

## **Transcript of the 14th AGM of EMS Limited**

**Mr. Nand Kishore Sharma:** Good afternoon, ladies and gentlemen, welcome to the 14th Annual General Meeting of EMS Limited. I am Nand Kishore Sharma, Company Secretary of your Company, participating from Ghaziabad. On behalf of the members present at this meeting, my warm greetings and welcome Mr. Ramveer Singh, Chairman and other respected members of the Board of Directors of the Company. Now, I request Mr. Ramveer Singh to kindly commence the proceedings of the meeting by addressing this dignified virtual gathering on behalf of the Board. I request you all to please welcome Mr. Ramveer Singh, who is presiding over the meeting.

**Mr. Ramveer Singh:** *Adarniye sabhi share dharakon, Board Members, sambandhit nirdharkon thatha baithak mein upsthit sabhi ganmanya vyaktiyon ko mera namaskar. Mein aap sabhi ka, Company ki 14th vaarshik baithak mein dhanyawad gyapit karta hoon. Mujhe aasha hi nahi poorna vishwas hai ki aap sabhi apne parivarjano, priyajano ke sath sakushal, swasth honge. Aur company hamari jo hai wo water sector mein kaam karti hai mainly. Aur is sector mein asimit sambhavanayein hain. Aur hamara main focus hamesha water sector mein hi rahega ye mein aapko vishwas dilata hoon. Aage ki meeting ki karywahi ke liye mein Mr Ashish Tomar jo company ke*

*MD hain, unko aamantrit karta hoon. Unse anurodh karta hoon ki wo asage karyvahi start karein. Thank you.*

**Mr. Ashish Tomar:** Thank you, Chairman Sir. Good afternoon, ladies and gentlemen. I, Ashish Tomar, Managing Director and Chief Financial Officer of EMS Limited, welcome you all on behalf of the Board to the 14th Annual General Meeting of the Company being held today through video conference. I trust you are well and I extend my heartfelt gratitude for your virtual attendance. With the requisite quorum being present through video conferencing, the meeting is duly constituted, and I hereby call the meeting to order.

First, it is my pleasure to introduce to you all the members of the Board present at this meeting. I would also request each member to acknowledge when I introduce him or her.

1. Mrs. Kritika Tomar, Full-time Director and Chairman of the CSR Committee.
2. Mr. Achal Kapoor, an Independent Director of the Company.
3. Mrs. Chetna, an Independent Director of the Company and Chairperson of the Audit Committee.

**Mrs. Chetna:** Good morning to all of you.

**Mr. Ashish Tomar:** Good morning.

4. Mr. Mukesh Kumar Garg, an Independent Director of the Company and Chairperson of the Nomination and Remuneration Committee.

**Mr. Mukesh Garg:** Namaskar.

**Mr. Ramveer Singh:** Namaskar Sir.

**Mr. Ashish Tomar:** Namaskar.

5. Ms. Swati Jain, an Independent Director of the Company and Chairperson of the Stakeholder and Relationship Committee.

**Ms. Swati Jain:** Good afternoon, everyone.

**Mr. Ashish Tomar:** In compliance with the requirements of the Secretarial Standards-2 on General Meetings, Ms Jyoti Arora, Partner of M/s. Rishi Kapoor and Company, Statutory Auditors and Mr. Vikram Grover, Secretarial Auditors are also present in the meeting through video conferencing. I thank all the members, colleagues on the Board, auditors, and the management team for joining this meeting. Now, I request our Company Secretary, Mr. Nand Kishore Sharma, to read the arrangements made for the members at this 14th AGM.

**Mr. Nand Kishore Sharma:** Sure, Sir. The Company has enabled the members to participate at the 14th Annual General Meeting through a video conferencing facility. The facility for joining this meeting through video conferencing is made available for the members on a first-come, first-served basis. The proceedings of this meeting are being webcast for all our shareholders as per the details provided in the notice of this Annual General Meeting. The proceedings of this Annual General Meeting shall be deemed to be held at the registered office of the Company. The Register of Directors and KMP, the Register of Contracts for Arrangement, and other documents mentioned in the AGM notice have been made available for inspection

by the members of the Company during the proceedings of this AGM at the website of the Company. As the AGM is being held through video conferencing, the facility for the appointment of proxies was not available. Hence, the proxy register for inspection is not available.

The Company has received requests from a few members to register them as speakers at this meeting. Accordingly, the floor will be open for these members to ask questions or express their views. We will facilitate this session once the Managing Director opens the floor for questions and answers. It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at this AGM. Members can send their e-mails or e-mail IDs to [cs@ems.co.in](mailto:cs@ems.co.in). The Company will respond to the same within 15 days. The Company has provided the facility to cast votes electronically on all resolutions set forth in the AGM notice. Members who have not cast their vote electronically and are participating in this meeting will have an opportunity to cast their vote through the e-voting system provided by the NSDL. Members can please note that there will be no voting by show of hands. I request all the members who have not voted through remote e-voting to cast their vote through e-voting during this meeting. The facility of e-voting shall be available for 15 minutes after the conclusion of the AGM. The Board of Directors has appointed Mr. Debabrata Debnath, Partner of M/s R&D Company Secretary, New Delhi, as a scrutinizer for scrutinizing the e-voting process. The voting results along with the scrutinizing report will be made available within two working days from

the conclusion of the meeting on the website of the Company, NSDL, as well as BSE and NSE.

In accordance with the Company's AGS 2013 and SEBI regulations, kindly note that the members were entitled to cast their vote through remote e-voting from September 27-2024 at 9 p.m. to September 29-2024 at 5 p.m. The shareholders are entitled to cast their vote as specified in the notice as on the cut-off date of September 29-2024. As per the Company's Act 2013, the voting will be carried out electronically. The results will be declared within time as per the Company's Act 2013 and SEBI listing regulations on the website of the Company. Now, I request our Managing Director to address the members attending the meeting. Over to you, Sir.

**Mr. Ashish Tomar:** Thank you, Mr Sharma. The Company has taken all the efforts feasible by the Company to enable members to participate and to vote on items being considered at this meeting. Before we take up items as per notice, let me present to you the key highlights of the performance for the financial year 2023-2024. Dear shareholders, I, Managing Director of the Company, would like to first extend my gratitude to all the investors and stakeholders for showing your confidence and belief in the Company, which has resulted in making this financial year 2023-2024 a remarkable milestone for the Company for successfully completing its initial public offer. We are happy to present our 14th annual report for the financial year 2023-2024 before you all. This report will provide a detailed overview of the financial as well as business growth of the Company. As you all know that your Company is into

the treatment of wastewater, drinking water treatment, industrial water treatment, building contracts as well as electricity distribution works which are allotted by the government departments. This sector in which your Company operates is a very emerging sector because, as we all know, very little work has been done in our country on the cleanliness of the water, and now there is tremendous scope of work in this sector as the availability of water is decreasing every day and its demand is increasing continuously. Therefore, this sector in which your Company operates is a very demanding sector, and there is an unlimited scope of work. Accordingly, your Company is also increasing its geographical presence across the country as earlier your Company was working only in states like UP, Uttarakhand, Rajasthan, Bihar, and Maharashtra, and now the Company is also extending its footprint to other states. Also, your Company has recently been awarded L1 status for one of the tenders awarded by Kolkata Municipal Corporation valued at Rs. 681.49 crores having a 74% share. Further, I would also like to state that with your support and belief, you have seen tremendous growth of your Company during the financial year 2023-2024, and accordingly we assure you that, your Company will make considerable efforts to increase its level of growth year on year basis and will create value addition for you all.

Today, India is the 5th largest economy in the world with a GDP of US \$3.7 trillion, and it is expected that in the next 3 years, it will become the 3rd largest economy in the world with a GDP of US\$5 trillion. The government's continuous efforts to strengthen the domestic economy through increased capital spending, policy shifts towards improving

the ease of doing business, and the creation of a world-class digital infrastructure and payments platform, etc., will be showing results.

The Company's accounts for the year ended March 31, 2024, have already been circulated to you. With your permission, I would like to take them as read. EMS Ltd has experienced an extraordinary year, completing its first financial year since listing. During the year, your Company registered a consolidated revenue of Rs. 79,331.08 lakhs as compared to Rs. 53,816.17 lakhs in the previous year. Registering a growth of 47.41%, the consolidated net profit after tax for the financial year 2023-2024 is Rs. 15,266.32 lakhs as compared to Rs. 10,885.13 lakhs in the previous year, representing a growth of 40.25%. This remarkable performance is a direct result of our unwavering commitment towards excellence. The above numbers clearly indicate that your Company achieved significant strides in the water-wastewater treatment plants and sewage construction sector and also set new standards in quality and customer satisfaction. The successful and timely completion of projects awarded by the government stands as a testament to our engineering excellence and project management capabilities. We are not just building infrastructure; we are building the foundation for healthier communities. As we look to the future, our vision is clear that we are committed to being at the forefront of sustainable water, water treatment, and sewage practices. The need for efficient water management and resilient infrastructure has never been more pressing, and we are ready to meet this demand head-on. Further, the Government of India has also once again emphasised its

vision of making India Vikasit Bharat by 2047 in its budget for the financial year 2024-2025 through its various schemes for its citizens, which in turn is expected to further drive opportunities in the water, wastewater treatment, and irrigation sectors. Through various policies and schemes of the Government, your Company has the oasis of opportunity in the upcoming years. As a part of our CSR initiatives, we are focusing on education and health. These two areas are foundational to building thriving communities and are central to our mission to make a positive impact beyond our core operations. Your Company has also committed to the highest ethical standards in all business dealings, fostering transparency and accountability throughout the organization. A robust Government framework ensures compliance with regulations and global best practices. I am confident enough for the business growth of your Company, which will continue for the future. Further, before concluding, I would like to express my gratitude to all the stakeholders for their firm belief and consistent support in the business of the Company. It is the continuous efforts of your Company to create value addition for all of you, invariably and together we will achieve new levels of success and build new benchmarks for the organization in the sewerage and water treatment industry. Thank you.

**Mr. Nand Kishore Sharma:** Thank you so much, Sir, for your detailed deliberation on the business performance of the Company. The notice of the 14th Annual General Meeting and the Annual Report containing the audited financial statement, including the consolidated financial statement for the year ended March 31, 2024, and the Board



Report and Auditor's Report, thereof have been sent by electronic mode to those members whose email addresses are registered with the Company or with the depository. These documents have also been made available on the Investor section of the Company's website. In view of the above, the notice and the report of the Board of Directors is being taken as read. The Statutory Auditor's Report on the standalone and consolidated financial statements respectively is available are page no. 149 and 216 of the Annual Report and is free from any qualification, observation, or comment on the financial transactions permitted, which would have an adverse effect on the functioning of the Company. Hence, with your permission, I take the Auditor's Report as read. Further, the Secretarial Audit Report is enclosed and annexed to the Board Report on page no. 55 of this year's Annual Report has no other qualification, observation, or comment except that the web links provided in the Corporate Governance Report under Section 47.2 are not applicable and specific as they will not redirect to the relevant documents section of the website. Only the homepage web link was mentioned in the Corporate Governance Report, and the management gives their representation that at the time of filing of the Corporate Governance Report, the website of the Company was under maintenance. Hence exact link was not given. Hence, with your permission, I take the Secretary Audit Report as read. We now take up the resolutions as set forth in the notice. We will open the floor for any questions by members after all the resolutions have been tabled. The members may kindly note that as per the notice convening the 14th Annual General Meeting, the following items are placed for voting.

Item no. 1 of the notice for your consideration relates to the adoption of the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2024, together with the report of the Board of Directors and Auditors thereon. The resolution is being placed before the meeting to be passed as an ordinary resolution.

Item no. 2 of the notice for your consideration relates to the declaration of a final dividend of Rs. 1 per equity share of face value of Rs. 10 each for the financial year 2024. The resolution is being placed before the meeting to be passed as an ordinary resolution.

Item no. 3 of the notice for your consideration relate to the appointment of a Director in place of Mr. Ashish Tomar, who retired by rotation and is eligible for reappointment. The text of the resolution has been provided in the notice of the AGM. The resolution is being placed before the meeting to be passed as an ordinary resolution.

Item no. 4 of the notice for your consideration relates to the approval of the remuneration of the Cost Auditor for the financial year 2024-25. The text of the resolution has been provided in the notice of the AGM. The resolution is being placed before the meeting to be passed as an ordinary resolution.

Now I invite the shareholders who have registered themselves as speakers to put forth their queries and suggestions. I request the speakers to be precise. They shall be happy to answer your questions and provide justification after all the questions are asked. I will request the pre-registered speaker shareholders to ask their questions one by one. Members are requested to unmute their microphone

on their names being called out before speaking, and they may also enable their webcam if they wish to appear on the video. Each shareholder will have 2 minutes for their queries in order to give the opportunity to all other pre-registered speaker shareholders. Once you have asked the question, you can mute yourself and continue to watch the proceedings. Answers to the queries raised by the shareholders will be provided by the management once all the speaker shareholders have spoken. Members may also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time, and those shareholders who are unable to speak due to connectivity issues would be allowed to speak once the other shareholders have been given a chance to speak.

The first speaker shareholder is Mr. Dhruves Alil Sanghvi. Mr. Dhruves, ok.

Our next speaker shareholder is Mr. Radheshyam Toshniwal. . Mr. Radheshyam.

**Mr. Radheshyam Toshniwal:** Namaste, namaste. Sir mera ek simple sa question tha. Company bahut acche se grow kar rhi hai, to sirf yehi poochna chah rha tha ki jaise hamara jo EBIDTA hai 25% hai ya is se zyada hi hai. To mein sirf yehi poochna chah rha tha ki baaki sari companies itna margins nahi bana rhi hain. To hamari company mein aise kaun se factors hain jo hamara 25% EBIDTA rehta hai.

**Mr. Nand Kishore Sharma:** Thank you, Sir. Now we will move to the next member, Mr Vikhyat Kansal.

**Vikhyat Kansal:** Good afternoon, Sir. I would like to congratulate you for the great work done in the sector and the stellar results in FY 23-24. The first to begin with, we saw Uttar Pradesh was a major contributor to the business we are doing. Given the current order book, what is the state mix as of today? And second, any plans to enter into municipal solid waste management like waste to energy as well, because that is also a sustainable business that is also expected to see a lot of government push in the coming times. So, that is my query, Sir.

**Mr. Nand Kishore Sharma:** We now move to our next speaker shareholder, Mr Chandan Mishra. Mr Chandan.

**Moderator:** He is not present.

**Mr. Nand Kishore Sharma:** Thank you so much. No worries. We now move to our next speaker shareholder, Mr Naresh Tomar. Mr Naresh Tomar Ji.

**Naresh Tomar:** Iswar se prarthna karte hain ki aur accha kare. Hello. Company accha kar rhi hai aur ham shubvkhannayein dete hain profit margin accha aa rha hai. Aur hamein koi shikayat nahi hai.

**Mr. Nand Kishore Sharma:** Thank you so much for your appreciation. I request the technical person to check if the missing person has joined or not. Mr Dhruvesh Sanghvi.

**Moderator:** Not present.

**Mr. Nand Kishore Sharma:** Mr Chandan Mishra.

**Chandan Mishra:** Am I audible now? Hi, good afternoon everyone and first of all, just like to wish the management of EMS congratulations for completion of one year listing and congratulations for the wonderful numbers in FY 23-24. In Q1 of FY 25 as well, we are getting the same margins in the current financial year. My questions is tha the company recently disclosed that the company wants to acquire 75% stake in 25:37 Pulp and Paper. So, my questions are, first, *company kya naye segment mein enter karne ja rhi hai. Second, is acquisition se company ko kya benefit hone wala hai? So, these are my two questions.*

**Mr. Nand Kishore Sharma:** Thank you so much. Dear shareholders, due to time constraints, this was the last question. So, shareholders who did not get an opportunity to ask their questions, would request to share their queries on email IDs [cs@ems.co.in](mailto:cs@ems.co.in). the company will respond to the same within 15 days. Thank you so much. I now hand over the proceedings to our Managing Director to answer the queries raised by the shareholders.

Over to you, Sir.

**Mr Ramveer Singh:** *Questions jo hamare shareholders ki taraf se aaye ek to ye tha ki bhayi jo profit ka percentage hai, wo hamara 25% maintain rahega, ya auron ka itna kyun nahi hai. Auron ka to hamein pata nahi lekin jis din se hamari company bani, aap hamara pichle 10 saal ka track record dekh sakte ho, hamara margin 25% ke aas-paas hi hai. Is se ek-aadh percent kam-zyada rehta hai har saal.*

*Jahan take baat hai, hamara jo kaam hai ye kewal construction ka kaam nahi hai ismein engineering based kaam hai ye. Ismein hydraulic engineering jiski jitni acchi hogi, 27:11 engineering jiski jhitni acchi hogi utni acchi tareeke se wo bid kar sakta hai. Utne acche tareeke se margins bana sakta hai. Aur hamara kaam jismein hamara networking ke sath mein kaam hoga usi mein margins ismein acche hain. Networking mein kaam karne wali parties kam hain. Usmein thoda auron ke mukable competition kam hai. Isliye margins aur hamare kharche auron ke mukable kam hain. Isiliye hamara margins theek hai. Ye to rahi margins ki baat.*

*Vision ki baat ye hai ham pan India hain. Dheere-dheere jab hamein hamare margin par jahan bhi kaam milega ham us kaam ko kar lenge. Hamein usmein koi takleef nahi hai. Ek question aaya tha ki ham doosre sector mein waste management mein try karenge, nahi karenge, waise to hamara jo sector hai isi mein kaafi kaam hai. Lekin agar same margins par hamein udhar bhi kaam mielga to usko try karne mein hamein koi harz nahi hai.*

*Ek question aaya tha ki hamein Brij Bihari Pulp and Paper ki ek asset liya hai, ki ismein hamari company ko kya jaroorat thi aur kyun liya. To iske baare mein mera kehna hai ki jo ham kaam lete hain ismein hamein performance guratee aur mobilization bank guarantees deni hoti hain. Aur iske against hamein bank mein ke margin collateral security ya to hamein FDR ke roop mein dein ya kisi asset ke roop mein dein. Hamko ye jo Brij Bihari Pulp and Paper hai ye hamnein auction mein li thi aur ye bahut acche margin par ye hamko mil rhi thi. To hamara ye tha ki ya to ham Rs 7 cr ki FDR bana ke bank mein rakh dein jismein ki*

*4-5% ka hamein interest milega aur ye property aaj ki tareekh mein bhi kam se kam bahut acche margin ki bahut badhiya savings ki hai aur jo asset ka jameen par jo hamein bachat hoti hai wo 4-5 saal mein doguni ho jaati hai aur banks bhi uske prefer karte hain ki koi property wagereh mil jaye. To hamein apne paas se kuch nahi lagana pada. Jo hamara paisa ham FDR mein dete hain wohi paisa hamne idhar acche growth ke liye invest karne ki baat hai. Usko challenge ka hamara koi irada nahi hai kunki ham usko chalayenge, factory ko chalayenge us se kuch earning hogi, wo kuch nahi hogi.  
Aur koi question ho to.*

**Mr. Nand Kishore Sharma:** With that, I believe we have covered all the questions that were asked. In case any question is left and not answered, please email us on [cs@ems.co.in](mailto:cs@ems.co.in) and we will respond to you at the earliest. I will now move to voting.

Members may note e-voting on the NSDL platform will continue to be available for the next 15 mins. Therefore, I request members who have not cast their votes yet to do so within the next 15 mins. The combined results of remote e-voting and e-voting at the AGM will be declared after the report of scrutinizer is received. The result of e-voting shall be announced after receiving the report from the scrutinizer within the 30:54 guidelines and shall be placed on the company's website as well as on the website of NSDL, that is 31:01 provider and communicated to the BSE Limited and NSE Limited. The resolutions that are set forth in the notice shall be deemed to be passed today subject to the receipt of requisite number of votes. With this, the 14th

Annual General Meeting comes to an end. I request the Chairman Sir to give a vote of thanks to our esteemed shareholders.

**Ramveer Singh:** *Mein aaj ki is varshik baithak mein bhaag lene wale sabhi pratibhagiyon ko apne aur management ki aur se hardik dhanayawad deta hoon aur unka shukriya ada karta hoon ki unhone hamari is meeting mein bhaag liya, hamein samay diya aur hamein hamesha continuous support jo shareholders the unki taraf se tatha sabhi ganmanya vyaktiyon ki aur se milta rha uske liye ham unke hriday se aabhari hain, thatha aapko mein yahan ye vishwas dilata hoon ki hamari company ka jo aaj tak track record rha hai jo profit margins rhe hain wo aage bhi kam se kam 2-3 saal ke kaam to hamare work in hand hi hain, wo same status ke hain same profit margin ke hain. To mein aapko vishwas dilata hoon ke hamein company mein profit margin ki aisi samasya nahi hai aur wo lagatar jaise peeche se iski growth hai wo maintain rahegi. Aur ant me mein aap sabhi ka dhanyawad gyapit karta hoon aur meeting ki samapti ki ghoshna karta hoon. Namaskar. Dhanyawad.*