451.26
Less: Transfer to reserves during the year	(1,869.50)	(451.26)
<b>Balance as at the end of Financial Year</b>	<b>-</b>	<b>-</b>
<b>6. STATEMENT OF LONG TERM BORROWINGS</b>		
(Secured)		
<b>Term loans from other than banks</b>		
BMW India Financial Services Pvt Ltd	34.72	41.67
Daimler Financial Services India Pvt Ltd	41.36	49.37
<b>TOTAL</b>	<b>76.08</b>	<b>91.04</b>
Terms of Repayment, Security & Rate of Interest		
a) BMW India Financial Services Pvt Ltd	41.15	47.49
Terms of Repayment: Repayable in 36 Equated monthly installments of Rs. 0.85 Lakhs & Final Lump Sum payment of Rs. 31.43 Lakhs payable on 1st November, 2022		
Secured with: Hypothecation of Motor Vehicle		
Rate of Interest: 9.85% Per Annum		
b) Daimler Financial Services India Pvt Ltd	49.35	56.53
Terms of Repayment: Repayable in 35 Equated monthly installments of Rs. 1.08 Lakhs & Final Lump Sum payment of Rs. 37.36 Lakhs payable on 4th October, 2022		
Secured with: Hypothecation of Motor Vehicle		
Rate of Interest: 10.75% Per Annum		

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>7. STATEMENT OF DEFERRED TAX (ASSETS) / LIABILITIES</b>		
<b>Opening Balance (A)</b>		
Opening Balance of Deferred Tax (Asset) / Liability	(0.50)	(0.42)
<b>Closing Balances (B)</b>		
Adjustment on account of		
Timing Difference in Depreciation as per Companies Act, 2013 and Income Tax Act, 1961	(1.62)	(0.50)
Gratuity Disallowed	(4.28)	-
Closing Balance of Deferred Tax (Asset) / Liability (B)	(5.90)	(0.50)
<b>Current Year Provision for Deferred Tax Expense (B-A)</b>	<b>(5.40)</b>	<b>(0.08)</b>
<b>Total of Deferred Tax (Asset) / Liability</b>	<b>(5.90)</b>	<b>(0.50)</b>
<b>8. STATEMENT OF SHORT TERM BORROWINGS</b>		
<b>Loan Repayable on Demand (Secured)</b>		
a) from Banks		
- ICICI Bank OD	54.31	-
- Yes Bank OD	-	-
<b>(Unsecured)</b>		
b) from parties other than banks : Credit Cards	1.70	1.89
<b>TOTAL</b>	<b>56.01</b>	<b>1.89</b>

**Note 1:** Credit Card facilities are obtained by the Company in the name of directors.

**Note 2:** Overdraft facility from Yes Bank was closed during the financial year 2020-21.

**Details of Security:**

**1. Overdraft from ICICI Bank**

**"Primary Security**

- Plot No. 48, Scheme no 78, Vijay Nagar, Indore
- Flat No. 401, Dakshta Apartment, Godbole Colony, Indore
- Plot No. 140, Scheme No. 78, Indore, Company"

**Guarantee by Directors:** Secured by unconditional irrevocable personal guarantee of Mr. Manish Dabkara, Mr. Naveen Sharma, Ms. Priyanka Dabkara & Smt. Vidhya Dabkara during the tenure of the facility.

**2. Overdraft from Yes Bank**

**"Primary Security**

- Plot No. 48, Scheme No. 78, Vijay Nagar, Indore
- Flat No. 401, Dakshta Apartment, Godbole Colony, Indore"

Guarantee by Directors: Secured by unconditional irrevocable personal guarantee of Mr. Manish Dabkara, Mr. Naveen Sharma, Ms. Priyanka Dabkara & Smt. Vidhya Dabkara during the tenure of the facility.

**Note 3:** Plot No. 48, Scheme no 78, Vijay Nagar, Indore and Flat No. 401, Dakshta Apartment, Godbole Colony, Indore are both, jointly owned by Mr. Manish Dabkara & Mrs. Vidhya Dabkara. Plot No. 140, Scheme No. 78, Indore is in the ownership of the Company.

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>9. STATEMENT OF TRADE PAYABLES</b>		
<b>Trade Payables</b>		
<b>For Goods &amp; Services</b>		
Micro, Small and Medium Enterprises	11.33	16.16
Other than Micro, Small and Medium Enterprises	1,225.91	704.20
<b>TOTAL</b>	<b>1,237.24</b>	<b>720.36</b>
<b>Note 1:</b> The amount overdue and remaining unpaid to micro, small and medium enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) on account of principal and/or interest at the close of the year is not exactly ascertainable, as the company is in the process of identifying the enterprises overed and registered under the said Act. Creditors which have been classified as MSME have been duly reported in the financial statements.		
<b>10. STATEMENT OF OTHER CURRENT LIABILITIES</b>		
Other Current Liabilities		
Current Maturity of Long Term Loans (Secured Loan)		
BMW India Financial Services Pvt Ltd	6.43	5.82
Daimler Financial Services India Pvt Ltd	7.99	7.16
Advance from Debtors	26.36	-
<b>TOTAL</b>	<b>40.78</b>	<b>12.98</b>
<b>11. STATEMENT OF SHORT TERM PROVISIONS</b>		
Provisions for employee benefits		
Staff Liabilities	13.31	6.25
E.S.I.C. Payable	0.08	0.12
Providend Fund Payable	1.99	1.54
Professional Tax Payable	0.71	0.26
Provision for Gratuity	17.01	-
<b>Other Provision</b>		
TDS Payable	28.66	11.05
Auditors' Remuneration Payable	2.85	0.78
<b>TOTAL</b>	<b>64.61</b>	<b>20.00</b>



12. STATEMENT OF PROPERTY, PLANT & EQUIPMENT										
Particulars		GLOSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1 <sup>st</sup> April 2020	Additions during the period	Deletions during the period	As at 31 <sup>st</sup> March 2021	Up to 1 <sup>st</sup> April 2020	During the Period	Deletions during the period	Total up to 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2021	As at 31 <sup>st</sup> March 2020
Tangible Asset										
Computer	14.49	7.88	0.29	22.08	11.58	2.26	-	13.84	8.24	2.91
Furniture	20.45	5.50	-	25.95	11.76	3.00	-	14.76	11.19	8.70
Car	132.05	-	10.14	121.91	23.68	29.52	9.48	43.72	78.19	108.37
Mobile	4.11	0.14	-	4.25	2.61	0.76	-	3.37	0.88	1.50
Plant & Machinery	18.00	4.71	-	22.71	4.62	2.94	-	7.56	15.15	13.38
Motor Vehicles	0.59	-	-	0.59	0.21	0.12	-	0.33	0.26	0.39
TOTAL	189.69	18.23	10.43	197.49	54.46	38.60	9.48	83.58	113.91	135.25
Previous Year	48.48	141.28	0.07	189.69	34.62	19.82	-	54.46	135.25	13.87

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>13. STATEMENT OF NON CURRENT INVESTMENTS</b>		
Non Current Investments		
Investment in Land	448.58	295.96
<b>TOTAL</b>	<b>448.58</b>	<b>295.96</b>
<b>14. STATEMENT OF OTHER NON CURRENT ASSETS</b>		
Other Non-Current Assets		
Security Deposits for Tenders	28.20	21.35
Earnest Money Deposits for Tender	12.17	5.50
Rent Deposit	0.19	2.25
Security Deposit with BSE Limited	18.60	-
Other Deposits	2.16	1.35
<b>TOTAL</b>	<b>61.32</b>	<b>30.45</b>
<b>15. STATEMENT OF TRADE RECEIVABLES</b>		
Trade Receivables (Unsecured, Considered Good)		
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Dues From Directors, Related parties/Common Group Company, etc.	-	-
- Others	70.56	76.75
<b>Sub Total (A)</b>	<b>70.56</b>	<b>76.75</b>
Outstanding for a period not exceeding 6 months from the date they are due for payment		
- Dues From Directors, Related parties/Common Group Company, etc.	-	-
- Others	583.13	353.26
<b>Sub Total (B)</b>	<b>583.13</b>	<b>353.26</b>
<b>Total (A+B)</b>	<b>653.69</b>	<b>430.01</b>
<b>16. STATEMENT OF CASH &amp; CASH EQUIVALENTS</b>		
Cash-on-Hand	5.62	5.84
Balances with Banks		
- Balances in Current Account with Banks	1,554.75	174.11
- Debit balance in overdraft account with Banks	-	12.02
Earmarked balances with banks		
- Unpaid Dividend	-	-
<b>TOTAL</b>	<b>1,560.37</b>	<b>191.97</b>

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021

Particulars	(Rs. in Lakhs)	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>17. STATEMENT OF CURRENT INVESTMENTS</b>		
Investments in Fixed Deposits with Banks	33.00	-
Investments in Mutual Funds	0.03	-
<b>TOTAL</b>	<b>33.03</b>	<b>-</b>
<b>18. STATEMENT OF SHORT-TERM LOANS AND ADVANCES</b>		
Loans & Advances to other than related parties (Unsecured, Considered Good)		
Advances to supplier of services	40.13	137.51
Payments made in respect of IPO	85.83	-
Other Loans & Advances	-	1.66
<b>TOTAL</b>	<b>125.96</b>	<b>139.17</b>
<b>19. STATEMENT OF OTHER CURRENT ASSETS</b>		
Income Tax Refundable F.Y. 2018-19	-	6.73
Income Tax Refundable F.Y. 2019-20	0.01	-
Advance Income Tax & TDS Receivable & TCS Receivable	0.86	2.58
TDS Claims from Financial Institutions on Loans	0.29	0.27
GST Receivable	958.27	234.00
<b>TOTAL</b>	<b>959.43</b>	<b>243.58</b>
<b>20. STATEMENT OF REVENUE FROM OPERATIONS</b>		
Revenue from Operations		
Climate Change & Sustainability Advisory and Carbon Offsetting	18,976.21	6,505.76
Business Excellence Advisory & Training Services	27.30	64.92
Electrical Safety Audits	75.47	19.76
<b>TOTAL</b>	<b>19,078.98</b>	<b>6,590.44</b>
<b>21. STATEMENT OF OTHER INCOME</b>		
Interest Income		
Interest on Fixed Deposits with Banks	11.83	0.86
Interest on Income Tax Refund	0.36	0.13
<b>Net gain/loss on Sale of Investments</b>		
Gain on Mutual Fund	5.88	7.30
Gain on Bond	4.69	-
<b>Other Non-Operating Income</b>		
Profit on Sale of Fixed Assets	0.09	-
<b>TOTAL</b>	<b>22.85</b>	<b>8.29</b>

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021

Particulars	(Rs. in Lakhs)	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>22. STATEMENT OF DIRECT EXPENSES</b>		
<b>Purchase</b>		
Climate Change & Sustainability Advisory and Carbon Offsetting	14,967.27	5,293.42
Business Excellence Advisory & Training Services	-	16.96
<b>TOTAL</b>	<b>14,967.27</b>	<b>5,310.38</b>
<b>23. STATEMENT OF EMPLOYEE BENEFITS EXPENSE</b>		
Salary to Staff	762.94	447.21
Staff Welfare Expenses	11.50	3.81
Key Man Insurance Expenses	56.32	-
Gratuity Expenses	17.01	-
<b>TOTAL</b>	<b>847.77</b>	<b>451.02</b>
<b>Note 1:</b> The company has made provision for gratuity on the basis of actuarial valuation made by an independent actuary as at the balance sheet date based on projected unit credit method. As per the actuarial valuation report taken, the company has provided for Gratuity of Rs. 17,01,226/- till the year ended on reporting date. Thus, the amount of expenditure charged in respect of Gratuity is a lump sum figure, which also includes provision for previous periods.		
<b>24. STATEMENT OF FINANCE COST</b>		
Interest on loans from banks & financial institutions	12.13	5.50
Bank Charges	13.07	3.38
<b>TOTAL</b>	<b>25.20</b>	<b>8.88</b>
<b>25. STATEMENT OF DEPRECIATION &amp; AMORTISATION</b>		
Depreciation and Amortisation Expenses	38.60	19.82
<b>TOTAL</b>	<b>38.60</b>	<b>19.82</b>



**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

Particulars	(Rs. in Lakhs)	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>26. STATEMENT OF OTHER EXPENSES</b>		
CSR Expenditure F.Y. 2020-2021	5.00	-
Audit Fees	1.90	0.28
Business Promotion Expenses	10.22	21.15
Commission Expenses	193.04	28.15
Discount	9.01	-
General Office Expenses	41.43	20.81
Interest on Statuary Dues	2.80	0.06
IT Expenses	8.33	5.21
Legal & Professional Expenses	301.28	66.75
Loss on Foreign Exchange Fluctuation	66.09	(3.17)
Membership Expenses	33.69	-
Office Rent	19.06	24.77
Printing & Stationery Expenses	5.45	3.68
Repairs & Maintenance Expenses	7.09	4.20
Telephone Expenses	2.49	1.58
Tender	1.07	3.88
Training & Development	1.59	3.81
Travelling Expenses	21.88	33.01
<b>TOTAL</b>	<b>731.42</b>	<b>214.16</b>
<b>27. EARNING PER SHARE</b>		
<b>BASIC AND DILUTED EARNING PER SHARE</b>		
Net Profit After Tax (A)	1,869.50	451.26
Number of Equity Share outstanding at the Year End (B)	50.50	0.50
Adjusted Number of Equity Share outstanding at the Year End (C)	50.50	50.50
Adjusted Weighted Average no of Equity shares at the Year End (D)	50.50	50.50
Basic & Diluted Earning per share (A/D) (Rs.)	37.02	8.94
Face Value per Equity Share (Rs.)	10.00	10.00
<b>TOTAL</b>	<b>10.00</b>	<b>10.00</b>

**Note 1:** Adjusted number of equity share is the number of equity share after giving effect to the bonus issue. The Company has issued 50 Lakhs Bonus shares on 28.11.2020. As per AS 20 "Earning Per Share" the number of equity share outstanding before the bonus issue has to be adjusted for proportionate change in the number of equity shares outstanding as if the event had occurred at the beginning of the earliest period reported."

**Note 2:** Adjusted weighted average number of equity shares is the adjusted number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year."

**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2021**

Particulars	(Rs. in Lakhs)	
	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>28. AUDITORS' REMUNERATION</b>		
Disclosure pursuant to Note no. 5(i)(j) of Part II of Schedule III to the Companies Act, 2013		
- Statutory Audit	1.40	0.18
- Tax Audit & Other Taxation Matters	0.50	0.10
<b>TOTAL</b>	<b>1.90</b>	<b>0.28</b>

**29. CORPORATE SOCIAL RESPONSIBILITY**

The Company has set responsibility on Board of Directors to plan for expenditures on CSR as per the applicable provisions of the Companies Act, 2013. The company has incurred an amount of Rs. 5,00,320 /- on account of its contribution for Corporate Social Responsibility for F.Y. 2020-21, at the rate of 2% of the average adjusted Net Profit for the previous three years. The CSR policy and the procedures in relation to it are in line with the requirements of the law.

**30. SEGMENT REPORTING**

**Segment information**

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily:

- 1) Climate change & sustainability advisory and carbon offsetting, and
- 2) Others

Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments. Geographic revenues are allocated based on the location of the customer. Geographic segments of the Company are USA, Europe, India, Australia & Others.

S.No.	Particulars	For the year ended 31 <sup>st</sup> March 2021		
		(Rs. in Lakhs)		
		Business Segment		Total
		Climate change & sustainability advisory and carbon offsetting	Others	
1	Revenue	18,976.21	102.77	19,078.98
2	Segment expenses	14,895.87	71.40	14,967.27
3	Unallocable expenses (net)	-	-	1,643.00
4	Operating income	-	-	2,468.71
5	Other income (net)	-	-	22.85
6	Profit before taxes	-	-	2,491.56
7	Tax expense	-	-	622.06
8	Net profit for the year	-	-	1,869.50

S.No.	Particulars	For the year ended 31 <sup>st</sup> March 2020		
		(Rs. in Lakhs)		
		Business Segment		Total
		Climate change & sustainability advisory and carbon offsetting	Others	
1	Revenue	6,505.76	84.68	6,590.44
2	Segment expenses	5,293.42	16.96	5,310.38
3	Unallocable expenses (net)	-	-	693.89
4	Operating income	-	-	586.17
5	Other income (net)	-	-	8.29
6	Profit before taxes	-	-	594.46
7	Tax expense	-	-	143.20
8	Net profit for the year	-	-	451.26

#### SEGMENT REPORTING

S.No.	Particulars	For the year ended 31 <sup>st</sup> March 2021		
		(Rs. in Lakhs)		
		Business Segment		Total
	Climate change & sustainability advisory and carbon offsetting	Others	Unallocable Assets / Liabilities	
1	Segment assets 641.35	12.34	-	653.69
2	Unallocable assets -	-	3,311.15	3,311.15
3	Total assets 641.35	12.34	3,311.15	3,964.84
4	Segment liabilities 1,237.24	-	-	1,237.24
5	Unallocable liabilities -	-	237.48	237.48
6	Total liabilities 1,237.24	-	237.48	1,474.72

#### SEGMENT REPORTING

S.No.	Particulars	For the year ended 31 <sup>st</sup> March 2020		
		(Rs. in Lakhs)		
		Business Segment		Total
	Climate change & sustainability advisory and carbon offsetting	Others	Unallocable Assets / Liabilities	
1	Segment assets 394.08	35.92	-	430.00
2	Unallocable assets -	-	1,036.88	1,036.88
3	Total assets 394.08	35.92	1,036.88	1,466.88
4	Segment liabilities 720.36	-	-	720.36
5	Unallocable liabilities -	-	125.91	125.91
6	Total liabilities 720.36	-	125.91	846.27

The following geographic segments individually contribute 10 percent or more of the groups revenue:

		(Rs. in Lakhs)	
Particulars		31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
1	USA	1,251.13	1,191.81
2	Europe	10,008.00	3,299.81
3	India	394.98	453.47
4	Australia	5,140.00	877.96
5	Rest of the world	2,284.87	767.39
<b>TOTAL</b>		<b>19,078.98</b>	<b>6,590.44</b>



### 31. RELATED PARTY DISCLOSURES

Related party disclosure as required by AS 18: Related Party Disclosures, issued by the Institute of Chartered Accountants of India :

#### A. List of Related parties

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Key Management Personnel (Director)	Mr. Manish Kumar Dabkara
	Mr. Naveen Sharma
	Mrs. Sonali Sheikh
	Mrs. Priyanka Manish Dabkara
	Mrs. Vidhya Dabkara
Relative of Key Management Personnel	Jagannath Dabkara HUF
	Manish Kumar Dabkara HUF
	Mrs. Joshna Sheikh
	Neha Sharma
	Pooja Sharma
KMP have significant influence in the company	Glofix Advisory Services Private Limited
KMP have significant influence in the entity	Enking International LLP
Entity in which relative of KMP have significant influence	Absolute Lean Services Private Limited
Company Secretary	Ms. Itisha Sahu

#### B. Transaction with related Parties (excluding reimbursement of expenses) :

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>I Remuneration / Salary</b>		
Manish Kumar Dabkara	120.00	121.48
Naveen Sharma	36.19	16.85
Sonali Sheikh	10.52	8.49
Priyanka Dabkara	10.50	18.00
Joshna Sheikh	5.40	5.00
Itisha Sahu	1.17	-
<b>II Professional Fee</b>		
Jagannath Dabkara HUF	-	3.12
Manish Kumar Dabkara HUF	-	3.12
Pooja Sharma	-	14.82
Neha Sharma	24.30	22.93
<b>III Unsecured Loans (accepted) / repaid</b>		
Glofix Advisory Services Pvt Ltd	-	(15.00)
Glofix Advisory Services Pvt Ltd	-	15.00
<b>IV Loans &amp; Advances given / (received back)</b>		
Manish Kumar Dabkara	208.47	94.69
Manish Kumar Dabkara	(208.47)	(94.69)
Glofix Advisory Services Pvt Ltd	-	171.22
Glofix Advisory Services Pvt Ltd	-	(171.22)

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
<b>V Others</b>		
Vidhya Dabkara (Rent Expense)	19.00	24.00
Vidhya Dabkara (Rent Deposit)	-	1.10
Absolute Lean Services Pvt Ltd (Services Availed by the Company)	51.40	5.62
Absolute Lean Services Pvt Ltd (Services Provided by the Company)	7.08	-

#### C. Year end balances & maximum amount outstanding of related parties

(Rs. in Lakhs)

S.No.	Particulars	As at 31 <sup>st</sup> March 2021		As at 31 <sup>st</sup> March 2020	
		Year end balance	Maximum amount outstanding	Year end balance	Maximum amount outstanding
1	Manish Kumar Dabkara (Loans & Advances)	-	-	-	57.34
2	Vidhya Dabkara Rent Deposit	-	-	2.00	2.00

### 32. DISCLOSURE UNDER MICRO, SMALL, & ENTERPRISE ACT, 2006

The amount overdue and remaining unpaid to micro, small and medium enterprises under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) on account of principal and/or interest at the close

of the year is not exactly ascertainable, as the company is in the process of identifying the enterprises overed and registered under the said Act. However, as provided by the management certain creditors have been classified and reported under MSME. The payment to these creditors is generally paid by the company within their respective contractual period.

(Rs. in Lakhs)

Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
a) The principal amount remaining unpaid to any supplier at the end of the year	11.33	16.16
b) Interest due remaining unpaid to any supplier at the end of the year	-	-
c) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
f) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-
<b>TOTAL</b>	<b>11.33</b>	<b>16.16</b>

**Note 1:** Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. In view of the management, the amounts due to the suppliers are paid within the mutually agreed credit period and therefore, there will not be any interest that may be payable in accordance with the provisions of this Act.

### 33. INITIAL PUBLIC OFFER

The company has made an Initial Public Offer vide ISIN CODE: INE0CPR01018 of 18,24,000 shares, at price band of Rs. 100-102 per share. The IPO offering has closed on 26th March 2021 and the IPO allotment has been made in the F.Y. 2021-22. Shares of the company got listed for trading on 07th April 2021 on SME platform of Bombay Stock Exchange of India.

#### 34. EMPLOYEE BENEFITS

##### A. Defined Contribution Plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. The Company also offers to contribute to New Pension Scheme at the option of employees. The Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the scheme.

The Company offers its employees defined contribution plans in the form of Provident Fund (PF) and Employees' Pension Scheme (EPS) with the government, and certain state plans such as Employees' State Insurance (ESI). PF and EPS cover substantially all regular employees and the ESI covers certain employees. The contributions are normally based on a certain proportion of the employee's salary. During the year, the Company has recognised the following amounts in the Account:

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Provident Fund and Employee's Pension Scheme (Employer's Contribution)	11.27	7.05
Employees State Insurance Scheme (Employer's Contribution)	0.72	0.65
<b>TOTAL</b>	<b>12.00</b>	<b>7.70</b>

##### B. Defined Benefits Plans

The eligible employees of the company are entitled to receive post-employment benefits in respect of gratuity in accordance with Payment of Gratuity Act, 1972. The company has made provision for the same in the financial statements for the year ended on 31st March 2021 on the basis of actuarial valuation made by an independent actuary as at the balance sheet date based on projected unit credit method. As per the actuarial valuation report taken, the company has provided for Gratuity of Rs. 17,01,226/- till the year ended on reporting date. However, as per the requirements of AS-15, Accounting for Employee Benefits, as on the date of financial statements, Company is still in the process of finding a viable way of compliance by either setting up a fund or contributing to an outside fund.

#### 35. DISCLOSURE REQUIRED UNDER SECTION 186(4) OF THE COMPANIES ACT, 2013

The company has not given any loans, made investment, given guarantee or provided security to any person during the reporting period and as on the reporting date.

#### 36. DIRECTOR'S REMUNERATION

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Salaries, Wages and Bonus	177.22	164.82
Contribution to Provident and Other Funds	1.42	1.29
Perquisites	-	-
Compensated Absences	-	-
<b>TOTAL</b>	<b>178.64</b>	<b>166.11</b>

#### 37. DISCLOSURES UNDER AS-11 THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES & FOREIGN CURRENCY TRANSACTIONS REPORTING

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Amount of exchange differences included in the net profit or loss for the period (a)	66.09	(3.17)
Net exchange differences accumulated in foreign currency translation reserve (b)		
Opening Balance	-	-
Addition / Deletion during the year	-	-
Closing Balance	-	-
<b>TOTAL (A+B)</b>	<b>66.09</b>	<b>(3.17)</b>

#### FOREIGN CURRENCY TRANSACTIONS

(Foreign Currency & Rs. are in Lakhs)

As at / for the year ended 31<sup>st</sup> March 2021

Particulars	Amount in Foreign Currency	Amount in INR
<b>A) EARNING IN FOREIGN CURRENCY</b>		
USD	17.14	1,251.13
Euro	113.08	10,008.00
Australian Dollar	91.79	5,140.00
Other Currency	32.65	2,285.58
<b>B) EXPENDITURE IN FOREIGN CURRENCY</b>		
USD	76.56	5,588.97
Euro	7.14	631.76
Other Currency	0.08	6.51
<b>C) UNHEDGED FOREIGN CURRENCY EXPOSURE</b>		
<b>C1) Trade Receivables</b>		
USD (Closing Rate 1 INR = 73.14 USD)	10.88	810.42
EURO (Closing Rate 1 INR = 89.16 EURO)	2.63	234.01
GBP (Closing Rate 1 INR = 103.35 GBP)	0.00	0.09
<b>C2) Trade Payables</b>		
USD (Closing Rate 1 INR = 73.14 USD)	1.29	96.49
EURO (Closing Rate 1 INR = 89.16 EURO)	0.86	75.93

#### 38. CONTINGENT LIABILITIES

(Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Outstanding Bank Guarantee	31.84	24.51
Other contingent liabilities as on balance sheet date	-	-
<b>TOTAL</b>	<b>31.84</b>	<b>24.51</b>

#### 39. OTHER NOTES

- a) Loans & advances, trade receivables and other current / non-current assets are reviewed annually and in the opinion of the Management do not have a value on realisation in the ordinary course of business, less than the amount at which they are stated in the Balance Sheet and provisions for all known liabilities have been made. All loans, guarantees and securities disclosed in respective notes is for the purpose of business.
- b) Figures of Previous Year have been re-grouped / re-arranged / re- casted, wherever considered necessary.

The accompanying notes (1-39) form integral part of the financial statements

As per our report of even date attached

**For D.N. JHAMB & COMPANY**  
(Chartered Accountants)  
FRN: 019675C

**CA (Dr.) Devki Nandan Jhamb**  
(Partner)  
M.No.: 079696

Place: **Indore** | Date: **16<sup>th</sup> June 2021**  
UDIN: **21079696AAAAFM6686**

For and on behalf of the Board of **EKI ENERGY SERVICES LIMITED**

<b>Manish Kumar Dabkara</b> (Managing Director) DIN: 03496566	<b>Naveen Sharma</b> (Whole Time Director) DIN: 07351558
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<b>Sonali Sheikh</b> (Whole Time Director & CFO) DIN: 08219665	<b>Itisha Sahu</b> (Company Secretary) M.No.: A59200
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Climate change, Global Warming is an existential threat to humanity. We have a moral obligation to deal with it!

- Joe Biden  
US President

## NOTICE

**NOTICE** is hereby given that the **TENTH ANNUAL GENERAL MEETING of the Members of EKI ENERGY SERVICES LIMITED** will be held on Monday, 30<sup>th</sup> day of August, 2021 at 11.30 a.m. through two-way Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") for which purposes the registered office of the Company situated at EnKing Embassy, Plot 48, Scheme No. 78, Part II, Vijay Nagar Indore 452010 shall be deemed as the venue for the Meeting and the proceedings of the Annual General Meeting shall be deemed to be made there at, to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2021 and Reports of the Board of Directors and Auditors thereon, and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolutions as an Ordinary Resolution:

**"RESOLVED THAT** the Audited Financial Statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place Mr. Manish Dabkara (DIN- 03496566), Managing Director, who retires by rotation and being eligible, offers himself for re-appointment, and in this regard, to consider, and if thought fit, to pass, with or without modification(s), if any, the following resolutions as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Manish Dabkara, Managing Director who retires by rotation at this meeting and being eligible and offered himself for re-appointment, be and is hereby re-appointed as a Managing Director of the Company, liable to retire by rotation."

3. To declare final dividend on equity shares for the financial year ended March 31, 2021.

### SPECIAL BUSINESS

4. To consider, and if thought fit, to pass the following resolution as a Special Resolution for approving the revision in the salary range of Mr. Manish Dabkara (DIN: 03496566), Managing Director of the Company:

**"RESOLVED THAT** pursuant to the provisions of Sections 188, 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder, the Securities

and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof, approval of the Members of the Company be and is hereby accorded to revise the salary payable to Mr. Manish Dabkara (DIN: 03496566), Managing Director of the Company, such that the upper limit of the salary payable to him be increased to Rs. 5,00,00,000 (Rupees Five Crores Only) Per Annum, with effect from April 1, 2021 till his tenure of appointment, with authority to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of Directors duly constituted by the Board to exercise its powers conferred by this resolution), to determine his salary, from time to time, within the said limit."

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard as it may in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution."

5. To consider, and if thought fit, to pass the following resolution as a Special Resolution for approving the revision in the salary range of Mr. Naveen Sharma, (DIN: 07351558) Whole Time Director of the Company:

**"RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof, approval of the Members of the Company be and is hereby accorded to revise the range of salary payable to Mr. Naveen Sharma (DIN: 07351558), Whole Time Director of the Company, such that the upper limit of the salary payable to him be increased to Rs. 4,00,00,000 (Rupees Four Crores Only) Per Annum, with effect from April 1, 2021 till his tenure of appointment, with authority to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of Directors duly constituted by the Board to

exercise its powers conferred by this resolution), to determine his salary, from time to time, within the said limit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and to execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard as it may in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution.”

6. **To consider, and if thought fit, to pass the following resolution as a Special Resolution for approving the revision in the salary range of Mrs. Sonali Sheikh (DIN: 08219665) Whole Time Director & CFO of the Company:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof, approval of the Members of the Company be and is hereby accorded to revise the range of salary payable to Ms. Sonali Sheikh (DIN: 08219665), Whole Time Director & CFO of the Company, such that the upper limit of the salary payable to her be increase to Rs. 50,00,000 (Rupees Fifty Lakhs Only) Per Annum, with effect from April 1, 2021 till her tenure of appointment, with authority to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of Directors duly constituted by the Board to exercise its powers conferred by this resolution), to determine her salary, from time to time, within the said limit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard as it may in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution.”

7. **To consider, and if thought fit, to pass the following resolution as a Special Resolution for approving the revision in the salary range of Mrs. Priyanka Dabkara, (DIN: 08634736) Non-Executive Director**

**of the Company:**

“**RESOLVED THAT** pursuant to the provisions of Sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other rules framed thereunder, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment, modification, variation or re-enactment thereof, approval of the Members of the Company be and is hereby accorded to revise the range of salary payable to Ms. Priyanka Dabkara (DIN: 08634736), Non-Executive Director of the Company, such that the upper limit of the salary payable to her be increase to Rs. 50,00,000 (Rupees Fifty Lakhs Only) per annum, with effect from April 1, 2021 till her tenure of appointment, with authority to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include the Nomination and Remuneration Committee of Directors duly constituted by the Board to exercise its powers conferred by this resolution), to determine her salary, from time to time, within the said limit.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise in this regard as it may in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution.”

8. **To consider, and if thought fit, to pass the following resolution as a Special Resolution for approval of EKI Energy Services Limited Employees Stock Option Scheme 2021 (“EESL ESOP-2021”) for employees of the Company, as a Special Resolution.**

“**RESOLVED THAT** in accordance with the provisions of Section 62(1)(b) and all other applicable provisions of the Companies Act, 2013 (the “Act”) read with rules framed thereunder and Regulation 12 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“SBEB Regulations”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and in accordance with circulars/ guidelines issued by SEBI, the Articles of Association of the Company, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable regulations, rules and circulars/ guidelines in force, from time to time and subject to any approval(s) of any authorities as may be required, and subject to any such condition(s) or modification(s), if any, as

may be prescribed or imposed by such authorities while granting such approval(s) and subject to acceptance of such condition(s) or modification(s) by the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall include the Nomination and Remuneration Committee constituted by the Board or any other Committee which the Board may constitute to act as the “Compensation Committee” under the SBEB Regulations or their delegated authority and to exercise its powers, including the powers conferred by this resolution), the consent of the members of the Company be and is hereby accorded to the Board to grant, vest and allot, from time to time and in one or more tranches, Options under the ‘EKI Energy Services Limited Employees’ Stock Option Scheme 2021’ (“EESL ESOP-2021”), the salient features of which are set out in the Statement annexed to this Notice, to or to the benefit of such person(s) who are permanent employees of the Company, whether working in India or outside India, and/ or to the directors of the Company, whether whole-time or not but excluding independent director(s) and to such other persons as may be decided by the Board and/ or permitted under SBEB Regulations (hereinafter referred to as “Eligible Employees”) but does not include an employee who is a promoter or a person belonging to the promoter group or a director(s) who either himself or through his relative or through anybody corporate, directly or indirectly, holds more than 10% of the outstanding equity shares of the Company, to subscribe to such number of equity shares and/ or equity linked instruments which would give rise to issue of equity shares (hereinafter collectively referred to as “Securities”) of the Company but not exceeding 6,50,000 (Six Lakhs Fifty Thousand) equity shares of the face value of Rs. 10/- (Rupees Ten only) each at such price or prices, and on such terms and conditions, as may be determined by the Board in accordance with the provisions of EESL ESOP-2021 and in due compliance with the SBEB Regulations and other applicable laws, rules and regulations;

**RESOLVED FURTHER THAT** outstanding Options granted under EESL ESOP-2021 before any issue of bonus shares or stock splits or consolidation of shares shall be suitably adjusted for the number as well as the exercise price as applicable and such outstanding Options may be further adjusted at the discretion of the Board for any corporate action(s);

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to devise, formulate, evolve, decide upon and bring into effect EESL ESOP-2021 as per the terms approved in this resolution read with the Statement annexed to this Notice and at any time to modify, alter or amend the said terms or suspend, withdraw or terminate EESL ESOP-2021, subject to compliance with the SBEB Regulations and other applicable laws, rules and regulations, as

may be prevailing at that time;

**RESOLVED FURTHER THAT** the equity shares so issued and allotted under EESL ESOP-2021 shall rank pari-passu with the then existing equity shares of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to take necessary steps for listing of the Securities allotted under EESL ESOP-2021 on the Stock Exchanges, where the equity shares of the Company are listed as per the provisions of the Listing Regulations and other applicable laws rules and regulations;

**RESOLVED FURTHER THAT** the Company shall conform to the accounting policies prescribed from time to time under SEBI (SBEB) Regulations and any other applicable laws and regulations to the extent relevant and applicable to EESL ESOP-2021;

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and/ or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of EESL ESOP-2021 and to take all such steps and do all acts as may be incidental or ancillary thereto.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including appointment of various intermediaries, Merchant Banker, Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of EESL ESOP-2021 as also to make applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and filing of requisite documents, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard.”

9. **To consider, and if thought fit, to pass the following resolution as a Special Resolution for approval of Increase in Authorized Share Capital.**

“**RESOLVED THAT** pursuant to provisions of Sections 13, 15, 61 and 64 and other applicable provisions of the Companies Act, 2013 (“the Act”) ”



as amended, read with the rules framed there under and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the provisions of Memorandum and Articles of Association of the Company, consent of the members of the company be and is hereby accorded to increase the Authorized Share Capital of the Company from existing Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakh only) divided into 75,00,000 (Seventy Five Lakhs) Equity Shares of face value Rs. 10/- (Rupees Ten) each to Rs. 8,00,00,000/- (Rupees Eighty Crore only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of face value Rs. 10/- (Rupees Ten) each by increasing of 5,00,000 (Five Lakh) Equity Shares of face value Rs. 10/- (Rupees Ten) each shall rank pari-passu in all respect with the existing Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Memorandum

of Association of the Company be altered in the following manner i.e. existing Clause V of the Memorandum of Association be substituted and shall be read as following Clause:

**V. The Authorized Share Capital of the Company is Rs. 8,00,00,000 /- (Rupees Eight Crore only) divided into 80,00,000 (Eighty Lakhs) equity shares of Rs. 10/- (Rupees Ten only) each.**

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds, matters and things and execute all such agreements, instruments and writings, sign such forms/returns and various documents as may be required to execute and submit to the Concerned Registrar of Companies (ROC) or with power to settle all questions, difficulties or doubts that may arise in this regard as it may in its sole and absolute discretion deems fit and to delegate all or any of its powers herein conferred to any Committee of Directors and/or director(s) and/or officer(s) of the Company, to give effect to this resolution."

**By Order of the Board of Directors**

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**Place: Indore**

**Date: August 5, 2021**

## NOTES

- As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM/EGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM) without physical presence of the Members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM/EGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. Accordingly, Proxy Form and Attendance Slip including Route Map are not annexed to the notice.
- In pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Corporate Members intending to send their authorized representative are requested to send a duly certified copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting to the Company by sending an e-mail to [cs@enkingint.org](mailto:cs@enkingint.org) with a copy marked to scrutinizer at [ruchijoshi89@gmail.com](mailto:ruchijoshi89@gmail.com) by quoting the concerned DP ID and Client ID.
- In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.enkingint.org](http://www.enkingint.org). The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM through VC/OAVM upon login to CDSL e-Voting system. All above documents will also be available electronically for inspection upto the date of AGM. Members seeking to inspect such documents can send an email to [cs@enkingint.org](mailto:cs@enkingint.org).
- The register of members and share transfer books will remain closed from Tuesday, August 24, 2021 to Monday, August 30, 2021 (both days inclusive) for the purpose of Annual General Meeting.
- If the dividend as recommended by the Board of Directors is declared at the Meeting, payment of such dividend will be made on or before Wednesday, September 29, 2021 as under:
  - To all Beneficial Owners in respect of shares held in dematerialised form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of business hours on Monday, August 23, 2021, and

- (ii) To all Members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests, if any, lodged with the Company on or before the close of business hours on Monday, August 23, 2021.
12. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Businesses specified above is annexed hereto.
13. Ms. Ruchi Joshi, Practising Company Secretary (Membership No. F8570, COP No. 14971) appointed as the Scrutinizer to scrutinize the voting at the meeting and remote e-voting process in a fair and transparent manner.
14. The Scrutinizer shall submit a consolidated report on the total votes cast in favour of or against, if any, on each of the resolutions set out in this Notice, not later than 48 hours from the conclusion of the AGM, to the Chairman of the Company. The Chairman or any other person authorised by the Chairman shall declare the results of the voting forthwith.
15. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.inkingint.org](http://www.inkingint.org), and website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com) not later than 48 hours of the conclusion of the Meeting.
- Subject to the receipt of requisite number of votes, the resolutions as set out in this Notice shall be deemed to be passed on the date of the AGM i.e. Monday, August 30, 2021.
16. The dividend will be paid through electronic mode to those members whose updated bank account details are available. For members whose bank account details are not updated, dividend warrants / demand drafts will be sent to their registered address. To avoid delay in receiving dividend, members are requested to register / update their bank account details.
17. Members may note that the Income Tax Act, 1961, as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a Company is taxable in the hands of members. The Company shall therefore be required to deduct tax at source ("TDS") at the time of making the payment of dividend. In order to enable us to determine the applicable TDS rate, members are requested to submit the relevant documents on or before Monday, August 16, 2021 at [cs@inkingint.org](mailto:cs@inkingint.org) or to RTA at [vinayak@bigshareonline.com](mailto:vinayak@bigshareonline.com).
- Kindly note that no documents in respect of TDS would be accepted from members after August 16, 2021.
18. Pursuant to Sections 101 and 136 of the Act read with Companies (Management and Administration) Rules, 2014 and SEBI (LODR), the Annual Report of the Company is required to be sent through email to those members whose email address is registered

and in physical form to those members who have not registered their email address. However, as permitted by SEBI and MCA, the Notice of the AGM along with the Integrated Annual Report 2020-21 is being sent only through electronic mode to those members whose email address is registered with the Company/ Depositories. Members may note that the Notice and Integrated Annual Report 2020-21 are also available on the Company's website [www.inkingint.org](http://www.inkingint.org), website of the Stock Exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Central Depository Services Limited ("CDSL") [www.evotingindia.com](http://www.evotingindia.com).

#### THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on Friday, August 27, 2021 at 9.00 am and ends on Sunday, August 29, 2021 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date / record date of Monday, August 23, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies,

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>



Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.comor contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

website [www.evotingindia.com](http://www.evotingindia.com).

2) Click on “Shareholders” module.

3) Now enter your User ID
- 1) The shareholders should log on to the e-voting

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

PAN

Dividend Bank Details OR Date of Birth (DOB)

**For Physical shareholders and other than individual shareholders holding shares in Demat.**

Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.

Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat

form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any
- other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

• Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.

• A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

• After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

• The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

• A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to
- verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [cs@enkingint.org](mailto:cs@enkingint.org), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
  - The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
  - Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
  - Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
  - Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
  - Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  - Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
  - Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
  - Only those shareholders, who are present in the AGM through VC/OAVM facility and have not
- 122 | Annual Report YEAR 2020-2021
- EKI ENERGY SERVICES LIMITED | 123

# EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

## PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA

email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**By Order of the Board of Directors**

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**Place: Indore**

**Date: August 5, 2021**

## ITEM NO. 4

Considering the contribution of Mr. Manish Dabkara to the growth in operations and profitability of the Company He has been instrumental in finalizing the Business strategies which has given the required direction to the Company. The Board of Directors of the Company, upon consideration of the performance of Mr. Manish Dabkara and also as part of the annual revision, approved the remuneration of Mr. Manish Dabkara, with effect from April 1, 2021.

The said increase in remuneration, has also been duly approved by the Nomination and Remuneration Committee at its meeting held on June 16, 2021.

The Nomination and Remuneration Committee is of the view that Mr. Manish Dabkara has provided meritorious services and significant contribution to the overall growth of the Company and hence recommended the revision in the upper limit of his salary upto Rs. 5,00,00,000 (Rupees Five Crores) per annum with effect from April 1, 2021, for the approval of the Members. The increase in the upper limit of the remuneration to Rs. 5,00,00,000 (Rupees Five Crores Only) per annum is only an enabling resolution providing authority to the Board/ Nomination and Remuneration Committee to decide on the salary payable to Mr. Manish Dabkara upto the said upper limit, from time to time.

1. Remuneration to be payable shall be maximum limit of Rs 5,00,00,000 (Rupees Five Crores only) per annum.
2. Perquisites per annum shall be equivalent to his annual salary and it shall include rent free furnished accommodation, reimbursement of gas, electricity, water charges and medical expenses for self and family members, furnishings, payment of premium on personal accident and health insurance, club fees and such other perquisites as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time, subject to an overall ceiling of him annual salary
3. Other benefits and allowances include use of car with driver, telephones for the Company's business (expenses whereof would be borne and paid by the Corporation), house rent allowance or house maintenance allowance, leave travel allowance, contributions to provident fund, superannuation fund and all other benefits as are applicable to directors and/or senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board of Directors and/or Nomination and Remuneration Committee

of Directors, from time to time.

4. Mr. Manish Dabkara shall also be eligible for stock options under Employee Stock Option Scheme(s) or any other Schemes or Shares as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time.
5. The valuation of perquisites will be as per the Income-Tax Rules, 1962 in cases where the same is otherwise not possible to be valued.

Mr. Manish Dabkara is interested in the resolution set out at Item no. 4 of the Notice with regard to his increase in remuneration as a Managing Director and also interested to the extent of his shareholding interest in the Company. Ms. Priyanka Dabkara, Non-Executive Director, being relative of Director is also deemed to be interested in the resolution and also deemed to be interested to the extent of her shareholding interest in the Company.

The Promoter and Promoter Group, Ms. Vidhya Dabkara, Ms. Priyanka Dabkara (sister), Ms. Shweta Bhaveshkumar Porwal being relatives of Mr. Manish Dabkara, may be deemed to be interested in resolution to the extent of their shareholding interest in the Company.

Save and except the above none of the other Director/ Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

Section 188(1)(f) of the Companies Act, 2013 read with Rule 15(3)(i) of Companies (Meetings of Board and its Powers) Rules, 2014 as amended, provides that related party's appointment to any office or place of profit in the Company carrying monthly remuneration exceeding Rs. 250,000/- shall be subject to approval by the Board of Directors of the Company and prior approval of the Members of the Company by special resolution

The Board of Directors recommends resolution, as set out in Item no. 4 of the notice for your approval by way of Special Resolution as prescribed in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

**The statement containing required information as required in Section II of Part II of Schedule V of the Companies Act, 2013.**

## I. GENERAL INFORMATION

1. Nature of Industry: The Company deals in Climate change & sustainability advisory business
2. Date or expected date of commencement of



business: The Company had commenced business on 3<sup>rd</sup> Day of May 2011.

3. In case of new companies, expected date of commencement of activities as per project

approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial performance based on given indicators:

	(Rs. in Lakhs)	
Financial year ended	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Revenue from Operations	19,078.98	6590.44
Other Income	22.85	8.89
<b>Total Revenue</b>	<b>19101.83</b>	<b>6598.73</b>
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>2,555.36</b>	<b>623.16</b>
Less: Finance Costs	25.20	8.88
Less: Depreciation and amortization expenses	38.60	19.82
<b>Profit before Tax (PBT)</b>	<b>2491.56</b>	<b>594.46</b>
Less: Tax Expenses	622.06	143.20
<b>Profit after tax for the year (PAT)</b>	<b>1869.50</b>	<b>451.26</b>
Other Comprehensive Income/(Loss) for the year	-	-
<b>Total Comprehensive Income for the year</b>	<b>1869.51</b>	<b>451.27</b>

5. Foreign Investments or Collaborators if any: N.A.

## II. INFORMATION ABOUT THE APPOINTEE

1. Background Details:

Past Remuneration: The total remuneration including perquisites paid to Mr. Manish Dabakra during the period 1<sup>st</sup> Day of April, 2019 upto 31<sup>st</sup> Day of March, 2020 and 1<sup>st</sup> Day of April, 2020 upto 31<sup>st</sup> Day of March, 2021 was Rs. 1,21,47,984/- & Rs. 1,20,00,000/- respectively.

2. Recognition or awards: Nil.

3. Job Profile and his suitability: Mr. Manish Dabakra is BEE, Govt of India- Certified Energy Auditor & Manager, he has an extensive experience in the field of Energy & Climate change programs. He has been instrumental in the development of more than 1000 projects and is widely considered as an authority on the subject of Energy, Carbon & Quality Management. He has his credit certifications in quality and management from IIM Ahmedabad, IIM Indore, CII, GIZ & BEE.

4. Remuneration Proposed: As stated in the explanatory statement in item no. 4 of the notice.

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of the appointee, the remuneration proposed is commensurate with performance evaluation by NRC committee

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. Manish Dabakra is one of

the promoters of the Company and he is holding 35,35,000 (Thirty Five Lakhs Thirty Five Thousands) equity shares of the Company. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company. Mr. Manish Dabakra is interested as a Managing Director and also interested to the extent of his shareholding interest in the Company. Mrs. Priyanka Dabakra, Director, being relative is interested and also interested to the extent of her shareholding interest in the Company.

The Promoter and Promoter Group, Ms. Vidhya Dabakra, Ms. Priyanka Dabakra (sister), Ms. Shweta Bhaveshkumar Porwal being relatives of Mr. Manish Dabakra, are deemed to be interested to the extent of their shareholding interest in the Company.

## III. OTHER INFORMATION

1. Reasons of loss or inadequate profits: external and unexpected circumstances beyond the control of management, viz, During the year under review company has made adequate profit, considering to which Company has increase the remuneration of Director. In future if Company face any fall in the profitability, Company will revise remuneration of Director accordingly.

2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:

- a. Development of New Projects  
b. Geographical Expansion

c. Training of Employee

d. Continuous Development and Cost Management

3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company, the productivity and profitability of the Company is expected to increase in coming years.

## ITEM NO. 5

Considering the contribution of Mr. Naveen Sharma to the growth in operations and profitability of the Company and as part of the annual revision, the Nomination and Remuneration Committee has recommended the revision in the upper limit of salary payable to Rs. 4,00,00,000 (Rupees Four Crores only) per annum with effect from 1st Day of April, 2021 as mentioned below. The increment in the upper limit of the remuneration payable to Rs. 4,00,00,000 (Rupees Four Crores only) per annum is only an enabling resolution providing authority to the Board/ Nomination and Remuneration Committee to decide on the salary payable to Mr. Naveen Sharma upto the said upper limit, from time to time.

1. Remuneration to be payable shall be maximum limit of Rs. 4,00,00,000 (Rupees Four Crores only) per annum.
2. Perquisites per annum shall be equivalent to his annual salary and it shall include rent free furnished accommodation, reimbursement of gas, electricity, water charges and medical expenses for self and family members, furnishings, payment of premium on personal accident and health insurance, club fees and such other perquisites as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time, subject to an overall ceiling of him annual salary
3. Other benefits and allowances include use of car with driver, telephones for the Company's business (expenses whereof would be borne and paid by the Corporation), house rent allowance or house maintenance allowance, leave travel allowance, contributions to provident fund, superannuation fund and all other benefits as are applicable to directors and/or senior employees of the Company including but not limited to gratuity, leave

entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board of Directors and/or Nomination and Remuneration Committee of Directors, from time to time.

4. Mr. Naveen Sharma shall also be eligible for stock options under Employee Stock Option Scheme(s) or any other Schemes or Shares as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time.

5. The valuation of perquisites will be as per the Income-Tax Rules, 1962 in cases where the same is otherwise not possible to be valued.

Mr. Naveen Sharma is interested in the resolution set out at item no. 5 of the Notice with regard to his increase in remuneration as a Whole Time Director and also interested to the extent of his shareholding interest in the Company

Save and except the above none of the other Director/ Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item no. 5 of the notice for your approval by Special Resolution as required in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

**The statement containing required information as required in Section II of Part II of Schedule V of the Companies Act, 2013.**

## I. GENERAL INFORMATION

1. Nature of Industry: The Company deals in Climate change & sustainability advisory business.
2. Date or expected date of commencement of business:

The Company had commenced business on 3<sup>rd</sup> Day of May, 2011.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.

4. Financial performance based on given indicators:

(Rs. in Lakhs)

Financial year ended	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Revenue from Operations	19,078.98	6590.44
Other Income	22.85	8.89
<b>Total Revenue</b>	<b>19101.83</b>	<b>6598.73</b>
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>2,555.36</b>	<b>623.16</b>
Less: Finance Costs	25.20	8.88
Less: Depreciation and amortization expenses	38.60	19.82
<b>Profit before Tax (PBT)</b>	<b>2491.56</b>	<b>594.46</b>
Less: Tax Expenses	622.06	143.20
<b>Profit after tax for the year (PAT)</b>	<b>1869.50</b>	<b>451.26</b>
Other Comprehensive Income/(Loss) for the year		
<b>Total Comprehensive Income for the year</b>	<b>1869.51</b>	<b>451.27</b>

5. Foreign Investments or Collaborators if any: N.A.

## II. INFORMATION ABOUT THE APPOINTEE

### 1. Background Details:

Past Remuneration: The total remuneration including perquisites paid to Mr. Naveen Sharma during the period 1st Day of April, 2019 upto 31st Day of March, 2020 and 1st Day of April, 2020 upto 31st Day of March, 2021 was Rs. 16,85,333/- & Rs. 36,19,677/- respectively.

### 2. Recognition or awards: Nil.

3. Job Profile and his suitability: He is responsible for looking after the Carbon Offsets Trading and have traded more than 50 million credits till date. He is leading Carbon Offsets trading desk and have global market reach of trading 12 million credits in 100 days of time-frame, He has consistently demonstrated a strong work ethic at EnKing International along with a commitment to success.

4. Remuneration Proposed: As stated in the explanatory statement in item no. 5 of the notice.

5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of the appointee, the remuneration proposed is commensurate with performance evaluation by NRC committee

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mr. Naveen Sharma is one of the promoters of the Company and he is holding 35,350 (Thirty Five Thousand three hundred fifty) equity shares of the Company. Apart from this, he doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company.

## III. OTHER INFORMATION

1. Reasons of loss or inadequate profits: external and unexpected circumstances beyond the control of management, viz, During the year under review company has made adequate profit, considering to which Company has increase the remuneration of Director. In future if Company face any fall in the profitability, Company will revise remuneration of Director accordingly.

2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:

- Development of New Projects
- Geographical Expansion
- Training of Employee
- Continuous Development and Cost Management

3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company, the productivity and profitability of the Company is expected to increase in coming years.

### ITEM NO. 6

Considering the contribution of Mrs. Sonali Sheikh to the growth in operations and profitability of the Company and as part of the annual revision, the Nomination and Remuneration Committee has recommended the revision in the upper limit of her salary payable to Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum with effect from 1st Day of April, 2021 as mentioned below, The increase in the upper limit of the remuneration payable to Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum is only an enabling resolution providing authority to the Board/ Nomination and Remuneration Committee to decide on the salary payable to Ms. Sonali Sheikh upto the said upper limit, from time to time.

1. Remuneration to be payable shall be maximum limit of Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum.

2. Perquisites per annum shall be equivalent to her annual salary and it shall include rent free furnished accommodation, reimbursement of gas, electricity, water charges and medical expenses for self and family members, furnishings, payment of premium on personal accident and health insurance, club fees and such other perquisites as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time, subject to an overall ceiling of him annual salary

3. Other benefits and allowances include use of car with driver, telephones for the Company's business (expenses whereof would be borne and paid by the Corporation), house rent allowance or house maintenance allowance, leave travel allowance, contributions to provident fund, superannuation fund and all other benefits as are applicable to directors and/or senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board of Directors and/or Nomination and Remuneration Committee of Directors, from time to time.

4. Ms. Sonali Sheikh shall also be eligible for stock options under Employee Stock Option Scheme(s) or any other Schemes or Shares as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time.

5. The valuation of perquisites will be as per the

Income-Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Mrs. Sonali Sheikh is interested in the resolution set out at item no. of the Notice with regard to increase in her remuneration and as Whole Time Director & CFO and also interested to the extent of her shareholding interest in the Company.

Save and except the above none of the other Director/ Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item no. 6 of the notice for your approval by Special Resolution as required in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

The statement containing required information as required in Section II of Part II of Schedule V of the Companies Act, 2013.

## I. GENERAL INFORMATION

1. Nature of Industry: The Company deals in Climate change & sustainability advisory business

2. Date or expected date of commencement of business:

The Company had commenced business on 3rd Day of May, 2021

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

4. Financial performance based on given indicators:

(Rs. in Lakhs)

Financial year ended	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Revenue from Operations	19,078.98	6590.44
Other Income	22.85	8.89
<b>Total Revenue</b>	<b>19101.83</b>	<b>6598.73</b>
Profit before finance cost, depreciation & amortization, and tax	2,555.36	623.16
Less: Finance Costs	25.20	8.88
Less: Depreciation and amortization expenses	38.60	19.82
<b>Profit before Tax (PBT)</b>	<b>2491.56</b>	<b>594.46</b>
Less: Tax Expenses	622.06	143.20
<b>Profit after tax for the year (PAT)</b>	<b>1869.50</b>	<b>451.26</b>
Other Comprehensive Income/(Loss) for the year	-	-
<b>Total Comprehensive Income</b>	<b>1869.51</b>	<b>451.27</b>

5. Foreign Investments or Collaborators if any: N.A.

## II. INFORMATION ABOUT THE APPOINTEE

### 1. Background Details:

Past Remuneration: The total remuneration



including perquisites paid to Mrs. Sonali Sheikh during the period 1st Day of April, 2019 upto 31st Day of March, 2020 and 1st Day of April, 2020 upto 31st Day of March, 2021 was Rs. 8,48,651/- & Rs. 10,52,230/- respectively.

2. Recognition or awards: Nil.
3. Job Profile and her suitability: She is visionary, always looking to plan for future with concrete and quantifiable goals. She is highly adaptive, understands, the need for continuous change and is open to trying new approaches to solve problem and improve processes. Her open mindness to understand her teams, motivation, hopes, motivation, hopes, abilities and problems, makes her a true leader. She leads by example and many people at EnKing International find her dedication and commitment both, inspiring and motivating.
4. Remuneration Proposed: As stated in the explanatory statement in item no. 6 of the notice.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of the appointee, the remuneration proposed is commensurate with performance evaluation by NRC committee
6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mrs. Sonali Sheikh is one of the promoters of the Company and she is holding 35,350 (Thirty Five Thousand three hundred fifty) equity shares of the Company. Apart from this, she doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company.

### III. OTHER INFORMATION

1. Reasons of loss or inadequate profits: external and unexpected circumstances beyond the control of management, viz, During the year under review company has made adequate profit, considering to which Company has increase the remuneration of Director. In future if Company face any fall in the profitability, Company will revise remuneration of Director accordingly.
2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
  - a. Development of New Projects
  - b. Geographical Expansion
  - c. Training of Employee
  - d. Continuous Development and Cost Management
3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company, the productivity and profitability of the Company is expected to increase in coming years.

### ITEM NO. 7

Considering the contribution of Mrs. Priyanka Dabkara to the growth in operations and profitability of the Company and as part of the annual revision, the Nomination and Remuneration Committee has recommended the revision in the upper limit of her salary to Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum with effect from April 1, 2021, as mentioned below, for the approval of the Members. The increase in the upper limit of the remuneration to Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum is only an enabling resolution providing authority to the Board/ Nomination and Remuneration Committee to decide on the salary payable to Mrs. Priyanka Dabkara upto the said upper limit, from time to time.

1. Remuneration to be payable shall be maximum limit of Rs. 50,00,000 (Rupees Fifty Lakhs only) per annum.
2. Perquisites per annum shall be equivalent to her annual salary and it shall include rent free furnished accommodation, reimbursement of gas, electricity, water charges and medical expenses for self and family members, furnishings, payment of premium on personal accident and health insurance, club fees and such other perquisites as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time, subject to an overall ceiling of him annual salary
3. Other benefits and allowances include use of car with driver, telephones for the Company's business (expenses whereof would be borne and paid by the Corporation), house rent allowance or house maintenance allowance, leave travel allowance, contributions to provident fund, superannuation fund and all other benefits as are applicable to directors and/or senior employees of the Company including but not limited to gratuity, leave entitlement, encashment of leave and housing and other loan facilities as per the schemes of the Company and as approved by the Board of Directors and/or Nomination and Remuneration Committee of Directors, from time to time.
4. Mrs. Priyanka Dabkara shall also be eligible for stock options under Employee Stock Option Scheme(s) or any other Schemes or Shares as may be approved by the Board of Directors or Nomination and Remuneration Committee of Directors, from time to time.
5. The valuation of perquisites will be as per the Income-Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

Mrs. Priyanka Dabkara is interested in the resolution set out at item no. 7 of the Notice with regard to increase in her remuneration as a Director and also interested to the extent of her shareholding interest in the Company, Mr. Manish Dabkara, Managing Director, being relative

is interested in the resolution and also interested to the extent of his shareholding interest in the Company.

The Promoter and Promoter Group, Ms. Vidhya Dabkara, being relatives of Ms. Priyanka Dabkara, are interested to the extent of their shareholding interest in the Company.

Save and except the above none of the other Director/ Key Managerial Personnel of the Company and their relatives are, in any way concerned or interested, financially or otherwise in the aforementioned resolution.

The Board of Directors recommends resolution, as set out in item no. 7 of the notice for your approval by Special Resolution as required in section II of Part II of Schedule V of the Companies Act, 2013 because the said remuneration exceeds the limits as specified in Section II of Part II of Schedule V of the Companies Act, 2013.

(Rs. in Lakhs)		
Financial year ended	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020
Revenue from Operations	19,078.98	6590.44
Other Income	22.85	8.89
<b>Total Revenue</b>	<b>19101.83</b>	<b>6598.73</b>
<b>Profit before finance cost, depreciation &amp; amortization, and tax</b>	<b>2,555.36</b>	<b>623.16</b>
Less: Finance Costs	25.20	8.88
Less: Depreciation and amortization expenses	38.60	19.82
<b>Profit before Tax (PBT)</b>	<b>2491.56</b>	<b>594.46</b>
Less: Tax Expenses	622.06	143.20
<b>Profit after tax for the year (PAT)</b>	<b>1869.50</b>	<b>451.26</b>
Other Comprehensive Income/(Loss) for the year		
<b>Total Comprehensive Income for the year</b>	<b>1869.51</b>	<b>451.27</b>

5. Foreign Investments or Collaborators if any: N.A.

### II. INFORMATION ABOUT THE APPOINTEE

1. Background Details:
 

Past Remuneration: The total remuneration including perquisites paid to Mrs. Priyanka Dabkara during the period 1st Day of April, 2019 upto 31st Day of March, 2020 and 1st Day of April, 2020 upto 31st Day of March, 2021 was Rs. 18,00,000/- & Rs. 10,50,000/- respectively.
2. Recognition or awards: Nil.
3. Job Profile and his suitability: She is one of the most committed leaders and key managers at EnKing International. Proactive, ambitious, committed and broadminded perfectionist. Her expertise in financial planning at EnKing International was always a benefit to EKI. Developing the managerial insights for the business and carbon market at EnKing International is most challenging, and she battled the impediments. She possesses a winning combination of solid tech skills and business sense.

The statement containing required information as required in Section II of Part II of Schedule V of the Companies Act, 2013.

### I. GENERAL INFORMATION

1. Nature of Industry: The Company deals in Climate change & sustainability advisory business
2. Date or expected date of commencement of business:
 

The Company had commenced business on 3<sup>rd</sup> Day of May, 2011
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial performance based on given indicators:

(Rs. in Lakhs)

4. Remuneration Proposed: As stated in the explanatory statement at item no. 7 of the notice.
5. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person: Taking into consideration the size of the Company, the profile of the appointee, the remuneration proposed is commensurate with performance evaluation by NRC committee
6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: Mrs. Priyanka Dabkara is one of the promoters of the Company and she is holding 2,92,900 (Two Lakhs Ninety Two Thousand Nine Hundred) Equity shares of the Company. Apart from this, she doesn't have any other pecuniary transactions with Company except by way of drawing remuneration during employment with the Company. Mrs. Priyanka Dabkara is interested as a Director and also interested to the extent of his shareholding interest in the Company. Mr. Manish Dabkara, Managing Director, being relative is

interested and also interested to the extent of his shareholding interest in the Company.

The Promoter and Promoter Group, Ms. Vidhya Dabkara, being relatives of Ms. Priyanka Dabkara, are interested to the extent of her shareholding interest in the Company.

### III. OTHER INFORMATION

1. Reasons of loss or inadequate profits: external and unexpected circumstances beyond the control of management, viz, During the year under review company has made adequate profit, considering to which Company has increase the remuneration of Director. In future if Company face any fall in the profitability, Company will revise remuneration of Director accordingly.
2. Steps taken or proposed to be taken for improvement: Company has taken the following steps for improvement in performance:
  - a. Development of New Projects
  - b. Geographical Expansion
  - c. Training of Employee
  - d. Continuous Development and Cost Management
3. Expected increase in productivity and profits in measurable terms: With the aforesaid measures taken by the Company, the productivity and profitability of the Company is expected to increase in coming years.

#### ITEM NO. 8

Employee Stock Option Schemes are considered as an effective tool to attract and retain the best talent and also serves to attract, incentivize and motivate professionals and reward exceptional performance.

The objective of "EKI Energy Services Limited Employees' Stock Option Scheme 2021" ("EESL ESOP-2021"), which Company intends to implement, is to reward the employees for their association, performance and contribution to the goals of the Company. The Company intends to use this EESL ESOP-2021 to motivate its employees to contribute to the growth and profitability of the Company and to attract new talent. The Company views Employee Stock Options as an instrument that would enable the Employees to share the value, he/she creates for the Company in the years to come.

The ESOP Committee ('the Committee') at its meeting inter-alia formulated the detailed terms and conditions of the said scheme which was duly approved by the board of directors of the Company ('the Board') at its meeting held on June 16, 2021. subject to the approval of the members and the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time (the 'SEBI Regulations').

The Company seeks approval of the members for launch of EESL ESOP-2021 and for grant of stock options to the employees of the Company as may be decided by the Board of Directors of the Company (hereinafter

referred to as the "Board", which term shall include the ESOP Committee constituted by the Board to act as the "Compensation Committee" under the SEBI Regulations to exercise its powers, including the powers conferred by this resolution) from time to time in accordance with the provisions of the Companies, Act, 2013 (including rules framed thereunder), SEBI Regulations and other applicable laws and regulations.

The number of equity shares to be issued and allotted under EESL ESOP-2021 will be limited to 6,50,000 (Six Lakhs Fifty Thousand) equity shares of the Company representing 9.46% of the existing paid-up equity share capital of the Company.

Pursuant to Regulation 6(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SBEB Regulations"), the Company is seeking approval of its members to offer EESL ESOP-2021 scheme to eligible employees (defined herein below).

**The salient features of EESL ESOP-2021 are set out as per SEBI circular and are as under:**

#### a) Brief description of the scheme - EESL ESOP-2021:

EESL ESOP-2021 is intended to reward the Eligible Employees (as described under clause (c) herein below) of the Company, for their performance and to motivate them to contribute to the growth and profitability of the Company and/or Subsidiary Company(ies). EESL ESOP-2021 will help to retain talent in the organization as the Company views stock options as an instrument that would enable the Eligible Employees to share the value they create for the Company and align individual objectives with the objectives of the Company in the years to come.

Options granted under the Scheme shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment of equity shares of the Company. The Nomination, Remuneration & Compensation Committee ("Committee") shall administer ESOP 2021 and all questions of interpretation of the ESOP 2021 shall be determined by the Committee and such: determination shall be final, conclusive and binding.

#### b) Total number of Options to be granted:

1. A total of 6,50,000 (Six Lakhs Fifty Thousand) options would be available for grant to the eligible employees (as described under clause (c) herein below) of the Company, in one or more tranches, under EESL ESOP-2021. This ceiling will be adjusted for any future bonus issue of shares or stock splits or consolidation of shares and also may further be adjusted at the discretion of the Board for any corporate action(s), to facilitate making a fair and reasonable adjustment to the entitlements of participants under EESL ESOP-2021 such that

the total value to the employee of the options remains the same after the corporate action.

2. Each option when exercised would give the option holder a right to get one fully paid equity share of the Company.
3. In cases where options, whether vested or unvested, lapse or expire or are forfeited for any reason under the applicable laws, the Nomination and Remuneration Committee may re-issue the options to other eligible employees. The options so issued shall be subject to the terms and conditions of the EESL ESOP-2021.

#### c) Identification of Classes of employees entitled to participate in the EESL ESOP-2021:

Present and future, permanent employees and directors (whether whole time director or not but excluding independent directors) of the Company as may be determined by the Board or Nomination and Remuneration Committee from time to time, shall be eligible to participate in the EESL ESOP-2021. However, the eligible employees and directors shall be amongst from the following persons:

1. Permanent employees of the Company working in India or outside India;
2. A director of the Company, whether a whole-time director or not but excluding an independent director; or
3. An employee as defined in above clause (1) or (2) of a subsidiary of the Company, in India or outside India, if any.

Further, the following persons are not eligible to be categorized as eligible employees under the EESL ESOP-2021:

1. An employee who is a promoter of the Company or belongs to the promoter group; or
2. A director, who either by himself or through his relatives or through any Body Corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company.

#### d) Requirements of Vesting and period of Vesting:

The options granted shall vest so long as the employee continues to be in the employment of the Company. The vesting period shall be decided by the Nomination and Remuneration Committee from time to time based upon the performance & loyalty of the employee, but shall not be less than 1 year from date of grant of options. The vesting may happen in one or more tranches. The detailed terms and conditions of vesting are mentioned in the respective EESL ESOP-2021.

The Nomination and Remuneration Committee may, at its sole & absolute discretion, lay down performance metrics which shall inter-alia include business performance and achievement of set

business targets on the achievement of which such options would vest, the detailed terms and conditions relating to such performance-based vesting and the proportion in which options granted would vest.

#### e) Maximum Period within which the options shall be vested:

Stock Options granted under EESL ESOP-2021 would vest after 1 (one) year but not later than 5 (five) years from the date of grant of such options.

#### f) Exercise Price or pricing formula:

The Nomination and Remuneration Committee will determine the exercise price in case of each grant subject to the same not being less than the face value of the equity shares of the Company and not more than the 'market price' (i.e. latest available closing price on a recognised stock exchange, having highest trading volume, on which the equity shares of the Company are listed) of the equity shares at the time of grant.

#### g) Exercise Period and process of exercise:

Eligible Employee will be permitted to exercise vested options on and from the date of vesting of the options for an exercise period as may be determined by the Committee and set out in the Grant Letter. However, in no event shall the Exercise Period exceed a period of 3 (Three) years from the Vesting Date.

The vested options shall be exercisable by the employees by submitting an application to the Board/Committee expressing his/her desire to exercise such vested options in such manner and in such format as may be prescribed by the Committee. The employee can exercise stock options either in full or in tranches by making full payment of exercise price and applicable taxes (if any). The vested options shall lapse if not exercised within the specified exercise period.

#### h) Appraisal process for determining the eligibility of the Eligible Employees:

The process for determining the eligibility of the Eligible Employees will be specified by the Nomination and Remuneration Committee and will be based on designation; period of service, loyalty, value addition, designation, present & past contribution, performance evaluation, current compensation, future potential, criticality of the Employee in the Company/Subsidiary Company and such other criteria as may be determined by the Nomination and Remuneration Committee at its sole discretion, from time to time.

#### i) Maximum number of options to be granted per Eligible Employee and in aggregate:

The number of Options that may be granted to any specific Employee of the Company under the Scheme, in any financial year and in aggregate under



the Scheme shall be decided by the Committee.

**j) Maximum quantum of benefits to be provided per employee under the scheme:**

The maximum quantum of benefits underlying the Options granted to an Eligible Employee shall be equal to the appreciation in the value of the Company's equity shares determined as on the date of exercise of Options, on the basis of difference between the Option Exercise Price and the Market Price of the equity shares on the exercise date.

**k) Whether the scheme is to be implemented and administered directly by the Company or through a Trust:**

EESL ESOP-2021 shall be implemented directly by the Company through the Nomination and Remuneration Committee of the Company as permissible under the SEBI Regulations.

**l) Whether the scheme involves new issue of shares by the company or secondary acquisition by the trust or both:**

EESL ESOP-2021 contemplates only new issue of Securities by the Company.

**m) The amount of loan to be provided for implementation of the scheme by the company to the trust. Its tenure, utilization, repayment terms. etc.:**

Not applicable as EESL ESOP-2021 contemplates only new issue of Securities by the Company.

**n) Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme:**

Not Applicable

**o) A statement to the effect that the company shall conform to the accounting policies specified in regulation 15 of the SEBI Regulations:**

The Company shall conform to the disclosure requirements and accounting policies prescribed from time to time under Regulation 15 of the SEBI Regulations, Accounting Standards and any other applicable laws and regulations to the extent relevant and applicable to the Scheme.

**p) Method of valuation of options:**

The Company shall adopt the fair value Method for

determining the value of an option granted under the EESL ESOP-2021 to calculate the employee compensation cost.

A copy of EESL ESOP-2021 is available for inspection at the Registered Office of the Company between 11:00 am IST to 01:00 pm IST on any working day (excluding Saturdays, Sundays and holidays) upto the date of the last day of e voting .

None of the Directors, Key Managerial Personnel, Promoters and their relatives are concerned or interested, financially or otherwise, in this resolution, except to the extent of the stock options that may be granted or vested or exercised by them under the Plan.

The Board accordingly recommends the Special Resolution as set out at Item No. 8 of the accompanying Notice for the approval of the Members.

**ITEM NO. 9:**

In order to Increase the Business opportunities and to expand Business avenues, the Board of Directors proposed to increase the authorised share capital of the company from existing Rs. 7,50,00,000/- (Rupees Seven Crore Fifty Lakh only) divided into 75,00,000 (Seventy Five Lakhs) Equity Shares of face value Rs. 10/- each to Rs. 8,00,00,000 /- (Rs. Eighty Crore only) divided into 80,00,000 (Eighty Lakhs) Equity Shares of face value Rs. 10/- each by increasing of 5,00,000 (Five Lakh) Equity Shares of face value Rs. 10/- each shall rank pari-passu in all respect with the existing Equity Shares of the Company.

The increase in the Authorised Share Capital of the Company shall also require consequential amendment(s) in the **Clause V** of the Memorandum of Association of the Company.

Pursuant to Sections 13, 15, 61 and 64 and applicable provisions of the Companies Act, 2013, alteration of the Capital Clause requires approval of the members of the Company by way of passing a Special Resolution to that effect.

The Board recommends the Special Resolution set out at Item No. 09 of the Notice for approval by the members.

None of the Directors, Key Managerial Personnel, Promoters and their relatives are concerned or interested, financially or otherwise, in this resolution, except their Shareholding.

**Details of the Director seeking appointment/re-appointment in the Annual General Meeting as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is as follows:**

**1. Mr. Manish Dabkara**

Name of Director	Manish Dabkara
Director Identification Number	03496566
Date of Birth	10/08/1984
Nationality	Indian
Date of Appointment	03.05.2011
Qualification	BEE, Govt of India- Certified Energy Auditor & Manager
Remuneration Last drawn	Rs. 1,20,00,000/-
Expertise in specific functional area	Extensive experience in the field of Energy & Climate change programs.
Name of other listed companies in which he holds directorship	NA
Chairmanship/Memberships of Committees of the other listed companies in which he is Director	NA
Number of Shares held in the Company	35,35,000 Equity Shares

**By Order of the Board of Directors**

**MANISH DABKARA**  
Managing Director  
(DIN-03496566)

**Place: Indore**

**Date: August 5, 2021**

# GLOSSARY

- **Acronyms and abbreviations used:**

A/R	-	Afforestation and reforestation
CDM	-	Clean development mechanism
CER	-	Certified emission reduction
CME	-	Coordinating/managing entity
CMP	-	Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol
COP	-	Conference of the Parties
CPA	-	Component project activity
DNA	-	Designated national authority
DOE	-	Designated operational entity
GHG	-	Greenhouse gas
ICER	-	International Center for Environmental Research Organization
LDC	-	Least developed country
MoC	-	Modalities of communication
PDD	-	Project design document
PoA	-	Programme of activities
PoA-DD	-	Programme of activities design document
UNFCCC	-	United Nations Framework Convention on Climate Change
CORSIA	-	Carbon Offsetting and Reduction Scheme for International Aviation
VCS	-	Verified Carbon Standard
VCU	-	Verified Carbon Unit
NDC	-	Nationally Determined Contribution
REDD	-	Reducing Emissions from Deforestation and Forest Degradation
REDD+	-	Extends REDD by including sustainable forest management, conservation of forests, and enhancement of carbon sinks
SSC	-	Small Scale
CPA	-	Component Project Activity
SDG	-	Sustainable Development Goal
BAU	-	Business As Usual



## DEFINITION OF A FEW TERMS:

- **Actual net GHG removals by sinks:**

The sum of the verifiable changes in carbon stocks in the carbon pools within a project boundary that are attributable to an A/R or SSC A/R CDM project activity or A/R PoA, as applicable, minus any increase in anthropogenic GHG emissions by sources (measured in carbon dioxide equivalents) within the project boundary that is caused by the implementation of the A/R or SSC A/R CDM project activity or A/R PoA, as applicable.

- **Additional/Additionality:**

For a CDM project activity (non-A/R) or CPA (non-A/R), the effect of the CDM project activity or CPA to reduce anthropogenic GHG emissions below the level that would have occurred in the absence of the CDM project activity or CPA; or

For an A/R CDM project activity or A/R CPA, the effect of the A/R CDM project activity or A/R CPA to increase actual net GHG removals by sinks above the sum of the changes in carbon stocks in the carbon pools within the project boundary that would have occurred in the absence of the A/R CDM project activity or A/R CPA.

Whether or not a CDM project activity or CPA is additional is determined in accordance with the CDM rules and requirements.

- **Afforestation:**

The direct human-induced conversion of land that has not been forested for a period of at least 50 years to forested land through planting, seeding and/or human-induced promotion of natural seed sources.

- **Approved methodology:**

A methodology that has been approved by the Board for application to CDM project activities or CPAs. Approved methodologies are publicly available on the UNFCCC CDM website.

- **Baseline scenario:**

For a CDM project activity (non-A/R) or CPA (non-A/R), the scenario for the CDM project activity or CPA that reasonably represents the anthropogenic emissions by sources of GHGs that would occur in the absence of the CDM project activity or CPA.

For an A/R CDM project activity or A/R CPA, the scenario for the A/R CDM project activity or A/R CPA that reasonably represents the sum of the changes in carbon stocks in the carbon pools within the project boundary that would occur in the absence of the A/R CDM project activity or A/R CPA.

- **Board (CDM Executive Board):**

The Executive Board of the CDM as defined in Article 12 of the Kyoto Protocol. The function of the Board, whose members are elected by the CMP, is to

supervise the CDM in accordance with paragraph 5 of the annex to decision 3/CMP.1.

- **CDM (clean development mechanism):**

A mechanism under the Kyoto Protocol, the purpose of which, in accordance with Article 12 of the Kyoto Protocol, is to assist nonAnnex I Parties in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Annex I Parties in achieving compliance with their quantified emission limitation and reduction commitments under Article 3 of the Kyoto Protocol.

- **CER (certified emission reduction):**

A unit issued for GHG emission reductions from CDM project activities or PoAs (non-A/R) in accordance with the CDM rules and requirements, which is equal to one metric tonne of carbon dioxide equivalent, calculated using global warming potentials defined by decision 2/CP.3 or as subsequently revised in accordance with Article 5 of the Kyoto Protocol.

- **Issuance:**

The instruction by the Board to the CDM Registry Administrator to issue a specified quantity of CERs for a CDM project activity or PoA, as applicable, into the pending account of the Board in the CDM registry, for subsequent distribution to accounts of project participants in accordance with the CDM rules and requirements.

- **Kyoto Protocol:**

The protocol to the Convention adopted in Kyoto, Japan on 11 December 1997, which entered into force on 16 February 2005. The Kyoto Protocol, among other things, sets binding targets for the reduction of GHG emissions by Annex I Parties.

- **PDD (project design document):**

The document prepared by the project participant of a CDM project activity which sets out in detail, in accordance with the CDM rules and requirements, the CDM project activity which is to be undertaken. The form of PDD is publicly available on the UNFCCC CDM website.

- **Registration:**

The formal acceptance by the Board of a proposed CDM project activity or PoA validated by a DOE as a CDM project activity or PoA, as applicable. Registration is the prerequisite for the verification, certification and issuance of CERs, ICERs or tCERs, as applicable, related to that CDM project activity or PoA.

### RBCF:

- Results-Based Climate Financing (RBCF) is a financing modality or approach under which a donor or investor disburses funds to a upon the achievement and independent verification of a pre-agreed set of results.

## CARBON MARKET BASICS

- **What is a Carbon Offset?**

A carbon credit/offset is a generic term for any tradable certificate representing an action intended to compensate for the emission of carbon dioxide/ GHG into the atmosphere as a result of industrial or other human activity, especially when quantified and traded as part of a commercial scheme.

Each Carbon Offset is equal to 1 tonne of CO<sub>2</sub> equivalent GHG emission reduction/avoidance/sequestered through execution of emission reduction projects.

$$1 \text{ Carbon Offset} = 1tCO_2e$$

- **End use of Carbon Credits**

In practice carbon offsets are used to offset or neutralize emissions by companies, organizations, individuals etc either for their voluntary purpose or because they have a legal mandate or binding targets to reduce emissions.

In the compliance market, carbon tax and ETS around the world are the biggest market for offsets. The future compliance market would also include industry wide initiatives like CORSIA when it enters Phase 2 i.e. from 2027 to 2035.

The voluntary market is driven by initiatives like Carbon Neutrality, Net Zero emissions etc. Participants are anybody and everybody starting from individuals who want to lead a carbon neutral lifestyle to large organizations like Google, Shell and BP who have stake holder pressure to make tangible and substantial changes regarding their carbon footprint and emissions.

- **Commitment of countries, corporates etc**

The carbon markets started with Kyoto Protocol, where Annex B parties (Developed countries and Economies in Transition) shall individually or jointly reduce their overall emissions of such gases by at least 5 per cent below 1990 levels in the commitment period (CP1) 2008 to 2012.

It led to the establishment of Clean Development Mechanism whose purpose shall be to assist Parties not included in Annex B in achieving sustainable development and in contributing to the ultimate objective of the Convention, and to assist Parties included in Annex B in achieving compliance with their quantified emission limitation and reduction commitments under Article 3. Till true up period of the first commitment period, Annex B parties formed the primary demand side of the market.

The Kyoto Protocol commitments and binding targets were further extended through signing of Doha Amendment in 2012. The Doha Amendment established a second emission reduction commitment period for 37 countries that runs from 2013 to 2020. The compliance market however

failed after CP1, because: -

- CP2 didn't enter into force till late 2020 because it didn't have enough number of ratification
- European financial crisis which didn't left buying companies with enough budget to keep the rates going

The voluntary market then picked up with signing of Paris Agreement in 2015. The Paris Agreement is a legally binding international treaty on climate change. It was adopted by 196 Parties at COP 21 in Paris, on 12 December 2015 and entered into force on 4 November 2016. Its goal is to limit global warming to well below 2°C, preferably to 1.5°C, compared to pre-industrial levels. The target was further substantiated with IPCC's special report on Global Warming of 1.5°C.

It called on companies and organization to reduce emissions by half by 2030 and reach a state of Net Zero by mid-century to be able to achieve the target of limiting global warming by 1.5°C. This has created a momentum for countries, companies and organizations around the globe to take action on climate change achieve these targets.

PepsiCo pledges net-zero emissions by 2040

*"The severe impacts from climate change are worsening, and we must accelerate the urgent systemic changes needed to address it," PepsiCo chairman Ramon Laguarta*

*"BP's new chief executive, Bernard Looney, has announced plans to make it a net zero company by 2050"*

*"Apple commits to be 100 percent carbon neutral for its supply chain and products by 2030"*

Apparently Carbon offsets are the most flexible and cost effective way of achieving these goals in the short run while long run policies start taking shape.

- **Basic of carbon market like its evolution, modus operandi and others**

Offset programs perform three basic functions:

1. They develop and approve standards that set criteria for the quality of carbon offset credits;
2. They review offset projects against these standards (generally with the help of third-party auditors); and
3. They operate registry systems that issue, transfer, and retire offset credits.

- **BUSINESS BENEFITS FROM VOLUNTARY CARBON MANAGEMENT AND OFFSETTING**

By utilizing a comprehensive carbon strategy that includes offsetting, companies can achieve environmental goals more efficiently and develop responses, which maintain their competitiveness under increasing environmental and climate risks.

Carbon offsetting supports the business community in playing its role in managing climate impacts and meeting future economic sustainability goals. Research by Imperial College London commissioned by ICROA identified the three most important drivers of voluntary carbon offsetting in the private sector: improved reputation and brand; employee engagement; and, market differentiation. Sixty-seven percent of respondents reported positive and tangible business benefits from their voluntary offset programs, despite the fact techniques to measure and quantify these are still at an early stage. Those benefits range from reductions in energy consumption and costs, market differentiation, winning new business, improved client retention, employee engagement and more. Furthermore, the purchase price of carbon offsets serves as a tangible cost of carbon and helps support investments to lower greenhouse gas emissions.

### Carbon Offset Market Evolution:

- 1990's : The 1990 Clean Air Act included a pioneering cap-and trade plan that slashed sulfur emissions dramatically, at a fraction of the projected cost—and launched a new commodities market. The Economist called it "...the greatest green success story of the past decade."
- 1996 : Voluntary investments in first REDD projects in Belize and Bolivia. Both the projects were jointly developed by The Nature Conservancy, respective governments and local partners.
- 1997 : The Kyoto Protocol established the first international carbon market system.
- 2000 : An early corporate mover, the Co-Operative Bank started offsetting certain emissions like emissions associated with gas and electricity used by householders holding mortgages with the bank
- 2003 : WWF and other international NGOs launch the Gold Standard to ensure environmental integrity and a sustainable development in the carbon market.
- 2005 : At the UN climate negotiations in Montreal, rainforest nations proposed a mechanism to provide economic incentives for developing countries to reduce emissions from deforestation. Ten years later, this concept, known as REDD+, was formalized in Article 5 of the Paris Agreement.
- 2007 : The VCS Programme is launched jointly by IETA, The Climate Group, and the World Business Council for Sustainable Development who all see the need for greater quality assurance in the voluntary carbon market.
- 2008 : International Carbon Reduction and Offset

Alliance (ICROA) is established. The primary aim is to deliver quality assurance in carbon management and offsetting adherence to the ICROA Code of Best Practice.

- 2009 : The U.S. House of Representatives passed the Waxman-Markey climate legislation with an economy-wide cap-and-trade program as its centerpiece, marking a high-water mark in U.S. climate legislation – although the Senate bill ultimately failed to pass the following year.
- 2011 : First REDD+ credits were issued. The Kasigau REDD Corridor project was the first project to issue carbon credits from land-based forest conservation efforts. The issuance of these carbon credits was proof that credits can indeed be used for protecting forests and it opened up a whole new category of projects.
- 2012 : French Postal Service La Poste becomes the first major postal operator to provide full carbon neutrality for all its services (mail and parcel delivery, IT operations)
- 2013 : Seven Chinese cities and provinces have implemented carbon trading pilots. Projects were underway in Clean Development Mechanism in the developing nations.
- 2015 : The Ecosystem Marketplace report shows offsets are part of comprehensive corporate climate strategies.
- 2016 : 191 countries, members of the International Civil Aviation Organization, adopted a historic resolution aimed at curbing the carbon pollution of international flights. The resolution launches the development of a global market-based measure, the Carbon Offsetting and Reduction Scheme for International Aviation (CORSIA), to limit the net carbon emissions of flights between participating countries, and potentially ratchet that limit down in the future
- 2016 : In December 2015, at the 21st Conference of the Parties (COP 21) to the United Nations Framework Convention on Climate Change (UNFCCC), world leaders reached an agreement to keep the global average temperature increase to well below 2 degrees, while pursuing efforts to hold the increase to 1.5 degrees (UNFCCC 2018). The Paris agreement came into effect in November 2016. Through their Nationally Determined Contributions (NDCs), the Agreement encouraged countries to make individual, voluntary nationally determined commitments to contribute to the global goal. The countries also committed to accelerate and intensify actions and

investments needed for a sustainable low carbon future.

- 2019 : South Africa Carbon Tax and Offset mechanism introduced. Research study shows Fortune Global 500 companies are increasing climate action. EasyJet becomes first major airline to offset emissions from all flights across operations.
- 2020 : CORSIA (Carbon Offsetting and Reduction Scheme for International Aviation) is launched. More than 1100 companies have voluntarily committed to net zero targets.

### HOW THE CARBON CREDITS MARKET STARTED:

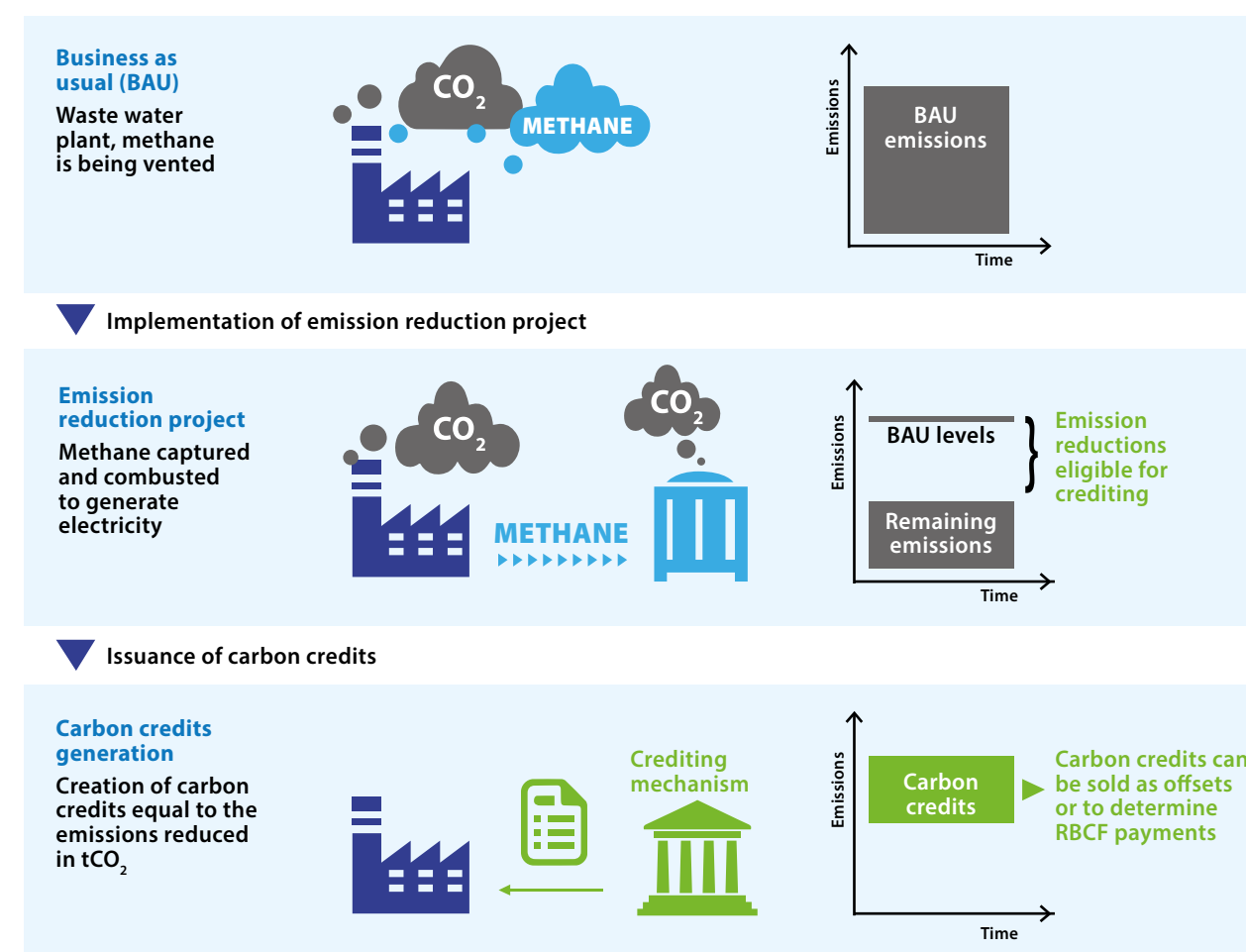
The Kyoto Protocol established the first International carbon market system. The Clean Development Mechanism (CDM) was set up under the 1997 Kyoto Protocol to allow developed countries to buy emissions reductions from developing countries in the form of credits, called Certified Emissions Reductions (CERs). This would allow developed countries to meet their climate targets at a lower overall cost, with the view of subsequently increasing

their ambition. At the same time, it would promote mitigation activities in developing countries which, under the Kyoto Protocol, were not subject to any climate targets.

To be eligible for selling credits under the CDM, projects must meet a set of criteria, and be approved and verified by organizations registered under the UNFCCC. Many project-specific methodologies have been developed since the inception of the mechanism, in order to determine the contribution of a specific activity to emissions reductions.

In order to ensure that credits traded under the CDM embody effective climate action, they must be backed by emissions reductions which are real, additional, verifiable, and permanent. This means that the emissions reductions achieved (real) would not have happened in the absence of the mechanism (additional), will have been reduced or avoided forever (permanent), and can be traced back to a specific project and activity (verifiable). Additionally, projects issuing credits should benefit communities at a local level, and contribute to their sustainable development.

### A high level example of how carbon crediting works: -





- **Voluntary & regulated market of carbon credits**  
Historically, governmental bodies certified offset credits for regulatory purposes ("compliance programs"), while NGOs primarily served voluntary

buyers ("voluntary programs"); more recently, both types of programs have begun to serve both types of markets. Each carbon offset program issues its labelled "brand" of credit.

Some examples of compliance and voluntary carbon credit mechanisms/standards are as follows: -

"Compliance" Carbon Offset Programs	Geographic Coverage	Label used for Offsets
Clean Development Mechanism (CDM)	Low & Middle Income Countries	Certified Emission Reductions (CER)
California Compliance Offset Program	United States	Air Resources Board Offset Credit (ARB OC)
Joint Implementation (JI)	High income countries	Emission Reduction Unit (ERU)
Regional Greenhouse Gas Initiative (RGGI)	Northeast United States	RGGI CO2 Offset Allowance (ROA)
Alberta Emission Offset Program (AEOP)	Alberta, Canada	Alberta Emissions Offset Credit (AEOC)

"Voluntary" Carbon Offset Programs	Geographic Coverage	Label used for Offsets
American Carbon Registry	United States, some international	Emission Reduction Tonne (ERT)
Climate Action Reserve (CAR)	United States, Mexico	Climate Reserve Tonne (CRT)
The Gold Standard	International	Verified Emission Reduction (VER)
Plan Vivo	International	Plan Vivo Certificate (PVC)
The Verified Carbon Standard (VCS)	International	Verified Carbon Unit (VCU)

- **Type of carbon credit like instruments**  
*"Imposing a price on carbon sends a financial signal to investors that low-carbon investments are valuable today and will be even more valuable in the future."*  
- Philippe Le Houérou, Chief Executive Officer of International Finance Corporation

Carbon pricing refers to initiatives that put an explicit price on greenhouse gas (GHG) emissions expressed in a monetary unit per ton of carbon dioxide equivalent (tCO<sub>2</sub>e). This includes carbon taxes, ETs, carbon crediting mechanisms, and results-based climate finance (RBCF).

- Carbon taxes cover taxes, levies and excise duties that explicitly state a price on carbon.
- ETs refer to policy instruments where covered entities face compliance obligations for their GHG emissions and can trade emission units to meet these obligations. The two main forms of an ETs are: cap-and-trade and baseline-and-credit.
  - In the former, a total cap is set on the number of emissions for a certain section of the economy, and emissions units are either auctioned off or allocated according to set criteria. Regulated emitters must surrender an emissions unit per ton of emissions. However, they have the option of reducing their own

- Under a baseline-and-credit system, baselines are set for regulated emitters. Emitters with emissions above their designated baseline need to surrender credits for emissions above their baseline. Emitters that have reduced their emissions below their baseline receive credits for these emission reductions, which they can sell to other emitters.

- Carbon crediting/offsetting mechanisms are initiatives that issue tradable emission units to actors that voluntarily implement emission reduction activities that are additional to business-as-usual operations. This is in contrast to ETs where actors have mandatory obligations. However, crediting units can be linked to carbon taxes or ETs if policymakers choose to give regulated emitters an alternative means of compliance.
- RBCF is a form of climate finance where funds are disbursed by the provider of climate finance to the recipient upon achievement of a pre-agreed set of climate results. A form of RBCF is the voluntary purchase of carbon credits for non-compliance purposes.

- **CARBON CREDIT EXCHANGES:**  
Carbon credit exchanges are trading platforms

that enhance liquidity in the carbon offset market. Carbon exchange platforms enable the market dynamics of supply and demand to determine the price of carbon credits and facilitate disclosure of pricing information and trends, minimize speculation and increase confidence and market participation. Countries including Chile, Colombia, Mexico and Costa Rica have developed their own exchange platforms for carbon credit transactions. The Santiago Climate Exchange launched in Chile in 2011 as the first carbon credit exchange platform in Latin America. The Exchange quickly expanded to include the provision of carbon advisory services, often required before a business engaging in an offset program. Mexico recently launched a government backed voluntary offset exchange platform (MEXICO2); similarly, Costa Rica has a national exchange platform (BANCO2), and Colombia is in the process of creating a platform for nationally traded carbon credits for voluntary offsetting.

- **Market demand and supply across the globe, India and EKI's position**

By late March and early April, COVID-19 had spread across the world, and greenhouse-gas emissions plummeted – but only because the economy had ground to a halt, rather than because of successful emission-reduction strategies. There was a widespread fear that emissions would spiral upward once the economy recovered, and some declared that "new voluntary corporate climate pledges [were] likely to be put on hold."

In June 2020, the Climate Ambition Alliance launched its "Race to Zero" campaign to encourage countries, companies, and other entities to deliver structured carbon-neutral pledges by the end of 2021. September saw a flurry of action. Former Bank of England Governor Mark Carney launched a global taskforce to begin scaling up voluntary carbon markets to drive emissions down as quickly as possible. The Science-Based Targets Initiative (SBTI) released its guidance for using offsets as part of a robust corporate emission-reduction program. The guidance contributes to a growing debate over what is and isn't "carbon neutrality."

- **DEMAND FOR VOLUNTARY CARBON OFFSETS MUST GROW TO PREVENT DISASTER**

The United Nations Environment Programme's 2019 Emissions Gap Report showed that even if all countries meet their current climate action plans (NDCs, for nationally-determined contributions), greenhouse gas emissions will remain a staggering 32 billion metric tons (GtCO<sub>2</sub>e) higher in 2030 than they need to be in order to meet the Paris Agreement's 1.5°C target. To meet that goal, companies must not only slash their greenhouse-gas emissions but offset any emissions they cannot eliminate and actively support activities that remove carbon from the atmosphere. Several scientific bodies and environmental NGOs are now calling for companies to follow the lead of groups like Google, which used offsets to become carbon negative, or Danone and Nestlé, which aim to become carbon negative through better land- management practices blended with offsetting.

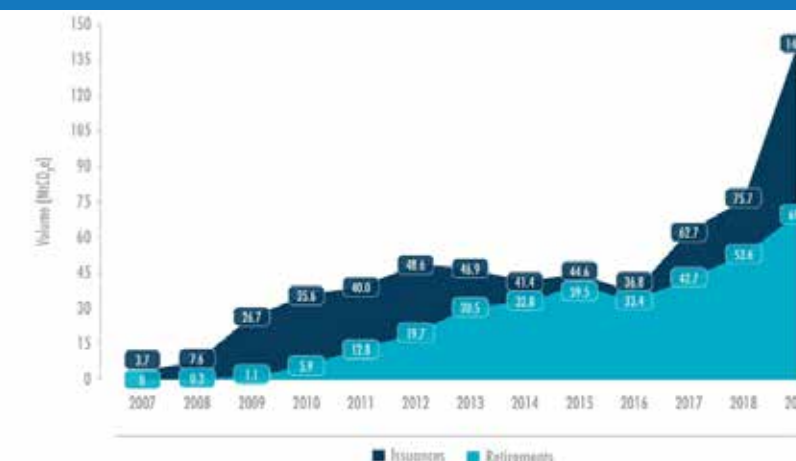
- **SEVERAL EFFORTS ARE UNDERWAY TO ENSURE RAPID AND RESPONSIBLE GROWTH**

To deliver carbon neutrality or negativity at the scale needed to achieve the Paris Agreement targets, carbon offsets must not only generate verifiable emission reductions; they must evolve beyond a series of bilateral over-the-counter transactions into a real, functioning market. This means developing a market infrastructure that provides price transparency and liquidity.

The newest is a global task force launched in early September by former Bank of England Governor Mark Carney. The effort aims to promote standardization and liquidity in voluntary carbon markets with a goal of increasing its size exponentially – perhaps more than 150-fold.

- **SUPPLIES WILL GROW IF PRICES RISE**

As demand for voluntary carbon offsets grows, prices should finally begin to increase. If that happens, scores of planned projects will become economical. 2019 saw a significant increase in offset issuance in voluntary carbon markets while retirements remained steady: -



While 2020 saw a slip in issuance (refer below table) due to intermittent issues related to CoVID-19 pandemic which caused wide spread lockdown across the world

that affected monitoring & verification activities of voluntary programs around the world.

Project Type	2016	2017	2018	2019	2020	2021
Forestry	2,468,157	7,225,456	31,662,646	31,662,646	17,994,905	24,879,471
Renewable Energy	4,480,529	3,003,716	5,116,153	7,096,209	25,522,154	18,605,997
Energy Efficiency	886,443	1,654,308	1,686,417	1,588,158	1,924,608	2,236,814
Manufacturing	1,003,892	1,220,627	1,134,495	629,722	1,153,155	1,470,953
Wastemanagement	1,362,149	1,213,831	1,169,580	2,478,399	3,530,745	989,311
Mine Methane	1,552,914	298,891	-	-	10,553	36,952
Fuel Switching	-	21,824	103,466	82,496	158,159	72,977
Trnsanportation	-	5,208	8,924	-	6,686	-
Other	121,694	320,114	94,100	320,003	111,529	2,517,117

The retirements however remained strong due to increased corporate demand because of a host of

international initiatives like TSVCm, SBTi, Race to Zero, Carbon Neutrality etc.

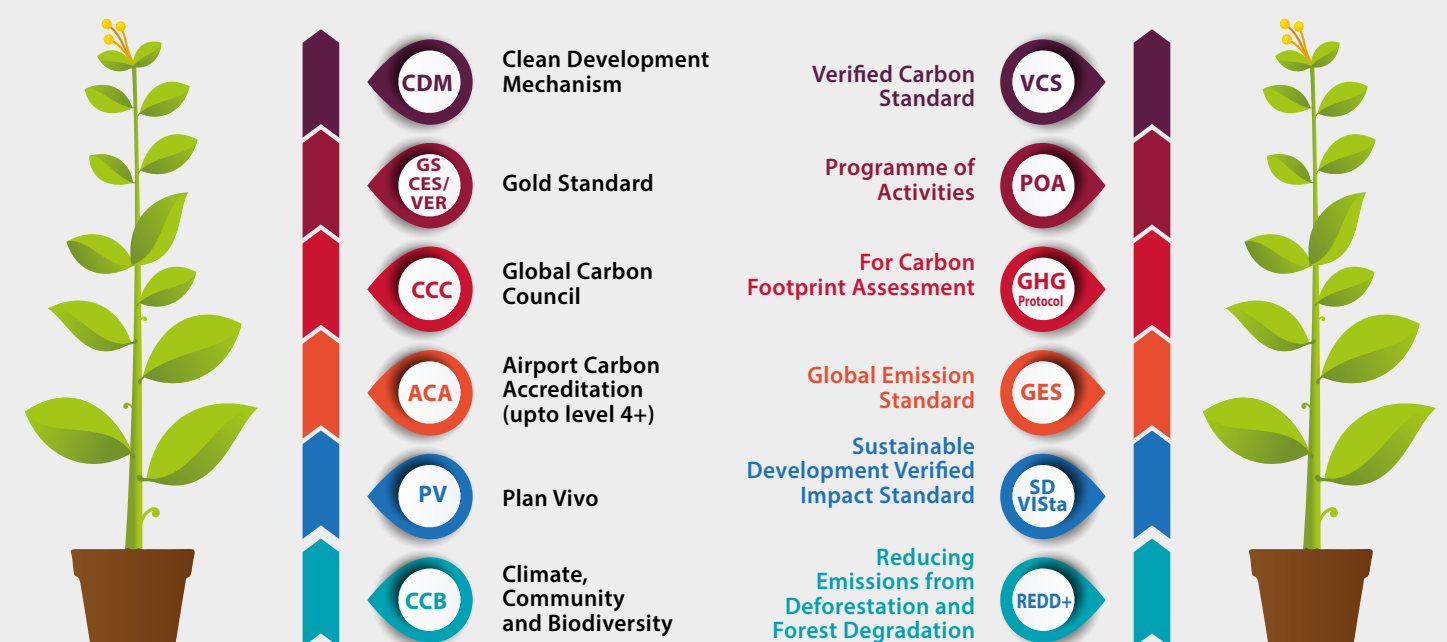
## CARBON OFFSETTING

### OUR SERVICES INVOLVES:

- We supply eligible environmental commodities of voluntary & compliance carbon markets.
- We provide complete advisory from registration till trading of carbon offsets.
- We bid and got the best rates for the carbon offsets.
- We enable private investors, governments, non-governmental organizations and business to take action to reduce the impact of their greenhouse gas emissions.
- Help companies to prioritize and achieve social and environmental goals.



### DIFFERENT CARBON OFFSET STANDARDS





# THE PROFESSIONAL PROCEDURE

**PCN:** PROJECT CONCEPT NOTE

**PDD:** PROJECT DESIGN DOCUMENT

**DOE:** DESIGNATED OPERATIONAL ENTITY

**DNA:** DESIGNATED NATIONAL AUTHORITY (MOEFCC IN INDIA)

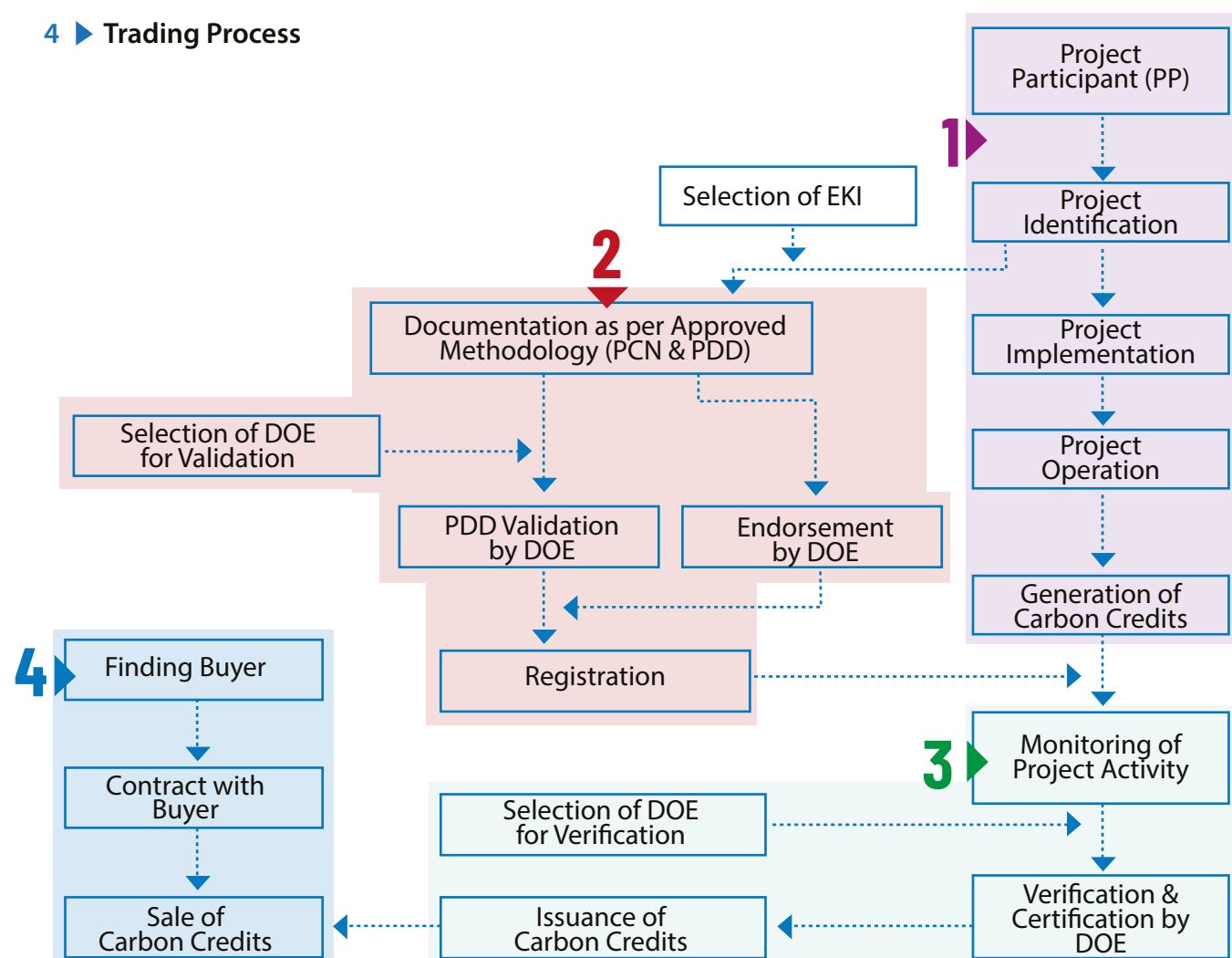
**CER:** CERTIFIED EMISSION REDUCTION

1 ► **Project owner role including selection of EKI**

2 ► **Validation + Registration Process**

3 ► **Verification & Issuance Process**

4 ► **Trading Process**



## COMPANY INFORMATION

### ■ BOARD OF DIRECTORS

**Mr. Manish Kumar Dabkara**  
Chairman & Managing Director

**Mr. Naveen Sharma**  
Whole Time Director

**Mrs. Sonali Sheikh**  
Whole time Director &  
Chief Financial Officer

**Mrs. Priyanka Dabkara**  
Non-Executive Director

**Mr. Ritesh Gupta**  
Independent Director

**Mr. Burhanuddin Maksiwala**  
Independent Director

### ■ COMPANY SECRETARY & COMPLIANCE OFFICER

**Ms. Itisha Sahu**

### ■ LEGAL ADVISORS

**Vedanta Law Chambers**

### ■ REGISTERED AND CORPORATE OFFICE:

**EnKing Embassy**, Plot No. 48., Scheme No. 78, Part-II,  
Vijay Nagar, Indore - 452010 (MP),  
E. cs@enkingint.org  
W. www.enkingint.org  
T. +91 07314289086

### ■ REGISTRAR & SHARE TRANSFER AGENTS:

**Bigshare Services Pvt. Ltd.**  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (E), Mumbai - 400059 (MH)  
E. ipo@bigshareonline.com  
W. www.bigshareonline.com  
T. +91 022 6263820

### ■ COMMITTEES

**AUDIT COMMITTEE**  
**Mr. Ritesh Gupta** (Chairman)  
**Mr. Burhanuddin Maksiwala**  
**Mr. Manish Kumar Dabkara**

**Nomination and Remuneration Committee**  
**Mr. Burhanuddin Maksiwala** (Chairman)  
**Mr. Ritesh Gupta**  
**Mrs. Priyanka Dabkara**

**Corporate Social Responsibility Committee**  
**Mr. Ritesh Gupta** (Chairman)  
**Mr. Manish Kumar Dabkara**  
**Mrs. Priyanka Dabkara**

**Stakeholder Relationship Committee**  
**Mrs. Priyanka Dabkara** (Chairman)  
**Mr. Ritesh Gupta**  
**Mr. Naveen Sharma**

### ■ BANKER

**ICICI Bank Ltd.**

### ■ AUDITORS

**DN Jhamb & Co. (Chartered Accountants)**

# LET'S COLLABORATE FOR A SUSTAINABLE FUTURE

## WE SUPPORT

The 17 Sustainable Development Goals represent a variety of social impact themes, 11 of which align with CCM's impact investment themes.



### EKI ENERGY SERVICES LIMITED

ENKING EMBASSY, PLOT #48, SCHEME 78, PART-2, INDORE-452010 (M.P.), INDIA  
CIN NO.: - U74200MP2011PLC025904

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