

May 20, 2024

To,
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400001.

Scrip Code: 543284

Symbol: EKI

Sub: Intimation under Regulation 30 and 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 - Transcript of Investor Meet.

Dear Sir(s),

With reference to our letter dated May 07, 2024 and pursuant to Regulation 30 and 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, read along with SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2021, please find enclosed the transcript of the Investor meet held with the Investors/Analysts on Monday, May 13, 2024 to discuss the Audited Standalone and Consolidated Financial Results of the Company for the quarter and year ended March 31, 2024.

The above information will also be made available on the website of the Company: www.enkingint.org

We request you to kindly take the above information on record.

Thanking you

For **EKI ENERGY SERVICES LIMITED**

Itisha Sahu
Company Secretary & Compliance Officer

Encl: a/a



**“EKI Energy Services Limited
FY '24 Earnings Conference Meet”**

May 13, 2024

MANAGEMENT: **MR. MANISH DABKARA – CHAIRMAN AND MANAGING DIRECTOR– EKI ENERGY SERVICES LIMITED**
MR. MOHIT AGRAWAL – CHIEF FINANCIAL OFFICER – EKI ENERGY SERVICES LIMITED

COORDINATOR: **MS. MONICA ANAND – GENERAL MANAGER – EKI ENERGY SERVICES LIMITED**

Coordinator

Good morning everyone, I hope you can hear me.

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Yes, ma'am, Please.

Coordinator

Thank You.

Good morning everyone.

On behalf of EKI Energy Service limited.

I extend a very warm welcome to all the participants on the fourth quarter and the financial year ending 2024 Financial Results Discussion Call.

Today on the call we have with us

Mr. Manish Dabkara, Chairman and Managing Director, and we have Mr. Mohit Agarwal, our Chief Financial Officer.

I hope everyone had an opportunity to go through the investor deck and the press release that we have updated on the exchanges and on the company's website.

A short disclaimer before we start, this call will contain some of the forward looking statements, which are completely based upon a belief, opinion and expectations as of today, these statements are not a guarantee of future performance and involve unforeseen risks and uncertainties.

Today with that, I would like to hand over the call to Mr. Manish Dabkara for his opening remarks over to you sir.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yeah, thank you very much.

Hello everyone and a cordial welcome to all the participants. We are grateful to have you with us as we discuss EKI Energy Services Limited's performance for the quarter four FY24 and the financial year ending 2024. Joining me on this call is our Chief Financial Officer, Mr. Mohit Agarwal. I hope you've had a chance to go through our investor presentation and press release, both of which are available on the stock exchange's as well as our company's website.

Amidst the shifting tides of our industry's landscape, we have been navigating through a multifaceted environment marked by challenges and uncertainties. One of the main catalysts behind the downward trend was the challenging macroeconomic environment, which led to stagnation in demand in late 2022. In 2023, market conditions continued to deteriorate, with a 25% reduction in carbon credit issuance compared to year 2021. There was an increasing trend in demand for current vintages, resulting in substantial credit assets from older vintages losing their valuation and marketability. The situation was exacerbated by unresolved geopolitical conflicts, which were expanding rather than being resolved. Regulatory developments also posed challenges to the market, with evolving rules requiring greater compliance and accountability from market participants. The lack of concrete agreements at COP28 (Conference of Parties meeting no. 28), particularly regarding the operationalization of Article 6 mechanisms of the Paris Agreement, further complicated the landscape, creating a challenging environment for businesses in the short term.

Despite these challenges, various market corrections have been institutionalized within the regulatory framework of the Voluntary Carbon Market. These include, but are not limited to, certifications such as ICVCM and VCMI, which enhance independent market credibility. Additionally, there has been a substantial increase in corporate and business commitments to ambitious carbon neutrality and net-zero pledges. Furthermore, international carbon taxation on trade and the evolution of credible sectoral decarbonization mechanisms are contributing factors. Moreover, more countries and regions are launching their Emissions Trading Schemes (ETS) aimed at pricing greenhouse gas emissions at the national level, thereby driving investment in low-carbon technology and supporting efforts to meet climate targets. This growth trend aligns with EKI's commitment to environmental stewardship and underscores the potential for future expansion. While buyers may currently exercise caution, we anticipate a rebound as stability returns and regulatory frameworks become clearer. Our focus remains on adapting to the challenging dynamics and staying poised for the positive shift anticipated in the near future.

On a positive note, consumer attitudes towards sustainability are evolving. A recent Bain & Company report indicates that 64% of global consumers show high levels of concern about environmental sustainability, and this concern is expected to rise. The past two years have seen a noticeable shift in consumer sentiment, driven by increased awareness of climate change, often sparked by extreme weather events. Bain's 2023 Consumer Lab ESG Survey found that consumers are willing to pay an average premium of 12% for products which reduced environmental impact, with those who express the highest levels of concern willing to pay even

more. This heightened demand for eco-friendly products further validates the importance of carbon markets and their role in promoting sustainability.

At EKI, we embrace this opportunity and are committed to leading the way in global climate action. Our dedication extends beyond reducing carbon emissions; it includes a strong focus on community development and social upliftment. One of our key initiatives in this regard is our exclusive partnership with Indian Oil Corporation Limited (IOCL), which aims to promote "Surya Nutan," an innovative indoor solar cooking system designed to offer clean cooking solutions globally.

Similarly, our collaboration with the Jospong Group of Companies Ltd located in Africa aims to advance sustainability, net-zero services, climate investments and carbon neutrality. This partnership has ambitious goals, with plans to secure 01 billion dollar in carbon credit financing and create more than 1,000 jobs in Ghana and West Africa by year 2030.

In FY 2024, EKI achieved significant growth, broadening our global client base and exploring new opportunities through strategic partnerships. By joining forces with industry leaders, we extended our reach in the global carbon asset management space. Our efforts were recognized internationally, with accolades such as the Environmental Finance Awards and inclusion in Fortune's The Next 500 List, reflecting our dedication and excellence.

Our subsidiary, GHG Reduction Technologies Pvt. Ltd., has played a pivotal role in manufacturing improved cookstoves, with 1.8 million units in India and on the same space, EKI distributed 300,000 units of the cookstoves in the three African nations, including Ghana, Kenya and Malawi. At the group level, we have invested over INR 104 crore in our cookstove project which will be increased gradually basis market condition in the near future. Revenue generation from this project is expected to begin in the second quarter of the current financial year where substantial carbon credits from such projects are marked by forward fixed price contract. We are also proud of our ongoing projects in Nigeria, Philippines, Tanzania and other regions, with further expansions planned for South East Asia, Uganda, Rwanda, Nigeria, Mozambique, Nepal, Bangladesh and neighbouring countries.

Additionally, we recently started operations of our two new subsidiaries, EKI Power Trading Pvt. Ltd. and Galaxy Certification Services Pvt. Ltd., demonstrating our continued commitment to innovation, growth and diversification. Operational revenue from both the entities will be part of our consolidated financials from Q1'24-25 onwards.

As of March 31, 2024, the company held over INR 140 crore in the form of fixed assets, bank balances and mutual funds where INR 10 cr. approximately is free cash flow and remaining having lien marking from banks for issuance of BG, working capital facility etc. This amount has grown to more than INR 160 crore as of today, reflecting a combination of lean financial management and effective free cash flow generation. Owing to satisfaction of performance obligation through delivery of carbon credits from long term contracts, revenue has been recognized during Q4 FY24 vis-a-vis reducing the contract liabilities, as the projects are now registered and credit issuance has begun. In Q4'24, we recorded a revenue of INR 2.4 crores corresponding to the proportionate delivery of credits to be delivered in such contract and accordingly associated costs of INR 1.1 crores is charged to profit and loss account. We anticipate significant revenue generation from these projects in this financial year.

Despite the uncertainties surrounding the international carbon market negotiations, we remain optimistic about the future of the industry and ourself. Compliance carbon markets continue to grow, with several high-emitting countries laying the groundwork for the implementation of their emission trading systems. We believe that globally integrated, transparent and well-managed carbon markets will be essential in driving the transition to a low-carbon economy and achieving the net-zero targets.

With the push towards net-zero targets gaining momentum, the importance of well-managed and transparent carbon markets has never been greater. EKI is ready to take the lead in this critical transition and we are dedicated to fostering innovative solutions that promote a sustainable future for everyone. We believe that through strategic partnerships, pioneering projects and a clear focus on environmental stewardship, EKI will play a central role in the global effort to reduce carbon emissions and combat climate change. Our commitment to sustainability is not only a business imperative but also a shared responsibility toward future generations.

Looking ahead, we see significant opportunities to grow our growth trajectory. We are prepared to meet the increasing demand for high-quality carbon credits in the international voluntary carbon markets and are excited to drive change through innovative solutions and our expanding portfolio of services and projects.

In closing, I would like to thank our dedicated team, stakeholders and partners for their unwavering support. It is their passion and commitment that has fueled our success so far. As we move forward, EKI remains steadfast in its mission to lead the way toward a sustainable future.

Thank you for joining me today, and I look forward to sharing our continued success with you in the future. With our robust liquidity and expanding business, we're poised for even greater achievements ahead.

With this I hand over the call to Mr. Mohit Agarwal to discuss the financial performance.

Thank you.

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Thank you, Manish ji.

Thank you everyone, and good morning. Turning to our financial performance:

- Our standalone revenue for financial year24 is Rs. 259 crore, and quarter 4, last quarter of last financial year is Rs. 78 crore. The consolidated revenue for FY23-24 is Rs. 263 crore.
- The standalone loss is Rs. 124 crore for full financial year, while Q4'24 reporting loss is Rs. 30 crore.
- Standalone operational cash flow of the company improved to Rs. 149 crore after reduction of advances to creditors, GST refund, and other measures taken by management for better working capital. Consolidated operational cash flow is Rs. 165 crore, which has grown upto Rs. 195 crores as of today.
- As our Managing Director already explained, we have commenced booking revenue from contract liabilities, as the projects are now registered and credit issuance has begun. In Q4'24, we have recorded RRs. 2.4 crore of revenue visa-a-vis cost of Rs. 1.1 crore. We anticipate substantial revenue booking from these projects due to the issuance of credits during FY 24-25, onwards.
- Our one of the subsidiary, GHG Reduction Technologies Private Limited, the manufacturing arm of the EKI group, has commenced production and supply of biomass briquettes as per the contract.
- Our other subsidiary which is EKI Power Trading Private Limited, which is engaged in the power trading business has executed a couple of contracts in this financial year from April to till date, which will contribute to the topline and bottom line from Q1'25 onwards.
- The company has taken multiple measures to strengthen internal financial controls within the organisation and the company is committed to robust corporate governance.
- Finally, we would like to emphasize that we are a debt-free company at both standalone and consolidated levels, except for the minuscule amount of auto loans which is going on

right now. Additionally, our liquidity position is robust, providing the company with a competitive advantage for future expansion and diversification, ensuring sustainable business growth. As part of the management team and leader in the carbon market, we assure all the stakeholders that our industry will overcome current challenges and thrive in the near future.

Thanks to all stakeholders for their support and confidence on us. We are happy to answer the queries or questions of our stakeholder now.

I will hand over to Monica Ma'am for further.

Coordinator

Thank you, Mr. Manish Dabkara, and thank you Mr. Mohit Agarwal

Anyone who wishes to ask the question may kindly raise their hand or type the questions in the chat box.

We also request to all the participants to please limit the questions to one question per participants thank you.

The first question is from Mr Aniket Kulkarni. Sir kindly proceed with your question, thank you.

Mr Aniket Kulkarni

Hello

Coordinator

Sir you are audible please continue.

Mr Aniket Kulkarni

Question: Yeah, so actually I'm new to this business so you know, could you please explain how the company has managed to clock around 100 crores of operating cash flows even after posting reasonable losses on the EBITA and net profit front.

I mean how does the accounting work? Can you just explain?

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Yeah Manish ji, will you explain or I can continue?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yeah please do.

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Answer: Thank you Aniket ji, just to explain you that I have already explained that my advance to creditors which were earlier it was somewhere around 70-80 Crores which has gone down to 28 crores, 25 crores odd figure and GST refund which we were getting in a four to five month or more than that in previous financial years which we have managed to get the refund on a, on a 30 to 45 days now, now onwards, this type of actions or majors taken by management team, management of current asset side this has give a boost to the operational cash flows and you can check these figures in a cash flow statement also. No doubt there is a loss that is reflected in our other equity also, our net worth in '22- '23 it, it was somewhere around 500 crores approximately which has gone down due to the making off losses in current financial year.

Mr Aniket Kulkarni

Okay, Okay, Okay and thank you so much

Coordinator

Thank you Mohit, thank you Mr Aniket Kulkarni.

The next question is from Mr Kaustav Bubna, sir kindly put your question.
Mr Kaustav Bubna.

Mr Kaustav Bubna

Hello

Coordinator

Sir you are audible

Mr Kaustav Bubna

Question: Hello, yeah, hi so you know, just wanted to understand how does the management look at the business risk and the investments that the company has made going ahead because if we continue in the current price environment that we're operating in the current geopolitical environment that we're operating in, it seems like next year also, you know in this coming year will be tough to break profitability unless prices increase or something changes so right now we have a healthy balance sheet but what is the worst case the management. Sees because we've made investment, So we need, for example, the Cook Store project so we need prices and volumes to be at a certain level to make a return on investment and if this does not happen, Debt could pile up a lot of things could go wrong. I understand the company making a bet, taking a bet on the growing carbon markets and ESG compliances, But what is the worst case of the management has taken into account please explain

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Yeah, considering the risk for the cookstove projects like we have investment into two different activities.

One is the inventory that we do have and another one is the cookstove projects which we have in India, Malawi, Ghana and Kenya, for most of the cookstoves which we have invested, we have done the forward contracts, so whatever the principal amount that we have invested is almost secured and the additional revenue that we would be able to generate would be the additional, additional thing that means the good return we would be able to secure out of the same. Further in case of and this cookstoves we consider, that they would be considered under because they are recently commissioned just one or two years back.

Majority of the projects they had been recently commissioned, and so considering the IC VCM core carbon principles, Most of the projects we are very much sure that they should qualify under the high-quality carbon credit category. So, we do not anticipate any risk related to the cookstove projects which we have invested back by the forward contracts up till whatever the principal amount is there and considering the other carbon credits which are there on our books so majorly they are non cookstove credits and definitely they are subjected to the ICVCM, CCP labels or the declarations that they will do in coming two to four months timeline that is been declared by them only.

And yes, the associated risk are there, but definitely the cookstove projects, all the other consulting and the subsidiaries activities are there will help us to grow both at the top line and bottom line.

Mr Kaustav Bubna

Question: But when will this happen because right now I understand you, have you also got this advance benefit and GST benefit, But this won't be their next year, I'm assuming because, so, I mean it'll it won't reflect in the OCM next year because it's a change right in working capital that makes you get this operating or positive operating cash flow for this year.

So what I'm trying to understand is when do you think pricing will recover and volumes will recover by when because you know in the company's financials and balance sheet strength depends on this.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yeah.

Answer: So now just to let you know there are three different carbon markets in under which we work, One is article 6 of the Paris agreement, which is at the nascent stage and probably the COP 29 which is going to happen at Azerbaijan at this year end. Will do come up with all the rules and regulations wherein the international compliance market will be there in place. So we do have two projects, one at Malawi and one at Ghana. They are already very much aligned with article 6 of the Paris agreement we have got the necessary approvals in reference to the same and once the market will do, start by the end of this year we would be able to gain maximum out of the same. Second one is the national compliance market within India, so Indian government through Bureau

of Energy Efficiency is going to implement national compliance carbon markets called as a CCTS - Carbon Credit Trading Scheme and again it is going to get operationalised after this election results. So definitely in these two markets, we do have negligible market share because those markets do not exist, but once they will do come in the picture or they will to get operationalised, we will do take the maximum benefit out of those two markets.

The third one is in which we are working for last ten years is the international voluntary carbon market and you know there are two issues which is there in our issue... in our market, voluntary carbon market, one is the quality of carbon credit issue and another one is a green washing issue. So green washing issue means the buyers are buying the credits, but they are not reducing the emissions and they are not, not all buyers of these carbon credits are doing the same, but due to media criticism at the Western world the confidence within the buyers had got shaken up a lot. So to to improve this specific situation VCMI, one international organization, came into the picture and they came up with the rating of the buyers based on their procurement strategy and that is there in place but to buy, to comply with this VCMI principles, the buyers should buy ICVCM and CCP label credits, ICVCM means Integrated Council for Voluntary Carbon Market and CCP means Core Carbon Principle label credits, and ICVCM and CCP they are again working over the quality of carbon credits in our industry and probably by the end of last month it was anticipated that they must come up with the clear guidelines they already have, they already cleared three programs, almost five programs which used to issue the carbon credits, which includes verified carbon standard and gold standard.

So these two standards already had got approval from ICVCM and CCP program and now the projects or the methodologies are going to get approved, so within a month or two, we do believe that they will do come up with the clear guidelines and once they will do, come up with the clear guidelines, that means what.. what is the exact definition of quality of carbon credit the buyers will do get their confidence based on ICVCM and CCP principles and then the market should come up with a with full trust, transparency and the confidence. So we anticipate that whenever like probably if tomorrow ICVCM and CCP label principles will do get declared, then the market should turn up within a month or two time period.

Mr Kaustav Bubna

Great thank you so much for that detailed response.
Best of luck with everything.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Thank you

Coordinator

Thank you, Mr Bubna, thank you, Manish Ji

Are there any other questions because there are some in the chatbox and I'll read them for Manish ji and Mohit ji.

Okay, so the rest of the questions are coming on the chat box, so one question is from Mr Pradeep Rawat.

He is thanking us for letting us participate in this discussion call and also he's wishing us a good afternoon. Thank you sir.

Question: And he's asking us that since he's new to the company, he is asking us that if he can explain how, why our revenue fell approximately 80 % compared to a 25% decline in credit issuance and his another question is that why are we foraying into other businesses as compared to focusing on a primary business which is under pressure.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: So, diversification, coming over to the second question which is related to the diversifications. So, whatever the diversifications we are doing are all related to the carbon markets for any organization, for any buyer or seller organization, the first step for them is to determine their carbon footprint and second step is to reduce the emissions with the help of decarbonization pathways or low carbon pathways.

So whatever the activities which you are doing in reference to the decarbonization, the supporting, the organization to decarbonize to or to reduce their emissions.

That are all the activities which definitely help our clients and plus help us to expand ourselves at the upstream or downstream within our core carbon credit business.

Coming over reduction in revenues, so as I have mentioned earlier, there are two concerns which, which is there in our carbon market, international voluntary carbon markets because two compliance market do not exist as of now, so one is quality of carbon credit, another one is greenwashing issue and once till the time, these two issues would not get resolved the buyers are not buying the credits and that is why the revenue and top line and bottom line they are getting corrected at the drastic level.

So, once these two concerns will be there in place definitely the core business will do perform and in addition, whatever the, the diversifications which we are doing definitely are thought out of our the core business line we are expanding ourselves upstream and downstream so that our clients, we would.. we would.. we would be able to give them one stop services to our clients not only to buy residual emissions from to sell the credits for the residual emissions they do you have, but apart from that, we would also help them to reduce their emissions through with the help of sustainability services with the help of supplying green power, green fuel to decarbonize their businesses.

So, I hope I answered the questions which I was asked.

Coordinator

Thank you, Manish sir. The next question is from HK.

Question: Can you please share the split of inventory purchased in financial year '23 vs inventory purchase in financial year '24.

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Yeah Monica ji, I will answer it.

Answer: First of all, I wish to say that there is no expiry of the carbon credits, basis their vintage or purchase... purchase transaction.

Now coming to the specific question as of now, 70 to 75% of the credits pertains to the purchased done in FY '24 and 20 to 30% range, they pertain to the FY '23.

Monica ji, that is the answer.

Coordinator

Yes, HK your question has been answered.

Thank you Mohit ji.

The next question is from Vinod N.

Question: Can you share your views on recent news and shell relating to integrity of carbon credit and whether this has any impact in the global carbon market and any specific impact on EKI.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Yeah, thanks for asking this question. So recent news related to the shell integrity of the carbon credit. So, if you see the global media or specifically the western world media, they are criticizing the whole carbon market, the carbon credit issuing agencies like VERRA or Gold Standard that means verified carbon standard specifically, then this buyer of carbon credits for their greenwashing issue, for the seller of carbon credits for the quality related to the quality concern, so not only this specific news, but if you'll do Google, you will be able to find various such news which is floating around in the western world, specifically in the, in India or the nations wherein the carbon credits used to be created and sold in the international voluntary carbon markets, they specifically here, the media stakeholders are not very much aware about all these concerns and I believe there is no any concern really the same, but the Western world media had raised various such questions that the credits coming from the renewable energy projects are not very much authentic when the credits which are coming from the forest based sector are not very much authentic, one the credits which is coming from forest conservation or afforestation, reforestation are not very much of high-quality or the credits which are coming from the mid-level

income countries like India, China or maybe Turkey or not worthwhile so many such kind of criticism, criticizing statements had been floated by those media stakeholders, and we do believe that there is no any concern at all because one tonne CO₂ is one carbon credit and one carbon credit which has been generated either from India or from Bangladesh or from Ghana or Kenya used to create the similar impact over the global warming, the positive impact over the global warming or climate change issue or concern, which is the critical, the most critical one for the whole society or for, for all the nations to mitigate or to work with and to mitigate this specific concern, as I mentioned earlier two international agencies, had come into the existence , one is ICVCM another one is VVCM. So once this ICVCM and VVCM and COP 29 will to come up with their clear stand, related to the targets, related to the quality of carbon credits and related to the greenwashing concern which few of the carbon credit buyers may be doing so once these three things will be there in place, everything should.. should.. should get cleared in the compliance or voluntary carbon markers, and again the trust, transparency will do come up with the buyers and the buyers will do buy the credits to achieve their carbon neutrality or net zero goals. So this is the concern which we.. which we are able to see for last not only for the recent news related to this organization, but for last two years starting from February '20, last one year, In fact you can say starting from February '23 wherein Guardian newspaper, had.. they have done the first news over the international voluntary carbon market that most of the credits coming from forest conservation, from Latin America and from Indonesia. They are not having any worth and they are being sold in the international voluntary carbon markets and afterwards the whole trust within the buyer community came down and the prices they were coming down for since February '23, so there is a concern and we are very much sure that since we do not have any regulatory body to, which regulates VCS standard or Gold standard, But after this ICVCM came into the picture, this carbon credit issuing bodies are now being regulated by ICVCM, their methodologies to issue the carbon credits, their standards, their working procedures will do get definitely controlled by ICVCM, then all the credits which will do come after these ICVCM and CCP level declarations the whole trust should come back within the buyer community and market should again go up as being anticipated or as being reported by various international equity research or market research organizations like McKinsey, BCG, Bain and Company, ICVCM everyone had anticipated that in between year 2013 to 2030... from 2023 to 2030 in fact they had anticipated, at whatever the carbon market size which was there during year 2021, that is 2 billion dollars will grow from 10 to 200 billion dollars and that is only for the international voluntary carbon market and all this news or all these research information is definitely available online for review, so we are very much optimistic that once this ICVCM and VVCM principles will to get declared the international voluntary carbon market will do grow to very much more than the expectations of ours and again to two carbon markets,

that means the national compliance market and international compliance market, in next three to six months timeline once they will be there in place, the whole market which is of more than a trillion dollar will do get its whole boost and this specific issue is not only for the credits which are originated from India or from other developing nation that this is specific concerned the whole international voluntary carbon market is struggling with this... with this, specific concern, so yeah we are very much sure that ICVCM and VVCM existence or the establishment will do clear all the bad clouds within the market.

Coordinator

Thank you Mr Manish Dabkara and thank you.

Question: The next question is from Aman Kaushik and he is asking us when can we expect the top line and bottom line to increase?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Okay, so yeah, so I have replied in the last question only in the detail, while having the detailed response, so again I will do summarize it.

The international voluntary government market will do get its elevation or the triggers after ICVCM, VCMi principles will do come in place, so we are anticipating in next two to four months timeline. Then, National Carbon market through Bureau of Energy Efficiency will do come into the existence in next two to four month timeline after the elections and international compliance carbon market that means Article 6.2 or 6.4, international carbon market of the Paris Agreement will do come into the picture after COP 29. So again, in next four to eight months timeline.

So yeah, with all these elevators definitely the numbers at the top line and bottom line will increase and whatever the diversifications that we are doing, or the subsidiaries or the group companies which we do have since they came into the existence during last financial year, majority of them came into the existence during last financial year or this financial year, and definitely whatever the performance says, that they will do, demonstrate will do add up to our numbers at the top and bottom. So yeah that is the exact response I do have.

Coordinator

Thank you so much sir, The next question is from Nitin Gandhi he is asking ..

Question: Are these CC units likely to trade in on energy exchange or transparency or will it remain OTC when do you expect energy exchange trading to start?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Yeah so, IEX we do have in India, we do have three power exchanges IEX, PXIL and Hindustan Power. So, this exchanges definitely will do get a chance to trade the credits, once national compliance carbon market, that means CCTS- Carbon Credit Trading Scheme under Bureau of Energy Efficiency, Ministry of Power will do come into the existence, then they will do start the trading of compliance credits within India through these exchanges and we are very much sure that they will do allow the OTC trades also under this national compliance carbon market. While international compliance carbon market under Article 6.2, 6.4 of the Paris Agreement and international voluntary carbon market, we do not anticipate that any exchange will do come into the place because each carbon credit used to have its unique feature, each projects, each... each project used to have their unique feature and to bring those unique feature to any specific exchange

is a high challenge and if you see during last 20 years of our carbon market history such exchanges at the international domain were.. they were, they are into the existence, so you do not think for the international trading of the credits such such exchanges will do will be there in place while within India, the buyers for the International.. for the voluntary carbon market hardly they do exist, so since in India we majorly have sellers for the voluntary carbon markets, we do not have any buyers.. marginal buyers are there, so for any exchange to survive it would be a very, very tough task so yeah that is the exact response of ours.

Coordinator

Thank you sir.

The next question is from HK.

Question: Can you also share the details about intangibles under development?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

I'm not yet very much aware about the intangible?

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Answer: Yeah, I will answer it, intangible under development are the classification of the CapEx which we have done, means whatever the cookstoves we have distributed in India as well as outside India at a consolidated level, that is being classified under development, and once the project gets registered and issuance gets started, it converts into a intangible asset. So I will say that investor will find the two line items in our balance sheet one is intangible asset and one is intangible under development.

That is the explanation.

Coordinator

Thank you Mohit ji

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

Thank you

Coordinator

The next question is again from Suryakant Nayak

Question: Understanding the global market may take time to recover, when do you think you can become operationally profitable with the existing carbon market scenario being staying as it is due to being uncontrollable situations.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Yeah, so I have answered the same during last three four questions, so I think we can skip this question.

Coordinator

Sure Sir.

The next question is again from Suryakant Nayak

Question: What steps are your management is taking to become operationally profitable in near turn.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Again the same, same question.

Coordinator

Sure sir and the next question is from HK again.

Question: Can you please share updates about India's venture in plastic credits?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Answer: Yes, so, yeah, so we are giving advisory services to many projects located in India and other nations related to the International Plastic Credits through VCS standard, so that is when we are so giving advice services means to get the project registrations, verifications and issuance of credits so that we can sell those plastic credits International plastic credits to the buyers majorly located in the developed economies, while the other kind of plastic credits which you exist in India is related to the EPR extended producer responsibility wherein whoever induces plastic into the Indian market they need to recycle the same with certain percentages given by the Government of India.

That means Ministry of Environment function, climate change so we do have planned to work under the circular economy segment, wherein we can recycle the waste like plastic or tire or municipal or other different similar ways, so that circular economy aspects can be assured along with the getting the assurance to sell the credits in the form of plastic credit or carbon credit or various with such credits like green credits, so we do have a plan during this financial year to invest some small amount into the circular economy, business and maybe the plastic waste recycling can be one of the activity, so will do come up with more detailed information once will do start or we'll do, the management will take the further steps in this specific reference.

Coordinator

Thank you sir.

Are there any other questions that I need to read out in Q&A if there are please like so there is one question from Karan he has raised his hand.

Karan kindly speak up.

Karan

Hello, are you able to hear me?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yes, yes

Karan

Question: Hi Manish so I have one question we recently had some investor meetings, right, so what was its outcome and why, why did we have that investor meetings.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

That is a regular, in regular course of action various investment related to organizations they used to connect with us, try to understand our business and try to that means they, they used to ask the questions related to the carbon markets, performance of organization of our organization and opportunities to work together on project to project basis or with some subsidiaries of our organizations, so these are the topics which we used to discuss and once they will do come up with their decision, we will definitely update those specific information through specific right channels to our stakeholders. So yeah, thank you.

Karan

One more question. Is everything okay as per you like going all good yes or no that's it.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Please repeat your question?

Karan

Question: Is everything okay as per you are we on the right track, path?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yeah. So, because of the concerns which I have mentioned earlier, whatever the best decisions that we can take to go through the turmoil which is happening in the international voluntary carbon market, we are, we have taken all the right steps and we are very much sure once the national or international regulations will be there in place.

We do since we are working or we are into this industry for last more than 15 years, we are very much sure that whatever the resources or the knowledge that we have gained during last 15 years, we will take maximum advantage of the same once all the favourable situations which will do come up in the national or international carbon markets. Thank you.

Karan

Okay sir. Thank you.

Coordinator

Thank you Manish ji, thank you Karan.

Now, I would like to request Manish Sir for his enclosing remarks. Sir, over to you.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Yeah, we may ask if someone do have any further question to ask and otherwise we will do move to close the session.

Coordinator

Sure sir, are there any other questions that the participants would like to add in the Q&A section or would like to ask directly?

Is there anyone else who would like to ask any questions please?

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

Alright we can move ahead then.

Coordinator

Yes sir, please say

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.

I sincerely thank each of you for joining this call. Your participation and commitment are vital to our success and energize our work.

Thank you.

Mohit.

Coordinator

Thank you so much sir, Mohit sir, please share your closing remark.

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.

As we conclude this call, I want to thank everyone for their participation and trust. Let us continue working together to drive growth and create value.

Thank you all.



EKI Energy Services Limited
May 13, 2024

Coordinator

Thank you so much Manish sir and Mohit sir and all the participants.
Thank you all and you may disconnect the call now.

Mr. Manish Dabkara, Chairman & MD, EKI Energy Services Ltd.
Thank you all. Have a nice day

Mr. Mohit Agarwal, CFO, EKI Energy Services Ltd.
Thank you, Monica ji and thank you all.