

May 12, 2024

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

Scrip Code: 543284
Symbol: EKI

Subject: Press Release on audited standalone and consolidated financial results for the quarter and year ended March 31, 2024

Dear Sir(s),

In compliance with the provision of regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith press release on Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2024.

Kindly take the above information on records.

Thanking you,

Yours Faithfully
For EKI Energy Services Limited
ITISHA SAHU Digitally signed
by ITISHA SAHU
Date: 2024.05.12
20:13:06 +05'30'
Itisha Sahu
Company Secretary & Compliance Officer

Encl: a/a

EKI Energy Services Limited announces Financial Results for Q4FY24 and Year Ending March 2024, Demonstrating Resilience in Overcoming Market Challenges and Maintaining Focus on Sustainability and Global Growth

Indore, May 12, 2024: EKI Energy Services Limited (EKI), a leading global developer and supplier of carbon credits, today announced its financial results for the year ending March 2024 and Q4FY24.

KEY FINANCIAL PARAMETERS

Particulars (Rs. in Crores)	Consolidated			
	Q4 FY'24	Q4 FY'23	FY'24	FY'23
Revenues	77.88	99.80	263.39	1286.45
Profit After Tax	(29.11)	(47.76)	(129.20)	119.65
Debt	2.02	64.91	2.02	64.91
Cash & Cash Equivalent*	168.64	132.45	168.64	132.45

**including cash & bank balances along with fixed deposits classified under current & non current assets*

KEY FINANCIAL UPDATES

- Our standalone revenue for FY'24 is Rs. 258.9 crores, with Q4'24 revenue at Rs. 77.9 crores. The consolidated revenue for FY23-24 is Rs. 263.4 crores.
- 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 Rs. 2.4 crores corresponding to the proportionate delivery of credits to be delivered in such contract and accordingly associated costs of Rs. 1.1 crores is charged to profit and loss account. We anticipate significant revenue generation from these projects in FY25.

- The standalone loss after tax is Rs. 124.8 crores for FY'24, with Q4'24 reporting a loss of Rs. 30.2 crore. The company's operational cash flow **improved to Rs. 148.7 crores** due to efficient realization of account receivables, reductions in advances to creditors, improvements in GST refund turnaround time and other management initiatives. The consolidated operational **cash flow stands at Rs 165.2 crores**.
- Our subsidiary, **GHG Reduction Technologies P Ltd**, the manufacturing arm of the EKI Group, has commenced production and supply of biomass briquettes as planned.
- Our other subsidiary, **EKI Power Trading P Ltd** engaged in power trading business, has successfully executed several contracts to date. These contracts will contribute to both the top and bottom lines of the consolidated financials starting from Q1'25.
- The company has implemented multiple measures to strengthen internal financial controls within the organisation. The company is committed to maintaining robust corporate governance practices.
- Finally, we would like to emphasize that **we are a debt-free company** (except for auto loans), at both standalone and consolidated levels. 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 leaders in the carbon market, we assure all stakeholders that our industry will overcome current challenges and thrive in the near future.

KEY OPERATIONAL UPDATES

- Collaboration with Indian Oil Corporation Limited (IOCL) to promote 'Surya Nutan,' an innovative indoor solar cooking system designed and patented by IOCL's R&D division. EKI is the exclusive partner of IOCL to develop carbon offset projects as well as holds the manufacturing license of Surya Nutan from IOCL. This partnership aims to advance clean cooking solutions and foster positive environmental change.
- MoU with 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 ~1 billion dollars in carbon credit financing and create over 1,000 jobs in Ghana and West Africa by 2030.

- Inauguration of our new Biomass Briquettes (Biocoal) manufacturing plant at Dindori, Nashik, as part of our subsidiary, **GHG Reduction Technologies P Ltd** ongoing commitment towards clean energy transitions mitigating global warming. This facility has started manufacturing and dispatch of finished product from April 24 onwards.
- Won prestigious award at the Environmental Finance Sustainable Company Awards 2023, shining brightly on the global stage. The company was awarded for the '**Community Involvement Program of the Year (EMEA Region)**' for its clean cooking initiative in African region.
- Inclusion in The Next 500 - Fortune India List for 2024 which serves as a testament to EKI's dedication to excellence, innovation and social responsibility. Having also featured on the prestigious list in 2023, EKI's consecutive appearances highlight its sustained growth, leadership and positive impact on the industry.
- Great Place to Work® Certified in India for 2023-24, validating how EKI continues to progress in building a strong organisational culture that is aligned with its values.
- Launch of brand-new Carbon Neutral Certification Services which are custom-tailored to assist companies, products, services and events in their journey towards eco-friendliness and sustainability. The Carbon Neutral Certification prominently showcases a distinctive Carbon Neutral logo, symbolizing the certified authority's steadfast dedication to sustainability and carbon neutrality.
- Our two subsidiaries namely **EKI Power Trading P Ltd and Galaxy Certification Services P Ltd** have commenced operations and will contribute to group's top and bottom lines from FY 24-25.
- Our subsidiary GHG Reduction Technologies P Ltd launched Oorja Biogas Plant for rural households enabled with DMRV (Digital Monitoring, Reporting and Verification). This home Biogas Plant is designed for rural individual household applications providing standalone clean cooking solutions.

- EKI selected as leading renewable energy carbon credit developer as per Abatable's recent Voluntary Carbon Market (VCM) Report. Abatable is a market intelligence and procurement platform for the voluntary carbon market.
- Company was awarded with Green Apple Award for carbon management by "The Green Organisation" which is a UK based NGO. This award recognises top green companies based on their efforts in climate sustainability.

Mr. Manish Dabkara, Chairman & MD of EKI Energy Services Ltd. (EKI), said, "In FY24, EKI demonstrated resilience against head winds, , expanding our client base globally and venturing into new areas through innovative partnerships. Our collaborations with industry leaders like IOCL and Jospong allowed us to broaden our scope in global carbon asset management. We were honored with recognitions on the global stage, including the Environmental Finance Awards and a spot on Fortune's The Next 500 List, among others, underscoring our commitment to excellence.

Despite the non conclusive outcome at COP28, compliance markets continue to grow, with several high-emitting countries laying the groundwork for their implementation. This creates new opportunities for us to play a pivotal role in supporting global efforts to combat climate change. While the past year saw a deceleration in Voluntary carbon markets (VCM) due to inflation and macroeconomic challenges, we believe this slowdown is temporary. Buyers of VCM credits may be cautious, but as stability returns and regulatory frameworks (ICVCM & VCMi) become clearer, we anticipate a rebound.

Our financial position remains strong, with cash & cash equivalent totaling over INR 140 crore as of March 31, 2024 (in the form of fixed deposits, mutual funds and bank balances), and exceeding INR 160 crore as of today, providing us with the resources to navigate these unfavorable times. With credit issuance commencing in the current financial year from contract assets and contract liabilities of FY 2022-23, we expect our bottom line to turn positive from Q2 onwards in FY 2024-25. This solid financial foundation, along with our expertise in the carbon market, positions us for continued success as we work to drive innovative solutions that support a sustainable future for all.

As the race to net-zero accelerates, well-managed and transparent carbon markets are more crucial than ever. A recent Bain & Company report indicates that 64% of global consumers are highly concerned about sustainability, reinforcing that our industry is at a critical juncture. We are poised to lead the charge, and with our robust liquidity and expanding business, we are ready for even greater achievements ahead."



About EKI Energy Services Ltd.

EKI Energy Services Ltd. is a leading Carbon Credit Developer & Supplier across the globe. It is the first ever company to list a Plastic Project from India with Verra - a global accreditation standard located in Washington, USA. Founded in 2008, the Bombay Stock Exchange (BSE) listed company has been passionately working towards rehabilitating the planet to a future of net-zero carbon emissions. EKI offers sustainable solutions for climate change and carbon offsets with global standards like CDM, VCS, Gold Standard, GCC, IREC, TIGR and others. With an aim to contribute to the development of a climate resilient global economy, the company offers strategic solutions to businesses and organizations globally to achieve their climate ambition. EKI offerings span across Carbon Credit/Asset Management, Carbon Credit Generation, Carbon Credit Supply, Carbon Credit Offsetting, Carbon Footprint Management, Sustainability Audits, as well as Carbon Neutrality and Climate Positive initiatives. EKI has consistently featured on The Next 500 - Fortune India List for both 2023 and 2024. Additionally, it has been honored with three prestigious awards at the Environmental Finance Sustainable Company Awards 2023, alongside other notable accolades. The company is today present in 16+ countries and has 3500+ customers across 40+ countries. As on date, EKI has supplied over 200+ million offsets. Visit our website to know more: <https://enkingint.org/>

For more details, please reach out to us cs@enkingint.org