

November 16, 2023

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 November 07, 2023 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 Friday, November 10, 2023 to discuss the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2023.

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
Q2 FY '24 Earnings Conference Meet”
November 10, 2023**



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

COORDINATOR: **MR. DEVANSH DEDHIA – ORIENT CAPITAL**

Coordinator

Good afternoon Everyone on behalf of EKI Energy Services Limited.

I extend a very warm welcome to all participants on Q2 FY24 Financial Results Discussion Call. Today on the call we have 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 an investor deck and press release that we have uploaded on the exchanges and on company's website.

A short disclaimer before we start this call, 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.

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

Yes, thank you.

Good afternoon, everyone and warm welcome to all the participants. Thank you for joining us today to discuss the quarter two FY 24 results of EKI Energy Services Limited.

Let me take this opportunity to wish everyone in advance a happy and safe Diwali on this call I have with me Mr. Mohit Agrawal, our CFO and Orient Capital our investor's relationship partner.

I hope everyone had an opportunity to go through an investor deck and press release that we have uploaded on the exchanges and the company website. The global carbon market continued to remain in the trough as the uncertainties of inflation and overall economic environment showed no signs of abating. The escalation in the Israel Palestine conflict further aggravated the destructive fire of war, issues of greenwashing and green hushing, evolving regulatory issues and lack of concrete modalities of operationalized Article Six Mechanism of the Paris Agreement, resulting in demand inventory to hit the market. According to the latest Google Sustainability survey of thousands of top-level executives at global organizations, 33% of executives reported cuts in their sustainability initiative due to economic conditions. As a result, credit retirements were flat for the first time in the last five years.

However, all is not bleak. We hope that the upcoming COP 28 that means Conference of Parties meeting number 28 which is going to happen at UAE and end of this month and will complete during initial next month, will deliver some concrete outcomes. Incoming presidency from UAE announced that COP 28 will focus on four paradigm shifts.

First one is fast-tracking the energy transition and slashing emissions before year 2030.

Second one is transforming climate finance by delivering on old promises and setting the framework for a new deal on finance.

Third one is putting nature, people, lives and livelihood at the heart of the climate action, and the fourth one is mobilizing for the most inclusive COP ever.

Taking measures to de-risk our operations, we decided to enter into the new areas of operations, a proposal that was put forth by our , shareholders and the promptly approved the recent concluded Annual General Meeting of the Company. We thus expanded the scope of our operations, amending our memorandum and Articles of Association. I take a moment to explain these briefly - to provide pre-investment, pre-contract and post-contract project management consultancy services including basic and detailed engineering services for the implementation of energy efficient projects and render all types of consultancy services to the businesses, institutions and governments for promotion adaptation of renewable energy applications and provide lean, clean, green and efficient solutions to global energy issues. As a a natural extension to our Cook Stove program, which has already helped improved lifestyle for the millions of people we would like to enter into the business of manufacturing and trading of clean cooking devices and other similar products.

With an eye on cleaner sources of energy that do not require too much commitment in terms of capital we intend to enter the business of Biomass, Consulting of the biomass feed material production of briquette, pellets, biochar, carbon capture technologies and related equipment. To capitalize on the government's decision of market coupling in power trading we will establish and carry on the business of trading in electricity and act as a trader in the sale and purchase of electricity and electrical energy including power exchange and derivative markets, International market, cross border transactions and not limited to renewable energy certificates, Carbon Credits, energy conservation certificates, financially traded electricity forwards.

We will also be providing advisory and consultancy in issues related to energy and trading of energy and power management.

We also have launched a, a brand new Carbon Neutrality Certification services.

Carbon Neutral Certificate is awarded under four different categories which are carbon Neutral company. Second one, is carbon neutral product. Third one, is carbon neutral services or operations and fourth one, is carbon Neutral Event. Carbon Neutral certification offer multiple benefits to the organizations.

Firstly, it promotes a positive environment impact by helping organizations identify and mitigate carbon emissions in their operations, ultimately enhancing resource efficiency and contributing to global climate change mitigation.

Secondly, it provides recognition and branding advantages, allowing companies to market their commitment to environmental responsibility, appealing to eco-conscious consumers and gaining a competitive edge in the eco-friendly market.

Lastly, the certification process helps organization evaluate the financial aspects of their emissions, offering valuable data for cost management and efficiency improvement.

Our partner company, World of Circular Economy, will offer support for , calculation and monitoring of the emissions.

WOCE's SaaS offerings such as Carbon Ledger for scope one, two, three emissions, Carbon Book for individual carbon footprint assessment, Green APIs for straightforward emission calculations and offsetting, and the carbon certificate management will do streamline emission striking and credit management. These tools ease the measurement, monitoring and offsetting of emissions, aiding businesses in their net-zero endeavours.

All these initiatives will open new avenues of growth as we aim to act as a single window service provider for harnessing global opportunities in the trade of emission reductions and climate in business. With increasing competition, providing an integrated and holistic service in the aspect of energy, sustainability and environmental responsibility will entrench us as a reliable partner of organizations in their Net Zero journey.

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

Thank you.

Mohit Agarwal- CFO

Thank you Manish ji .

Good afternoon everyone.

Coming to our financial performance our standalone revenue for quarter two Financial Year 23- 24 stood at Rupees 77.4 crores - our standalone EBITDA stood at minus 41.3 crores. Standalone profit after tax stood at minus 41.7 crores, consolidated revenue from operations and EBITDA were 79.0 crores and minus 42.4 crores, respectively. Consolidated PAT stood at minus 43.5 crores.

For first half of Financial Year 23-24, our standalone revenue stood at 139.4 crores -our standalone EBITDA stood at minus INR 71.5 crores. Standalone profit after tax stood at minus 73.4 crores, consolidated revenue from operations and EBITDA were 142.0 crores and minus 73.9 crores, respectively. Consolidated PAT stood at minus 76.8 crores.

Now, I will request a coordinator to open the forum for, for shareholders' and analysts' queries.

Thank you.

Co-ordinator

Thank you.

Anyone who wishes to ask a question may kindly raise their hands, We have the first question from the line of Mr. Kaustuv Bubna - kindly unmute yourself sir.

Mr. Kaustuv Bubna- Participant

Hello

Coordinator

Yes sir, you may go ahead with your question

Mr. Kaustuv Bubna- Participant

can you hear me?

Mr. Manish Dabkara

Yes, yes, Okay.

Mr. Kaustuv Bubna- Participant

So I have a couple of questions, so the first one is just to understand this business model of business model a bit better than does EKI act as an agent/broker apart from just being an advisor, and how will the emergence of exchanges of carbon credit exchanges impact the business of agents and brokers.

Mr. Manish Dabkara

Yes, so coming over the second question first, as of now whosoever had declared that they are going to open and exchange in the voluntary carbon markets they are not, they were not able to succeed because each carbon credit is very much unique in nature and no exchange across the world is able to create to momentum in reference to doing the business in the voluntary carbon markets.

Second one, is our business model is providing advisory services for getting the project's registrations, then again giving advisory services to get the project verification and finally we help organizations for the sale of carbon credits across many developing nations to sell their credits.

We also keep a good chunk of credit on our books so that whenever the buyer do come to us, we do supply the credits to them, although now we do the spot trading, forward trading and while keeping over the books will do supply either, we will do supply directly from seller to the buyer and otherwise for most of the time we prefer to supply the credits from our own books.

Mr. Kaustuv Bubna- Participant

Okay great thank you and my other question was you know I'm trying to assess what the value of a carbon credit was when, in the period of quarter four FY 22 to Q3 FY23 where the company was making a lot of, very high profits versus what the value of one carbon credit is today and as the market matures over time what value range do we think carbon credits will settle down at?

I understand that every project, eh... they marks different carbon credits, but you know, could you give some sort of what valuation was it when you were making big profits versus what valuation is it today and where do you expect to see these valuations of carbon credits mature as time passes.

Mr. Manish Dabkara

Yes, so one-ton carbon dioxide emission avoidance or emissions removal from the atmosphere used to give us or yield as a one carbon credit, so one carbon credit is one ton CO₂ and the carbon credit prices used to vary because of various different factors, so the first one is country of origin, so if the project is located in India or if, if it's there in Kenya then the price from the same technology, for example, solar power project used to vary, so the first one is country of origin.

Second one is the technology, Third one is, is eh... the vintage wherein the carbon credit had got issued, so 2005 vintage credits - year 2005 vintage credits is used to yield less revenue as compared to 2023 vintage credit. Then Sustainable Development Goals (SDG) if the project is supporting more and more like 17 SDGs are there and if the project is supporting, the higher number of SDGs apart from emission reduction from the atmosphere, will do yield more benefits as compared to products which are yielding less or supporting less SDG parameters. Then the quality of the third-party inspection company or their brand value. The brand value of the seller, Brand value of the consultant and at the last the marketing material, in the form of photographs, videos or text presentation. So, because of all these various factors and the prices for any single carbon credit used to vary.

Further in the past if you see during year 21-22 the rates for the carbon credit from originated from energy projects were ranging in between 3 to 7 dollars and as of now, during the present point in time they are ranging in between .75 to 1.5 dollars or almost we can say 80 to 90% or 60 overall market had got corrected from 60 to 80%. For community-based projects, the created rates were ranging in between 7 to 13 dollar as of now they are ranging in between 3 to 7 dollars. And for forestry related or nature based solution activity credits they were ranging in between 10 to 20 dollar and as of now they are ranging in between 1 to 2 dollar so this is the present scenario of three different types of carbon credits which are available in the voluntary carbon markets and their prices as you, as I mentioned the range so the prices for the same technology based on various different parameters is used to vary so that that is why the ranges are there.

In the future we do have three different triggers because of which the carbon credit prices are bound to go up, one is establishment of Integrated Council for Voluntary Carbon Markets, that specific regulatory body is going to fix the issue related to the quality of carbon credit, so which kind of carbon credit should be called as the quality carbon credits they are going to fix the same and it will take around three to six month's timeline for the same.

Another agency called as Voluntary Carbon Market Initiative is going to fix the issue related to the greenwashing. So they are going to come up with three different ratings bronze, silver and gold and based on the buyer's location that means geography, their sector, manufacturing or service or other different sectors and based on their size either if it's a small, medium or large scale enterprise. Because of this, three different parameters and three different level of rating, the greenwashing issue is going to get overcome within the market and again it will take around two to four months timeline, for the same.

Further COP 28 under the Paris Agreement is going to fix the procedures related to trading of carbon credit between the two nations to meet their target under the Paris Agreement and those

specific guidelines will surely benefit voluntary carbon market to have their concerns related to the quality of carbon credit and the greenwashing issue that had been raised by the media stakeholders there at the Western world. So, because of high-level criticism that had been done by media stakeholders, for the buyers for their appropriate strategy and the types of credit, they are there that they are buying, there is a high turmoil in the international voluntary carbon market.

Buyers are feeling shy to buy the credits because once they will do buy the credits, they will, they make it criticized by the media stakeholder, academic stakeholders in the Western world and that is why they are holding them back, to get a clear information related to the quality of credit from ICVCM. rating of themselves from VCMI and then further global guidance related trading of carbon through COP 28 so these are the three triggers which will do enable the market momentum to come back and as you know there are various agencies like BCG, McKinsey. Many different agencies other in the financial world they had forecasted that the carbon market, voluntary carbon market within next seven years. So as of now the evaluation of the voluntary carbon market is around .5 to 1 billion dollar and they are anticipating that it should be in between 10 to 100 billion dollar by year, 2030 so that means in next six to seven years timeline multi-fold growth should be there only in the voluntary carbon market, while the compliance carbon market within India - they are coming up through the implementation of Energy Conservation Act 22, where in big emitters within India they are going to get cap over the emissions and if they are emitting more, they need to buy credits if they will do emit less than the benchmark which would be given to them, they will get the issuance of credits and so the trading will do happen within India under the compliance market and the compliance market under the Paris Agreement through Article Six of the Paris agreement is going to get implemented in next 6 to 12 months' timeline.

So these are the various different opportunities which are there for the organization to show better performance as compared to last few quarters.

Mr. Kaustuv Bubna- Participant

Great, thank you. And just one last question. The company has made an investment in a cook stove project, so how was this investment funded? Was it through internal accruals or debt?

Mr. Manish Dabkara

Internal accruals, Internal accruals

Mr. Kaustuv Bubna- Participant

And what type of confidence is the company have in the valuation of carbon credits to make such an investment because, from what I understand is that you make this investment right, and the cookstoves are given for free, but you collect carbon credits as you sell cook stoves or as you make cook stove so clearly to make an ROI in this investment, you have to have a certain valuation for those carbon credits that you get for selling cook stoves. So what type of ROI do you expect in this investment you made it? Am I correct to assume that you actually, differentiating your business model, first you were an agent, advisor, now actually become an investor into... in this business by investing into these projects such as cook stoves, biomass, etc.

So could you speak a little bit about that?

Mr. Manish Dabkara

Yeah, so the ROI depends on the number of credits that will be issued from the regulatory body like VCS or Gold Standard, and then again the prices which will be, able to yield from the market. For the investment which we have done, we have made the forward contracts with the global buyers and the whole investment is very much secured in terms of the contracts that which we have signed with them and so I think I have answered your question if I have not answered then kindly do let me know for the specific part that you are looking for.

Mr. Kaustuv Bubna- Participant

Yeah, Okay I'll get back in the que.

Mr. Manish Dabkara

Yes please, yes, yes, yes,

Coordinator

Thank you sir. The next question is from the line of Mr Rajeev Jain

Mr. Rajeev Jain- Participant

Hello

Mr. Manish Dabkara

Yes, yes

Mr. Rajeev Jain- Participant

Am I audible?

Mr. Manish Dabkara

Yeah.

Mr Rajeev Jain- Participant

Yes, thank you very much for giving me the opportunity to ask the question.

My question is about the various challenges, about this future, on the working model and business model of the company - like challenges on the regulatory and policy fronts of various countries, government and second, challenges on alternatives available as the solution of reducing carbon emissions like carbon capture technology and CBAM like Carbon Tax types of another, I mean to say the have alternative for the reduction of the carbon and third is challenges, our trading and dealing front which may pose competition to company's business. All three on these three challenges, what do you have to say?

Mr. Manish Dabkara

Yeah. So the challenges, first one is related to CBAM, so CBAM means Carbon Border Adjustment Mechanism which are which is going to get imposed over the exporters from India if they want to export their products to the European borders or European companies .The type of carbon credit which will be used under the CBAM will be, should be based from Europe,

called as European Union allowances and definitely this is specific, there is no need challenge, but this is the opportunity for our organization that we will be getting more and more contracts related to the advisory services to reduce the emission and for the carbon footprinting and sustainability services or sustainability reporting, for the exporters and further they will also like to buy carbon credits originated from European Union and so we will do support them. Further removal the second one is the removal technology, so there are two types of carbon credits which are available in our market, one is avoidance based and other one is a removal one. So avoidance based credits, their prices used to range less than 20 dollars, while for the removal based technologies the carbon credit prices are ranging in between 100 to 1,500 dollars, so this removal technologies are not very much viable at the present point in time because of their cost, investment cost and the cost of the carbon credits also, so that means again it is the second opportunity for the organization, for our organization to get diversified into the removal technologies, either to manufacture or either to apply and get the carbon credits are to be sold to the clients who are looking to become net zero by 2050.

So that is again one another opportunity which is available and not the competition. Further, the third thing that had asked is the competition into our industry, so yes, the competition definitely will do come in next three to five years timeline in reference to getting new companies from national, international borders, to get into the advisory services and trading of carbon credit. But definitely we have very much early mover advantage within this specific domain, in reference to knowing all the knowhows related to the business, having good availability of the funds from the accruals and from the external sources and further the the knowledge that we have which we have gained in last 15 years as compared to the knowledge which people may gain in next three to five years' timeline. So, there are many different cutting-edge experiences or knowledges or projects which are available within the organization and will do definitely give a very, very tough competition to the new organizations who may be looking to get into this industry.

Mr. Rajeev Jain- Participant

One more ...more clarification about this removal-based carbon credit. Suppose a company, CDR plants, it implements, then it generates carbon debit as well as carbon credit, so it Carbon Neutral company or it generates carbon credit?

Mr. Manish Dabkara

So if any company either, for example, if it's avoidance based project that means installation of a solar power project or if it's if they are implementing CDR, carbon dioxide removal technology within the organization so, it will do definitely help that specific organization to reduce their emissions and so they will do require less number of credits for the residual emissions. But with this specific technologies the removal technologies avoidance, one definitely you may be able to only avoid but the residual emissions will definitely will there with the organization. Again for the removal technologies also the similar thing will do happen so for all, organization for all the nations at last to achieve carbon neutrality, to achieve net-zero emissions for cancellation of the residual emissions they will do need carbon credits either originated from removal technologies or from the avoidance technologies, so initially it will do definitely help organizations to reduce their emissions. But there are many organizations which are there where in hard to build sectors are there like cement or other similar industries like

Aerospace, Airlines these are the industries which may not be able to become net-zero without the help of carbon credits.

Mr. Rajeev Jain- Participant

Okay, my second question is about the sales of the company in terms of volumes.

Last year we sold about 61 millions of carbon credits in whole year, so in half year its approximately 13 million of carbon credits, But this this year half year sale is only 9 million credits one it is, it is less than one-third of the sale of the last year.

Mr. Manish Dabkara

Yeah.

Mr. Rajeev Jain- Participant

What is the reason? It's a reducing demand or what is, we are losing market share or what is the reason behind?

Mr. Manish Dabkara

So first reason is the focus over the sustainability from the organizations which are located in the developed nations is changing because of the economic slowdown and the high energy prices in those specific economies because of the war.

The second one is criticism by the media stakeholder or academic stakeholders within the western world or within the developed economies related to the quality of carbon credits and greenwashing which the buyers are doing.

That means greenwashing means they are buying the credit, but they're not reducing the same, but as per the ideal methodology, first they should calculate their emissions, then try to reduce as much as possible and for the residual emissions they should buy the credits, but all the buyers within those specific economies are not the same because of various constants, they, some had opted to buy directly carbon while not reducing their emissions. So, because of this specific criticism and economical impact because of the war, buyers are looking to delay their decision to buy their credits and definitely in next six to twelve months timeline their confidence - with more clarity over the specific concerns should get in place, and so that means that they will do buy the credits and this specific information is only related to the voluntary carbon market because statutory or compliance carbon market do not insist on carbon credits originated from India.

So there are two different sectors which are going to open very soon one is through Energy Conservation Act 22 where in CCTS (carbon credit trading scheme), a mandatory scheme is going to get implemented within India next six months timeline starting with four different sectors and it will go through the economy-wide implementation and then Article 6 of the Paris agreement wherein it allows nations who would not be able to meet their natural emission goals, they would be allowed to buy the credits originated from other different nations like India, so this compliance to compliance markets will do help us to grow the numbers in terms of generation of carbon credit and selling the same at the national, international level and once

the stability will do come related to the criticism or a more clarity from the two organizations, called as ICVCM and VCMi further stability should come into our industry.

Mr Rajeev Jain- Participant

And, the last question is that in your investor presentation, you have said the present carbon credit market is about 116 billion dollars and which is expected to rise to 2680 billion dollars by FY '28 what the market share we are having and in FY '28 what will be the market share? What do, what the company thinks about it?

Mr. Manish Dabkara

So as of now, the market share of our organization in the international voluntary urban market globally is ranging in between 15 to 20%, and once we do get more clarity than based on those clarity related to the quality and greenwashing issue we would, we are very much ready with our manpower, with our financial resources and other different resources or connects or network that we have at the national, international level we will definitely will try to get the market share more than 20% in years to come.

Mr. Rajeev Jain- Participant

Okay, thank you very much. Thanks a lot. That's all from my side.

Mr. Manish Dabkara

Thank you.

Coordinator

Thank you sir.

The next question is from line of Mr. Milind Rach.

Mr. Manish Dabkara

Mr. Milind are you able to hear us?

Mr. Milind Rach- Participant

Yeah, my question is from Mohit, I wanted to know if there are, If there's an update about the qualifications that was raised by the auditor.

Mr. Mohit Agarwal

The qualification raised in quarter three. We have already accepted their contention after taking the expert opinion.

However, practically we, we think that whatever we have booked in our last financial year, that is correct, but still on the basis of expert opinion, we have taken in and, and our revenue get reduced and our contract asset and contract liabilities has been increased, which you see in the balance sheet of financial year '22-'23 itself, so that qualification is already resolved, sir.

Mr. Milind Rach- Participant

Okay, so no more pending qualifications from any of the auditors as of today.

Mr. Mohit Agarwal

As of today there is no qualification, as you may go through the LR report, also of this quarter, quarter two you will not find any qualification from the auditors.

Mr. Milind Rach- Participant

Okay, and my second question is about the sale that we had or we are planning to have about the stake in EKI Power Trading Private Limited to Mr. Girish Bhayana. So I understand that the net worth is ten lakh rupees as per the book prize. But we are selling, we are saying that the company is valued at roughly 10 crores. So can you, can you throw some light?

Mr. Mohit Agarwal

No, no I believe sir, there is a net worth of 10.50 crore.

We have applied a paid-up capital. We have applied for the license with CERC with that net-worth only, and as, as there is no transactions done, we are doing, we are doing the transaction on the basis of valuation that will be somewhere around face value of the shares only.

Mr. Milind Rach- Participant

Okay, Okay

Mr. Mohit Agarwal

And one thing also, also I want to clear in March paid-up capital was Ten Lakh, which has been increased subsequently or to 10 crore 50 lakhs.

Mr. Milind Rach- Participant

Okay, Okay because you know the statement said some ten lakh rupees, so I was a little confused.

Mr. Mohit Agarwal

No no no, that's as on March it was 10 lakh only.

Mr. Milind Rach- Participant

Okay, Okay, fine.

Mr. Mohit Agarwal

Thank you.

Mr. Milind Rach- Participant

Thanks

Coordinator

Thank you sir, the next question is from the line of Mr. Karan Sharma.

Mr. Karan Sharma-Participant

Hello

Mr. Manish Dabkara

Yes, yes.

Mr. Karan Sharma-Participant

Hi Manish sir, I'm an individual investor, and I have two questions to ask, have we closed or about to close any big deals in this quarter, which can benefit us in like coming quarters. Like you have mentioned European carbon tax, right, which starts in January 2026 like is it helping us to get those details like the tax which is I think 25 to 35% - first question and second is yeah and second is when can we expect to see profits in the results?

Mr. Manish Dabkara

So CBAM is definitely going to help us in getting us consultancy, not only in India but from across the globe, from all the nations who are exporting their products to the European Union countries and yeah it will help us, as I have stated earlier it will help us to get us the consultancy services and the trading opportunity related to the European Union allowances that means the carbon credit which are exclusively being generated within European Union Models. So definitely it is going to help us and related to the big deals.

Yes, so there are various different business opportunities which we are exploring within the present business line that we do have established business line and the new business lines that we are going to establish and once they will get materialized definitely through the proper channels, have we will do disseminate the information to the stakeholders of our organization.

For the second question related to the profit, so once the three things that I had stated earlier related to getting more clear, clear information or procedures or regulations related to the Article 6 of the Paris Agreement. Then getting the regulations from ICVCM & getting the regulations from VCM will do definitely help the market to get stabilized, and once the market will do get stabilized, the whole turbulence related to the price fluctuation will do get over and we will be able to see good, good top line and bottom line within the within the organization so we are anticipating that it should be done before next twelve months timeline.

Mr. Karan Sharma-Participant

Next twelve months is it or the six months?

Mr. Manish Dabkara

So maximum I'm anticipating because all these regulations are not there in our hand, maybe the regulators they may delay the regulations to get informed or implemented across The globe so it may take some time, so that is why we are anticipating before twelve months timeline if there is any delay in next three to six months, most of the things should get sorted out, but still another six months should be considered as a buffer timeline now to get the market stability.

Mr. Karan Sharma-Participant

Okay, one more thing in the previous concall, you mentioned that we are waiting for three things to happen like one in October, November or some December. So, of those three things, is it been done.

Mr. Manish Dabkara

So ICVCM (Integrated Council for Voluntary Carbon Market) they had declared it in next two months.- that means earlier during last quarter only they must have come up with the definition of definition related quality of carbon credit in the international voluntary carbon market, but

they had delayed their processes and it is being ant distributed during quarter four, they should come up with the clear guidelines. VCMi had declared it initially during November this month only, they will come up with the greenwashing concern related to the like not able to give the rating criteria's for the buyer community, but they had not declared the same till date but maybe by the month end and they will to come up with their clear guidelines. COP 28 is going to happen from the end of this month to the initial of next month at UAE and so on 12th December we should be able to get more clear information related to the regulations which all the nations are going to get, implement for trading of carbon credit within the two organisations or within two private entities under the Paris Agreement.

So many things are there which are quite lined up in next three months' timeline most of the things should be, should get aligned but definitely you know the international organizations or the international negotiations while having various different parties that means countries definitely used to take some time to get full clarifications.

Mr. Karan Sharma-Participant

Thank you Manish, sir, I have one question from Mohit sir also, like I have read that we have cleared around 40 crores of debt, which is very good. How much debt are we currently having now at present?

Mr. Mohit Agarwal

We don't have any term loan or something like that. We are having a working capital facility in the term of CC/OD and that is also utilized into the tune of 14 crore, which is approximately 10% of total limit.

Mr. Karan Sharma-Participant

Nearly a debt-free company, we are right?

Mr. Mohit Agarwal

Yes sir.

Mr. Karan Sharma-Participant

Thank you, thank you very much.

Coordinator

Thank you sir.

The next question is on the line of Mr. Kaustuv Bubna

Mr. Kaustuv Bubna- Participant

Just saw the balance sheet again, the company is sitting on around like 100 crores of net cash. If the last few quarter's loss continues, the cash may get depleted soon. So how does the company plan to use this cash? Is the assumption correct that the continued process.... is basically what you understand balance sheet management until you know things start picking up again.

Mr. Manish Dabkara

Can you please repeat the question?

Mr. Kaustuv Bubna- Participant

Sorry

Mr. Manish Dabkara

Yeah, can you please repeat the question because due to some Internet issue I was not able to hear you completely.

Mr. Kaustuv Bubna- Participant

Can you hear me now?

Mr. Manish Dabkara

Yes yeah,

Mr. Kaustuv Bubna- Participant

Yeah, I want to understand how does the company plan to balance its, manage its balance sheet until things come back to normalcy because you know, you have hundreds of 100 crores of net cash around 100 crores of net cash and if the current loss trend continues the quarterly loss continues the cash may get depleted soon so wanted to understand, you know, balance sheet management until, until things can work.

Mr. Mohit Agarwal

Manish ji, if you allow me

Mr. Manish Dabkara

Yes sir, please yes, yes.

Mr. Mohit Agarwal

Yeah. Sir. Good afternoon we have a 33 crore at a group level, cash and cash equivalent. Apart from that 90 crore rupees in FD which is already collateralised with the banks for the working capital facility and out of 33 crores at a group level, EKI is having a cash balance of 3, 3.5 and crores and ..and rest of the fund is parked in subsidiaries for running the businesses like power trading and as well as GHG which is a manufacturing company, so they are doing they they are generating their cash and they are running their business and business from their own money only and in respect of the EKI we are making a loss, no doubt we are agreeing with that, but... but the cash and cash equivalent is regularly generating through the operation only if you will see our cash flow statement. Also, there is a cash generation from operation also which is being fuelled in a, which is being reinvested in our inventory as well as to meet out the day to day expenses.

In that way, we are very much liquidated and there is no concern about that, and treasury management is also strong, I can assure you that.

Mr. Kaustuv Bubna- Participant

I'm just last thing does, does the promoters of EKI have any other business interests apart from this, which are listed or listed apart from EKI Energy Services

Mr. Mohit Agarwal

No Sir, management promoters and promoter groups are actively engaged in this business only there are they are not having any other businesses.

Mr. Kaustuv Bubna- Participant

Thank you so much.

Coordinator

Thank thank you sir. If anyone has a question would like to raise your hand please.

I think so, that was the last question for the day and now handover to Mr Manish sir for his closing remarks over to you sir.

Mr. Manish Dabkara

Yeah, thank you.

I would like to thank every participant for joining this call. Feel free to send your queries across our investors relationship advisor, Orient Capital. Thank you very much and have a nice, happy and safe Diwali Festival to all of you. Thank you.

Mr. Mohit Agrawal

Thank you. Thanks to all of you Happy Diwali to all of you

Coordinator

Thank you everyone, you may now disconnect the call.

Mr. Mohit Agrawal

Thank you.