

September 09th, 2025

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001	National Stock Exchange of India Limited Exchange Plaza, C-1, Block-G Bandra Kurla Complex, Bandra (E) Mumbai- 400 051
Scrip Code: 543983	NSE Symbol: EMSLIMITED

Sub: Transcript for Earnings conference call with investors and analysts- Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”)

Dear Sir/Madam,

This is with reference to our earlier intimation dated August 30, 2025, filed with the stock exchanges in terms of Regulation 30 of the SEBI Listing Regulations, 2015 regarding the earning conference call to discuss the financial results for the quarter ended June 30, 2025, scheduled for September 03, 2025.

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 we are enclosing herewith the Transcript of Earnings conference call with various investors and analysts held on Wednesday i.e. September 03, 2025.

The Transcripts of Earnings conference call is also available on the Company's Website i.e. www.ems.co.in

Kindly take the above information on your records.

Thanking you,

Yours faithfully,

For EMS Limited
(Formerly known as EMS Infracon Private Limited)

Ashish Tomar
Managing Director and CFO
DIN: 03170943

Encls: As Above

EMS Limited
Q1 FY'26 Earnings Conference Call
September 03, 2025

Moderator: Good afternoon, ladies and gentlemen and welcome to the Earnings Conference Call for Q1 FY'26 for EMS Limited.

As a reminder, all participants' lines will be in the listen-only mode. There will be an opportunity to ask questions after the management discussion concludes. Should you need assistance during the conference call, please signal an operator by pressing "*" then followed by "0" on your touch-tone phone.

EMS Limited was incorporated in 2010 by Mr. Ramveer Singh and Mr. Ashish Tomar and is involved in the business of sewage solution provider, water supply system, water and waste treatment plants, electrical transmission and distribution, road and allied works, operation and maintenance of wastewater scheme project and water supply scheme project for government authorities' bodies.

Let us now begin with the introduction of the management team. We have with us today Mr. Ramveer Singh - Promoter and Chairman of the company. Also joining us today is Mr. Ashish Tomar - Promoter and Managing Director, and Mr. H.K Kansal - Consultant Engineering Operations at EMS Limited. I would now like to request Mr. Ramveer Singh - Promoter and Chairman to give his opening remarks. Over to you, sir.

Ramveer Singh: Namaskar.

Moderator: Hello. Please go ahead.

Ramveer Singh: I am Ramveer Singh, Chairman of EMS Limited. Please open the line question-and-answer session.

Moderator: Can I open the line for questions?

H.K Kansal: Yes. Let me tell you just something. I am H.K Kansal - Consultant Engineering Operations.

The Result of this June'25, as we have given:

The revenue is Rs. 211.32 crores against Rs. 203.72 crores last year of the same quarter and earnings of Rs. 37.38 crores against Rs. 36.84 crores. That is just 3.73% up in terms of revenue

and 1.46% up in terms of PAT. The reason behind that, we were looking for 25%, 20% to 25% growth in this quarter, but as the rainy season was a bit early and we could not perform in last 15 days of June due to rains because we work underground for laying sewerage and water supply lines.

So, the results are not as per the expectation line. These are subdued to our expectation, although they are higher than the previous similar period. We will try to maintain it in the quarter, not in next quarter, but in the latter half of the year because this time rainy season is at peak, unexpected higher rains are there and we are feeling difficulty in maintaining the revenue for this quarter as well because overground works we are continuing and we are doing it on a robust basis, but underground works are still suffering. So, that is our remark.

Now, I think we can open the question and answers. Thank you.

Moderator: Thank you. We will now begin the question-and-answer session. The first question comes from the line of Dinesh Kulkarni with Finsight. Please go ahead.

Dinesh Kulkarni: Hello, sir. Thank you for giving me the opportunity and I appreciate your information that we had faced difficulties in this quarter or the previous quarter and expected to continue this quarter as well. So, we have mentioned that earlier at least 25% of revenue growth we are expecting for this fiscal year. So, are we still going ahead with that or there is a change in that if you could please elaborate on that.

H.K Kansal: Definitely, we are looking for the same growth if you see Y-O-Y because we are doing at present we are doing procurements and other design drawings and other things but we are unable to lay the sewer in this rainy season in most of the places. So, we can make it up in later half year basically from September onwards, October onwards rather in six months because there are milestones in getting the payments. So, if we are doing procurements, we are doing the expenditure but we are not getting the payments that is why the revenue will suffer in September as well due to the rainy season. But in next two quarters that is last two quarters of the financial year, we will definitely make it up because receivables will be more and we will execute the works of sewer laying in that period. We will make it up and STPs and WTP works and other building works are in progress with full swing as of now also. That is it. Thank you.

Moderator: Thank you. Next question comes to the line of Paras Chheda with Purpleone Vertex Ventures, LLP. Please go ahead.

Paras Chheda: Thank you sir for your time and for addressing. Sir, I have a couple of questions. We understand that this quarter and the second quarter will not be there. So, in the second half, we will be able to catch up. Sir, there was an operating margin, EBITDA margin that used to be in the range of 28% to 30% which now for the last two years has come down to 26%, 27%. So, on a full year basis, Q1 was about 23% odd. So, for a full year basis, what kind of and longer-term sustainable

EBITDA margins will be there? We understand there is competition etcetera but we wanted to understand from your end.

H.K Kansal: This is a civil engineering industry and there is competition, but we are definitely looking for more than 20% every time. And that is our PAT basically. And the growth of the revenue 25% to 30% we are still looking for because we are managing in a way that rainy season is affecting our Q1 and Q2, but it cannot affect our yearly performance on revenue basis. That is, we are managing like that only.

Paras Chheda: So, 20% are PAT margin basically and not EBITDA margin?

H.K Kansal: Correct, PAT margin.

Paras Chheda: And 20%, 25% on the topline?

H.K Kansal: We are consistently giving that margin since last, plus minus 1% is always there in such an industry because we take the work on EPC basis from the government and some contracts may give a bit better result and some contracts may shrink the margins. But 20% plus, minus 1%-1.5% is our target for every time as far as stand-alone profit of the company is concerned.

Paras Chheda: Yes, so just to be very clear. So, let us say about last year it was in the range of Rs. 1000 crores, Rs. 972 to be exact. But I am holding Rs. 1000 crores. And we say that 20%, 25% growth will be there. So, somewhere around Rs. 1200 crores, Rs. 1250 crores revenue will be there.

H.K Kansal: Correct, correct.

Paras Chheda: So, say about 20% there is PAT expectation.

H.K Kansal: Correct, correct.

Paras Chheda: Okay, understood sir. And then second question sir, as of now, what is our current order book outstanding and what is the amount of the bids that we have put into the system?

H.K Kansal: The current order book, unexecuted orders is around Rs. 2500 crores. And we have successfully achieved two orders of worth Rs. 200 crores in this financial year also. And our pipeline, tenders in pipeline is about Rs. 4000 crores rupees.

Paras Chheda: Okay, and on that sir, how much win ratio are you expecting sir, roughly?

H.K Kansal: Usually 15% type of thing, plus minus something. So, we can still get Rs. 600 crores rupees up to December this year. And this is a continuous process, we keep on bidding and keep on getting orders. So, Rs. 600 crores we can still get. So, it will be around Rs. 3000 crores by the end of December, the unexecuted order book. And we can easily do the turnover of Rs. 1250

crores, Rs. 1300 crores because in this fiscal year, the completion period is about two years. We calculate it on the basis of 2.5 years. So, 40% of the order book we can always execute with ease.

Paras Chheda:

Okay, understood sir. And sir, one last query from my end. In terms of government focus on water projects and government spends basically. So sir, medium term outlook, what do you see? Whether this has sort of peaked in terms of business growth for the industry. How do you see this sir? I mean, in terms of growth potential or spending from the government side. Is that sort of being capped? Because some water supply projects in Jal Jeevan had some issues. So, how is that being addressed? And what is your view on this sir?

H.K Kansal:

Actually, this is a confusion with the Jal Jeevan Mission. Though we are not executing any work of Jal Jeevan Mission. Even then. I would like to explain something about Jal Jeevan mission also. What happened in Jal Jeevan mission basically, there is an allocation of the mission from the central government. Around 3 lakh crores rupees for the mission. What happened, they estimated that in every district there will be a work of Rs. 300 crores, Rs. 400 crores for all villages. But when the real estimates framed, they appreciated quite higher side. Say around Rs. 1000 crores per district or even Rs. 2000 crores per district. So, in all over India this is the scene that the standard amount of the work was much much higher than the allocation for the funds. So, what happened, the execution also happened and receivables of the companies have increased because funds were having the cap from the central government and the state government. So, this happened in Jal Jeevan Mission which is giving something unwanted scenario type of thing. That there is a shortage of fund in Jal Jeevan Mission and all that. As far as we are concerned, we are not at all doing any work of Jal Jeevan Mission. We are concerned only with the Central Government Funded Schemes like AMRUT, Namami Gange, that is NMCG and JICA and ADB funded schemes, which are given only on the basis that there are funds available for that. So, we are not having any crisis of fund whenever the work is executed. Because all tenders are done as a mission by the state mission director and that is sent to the central government for the consent of the funds. After the consent of the fund, tender is done and tender is accepted. So, there is no issue of funds in AMRUT.

And your other question was probably taking the scope of the work into consideration. How much scope is there in coming few years or coming?

Paras Chheda:

Going forward wastewater projects.

H.K Kansal:

So, let me tell you that about Rs. 15 lakh crores potential of the work is there only in urban cities like Municipal Corporation, municipalities and town area committees. So, we have only done 3 lakh crores in AMRUT. So, you can understand that the four AMRUT up to 20 years we will have the same flow of the funds because this is now the mission taken by the central government. As a water act, the responsibility lies with the municipal corporation for supplying drinking water and dispose of wastewater from every household. So, the scope is tremendous.

And I mean so much scope is there that even 50-60 companies of our size can be saturated with the workload. Without any issue for as many years as we are living on the earth. So, that is the question I think I have answered by scope of the work. And the further enhancement of the work is reuse of wastewater basically. Because we are going to become a water crisis country. And so many places in India are dark places, brown places and we are having water scarcity. So, we are now making schemes which are based on the reuse of the water. Means wastewater is treated through stringent parameters. Fit for the either for agriculture or for washing or for gardening or even for the use in boilers of NTPC, BHEL. And there are so many regulations, so many acts which are working for that. So, now the scope of work, quality of work, quality of wastewater treatment is continuously increasing. So, there is no second thought that we will be any time losing the scope of work for us.

Paras Chheda: So, basically the growth will continue more or less is what you are saying because there is huge potential pending. And secondly, what I understand is that our focus will be on water and sewage projects. Give and take I mean there is no thought.

H.K Kansal: Right now we do 75% of business in water and wastewater. And apart from that we do 20%, 25% business in electrical transmission in building works. There are two reasons for that. Sometimes for our wastewater treatment plants, we need the eligibility criteria of building works. Sometimes we can do joint ventures so for that we make our eligibility in building works. And similarly, because there is electromechanical work in wastewater treatment and water treatment. So, we also need electrical experience. That is one reason. Other reason is that if our PAT margin is maintained as much as we think around 20%, then we take that work being in this industry of infrastructure. But it is not our priority sector. Our priority sector is water supply and sewage.

Paras Chheda: Understood, sir. Fine. Thank you so much, sir.

H.K Kansal: Thank you.

Moderator: Thank you. Next question comes from the line of Tejas Khandelwal with Prudent Equity. Please go ahead.

Tejas Khandelwal: Hi, sir. So, my question was for this EMS Realtech Private Limited, which we have acquired recently. So, what kind of operations does that company have and what kind of projects does that company have in real estate?

Ramveer Singh: EMS Realtech is a subsidiary. EMS Realtech has its own land bank. And construction work will be done by EMS Limited. So, we do not have to spend any money in that.

Tejas Khandelwal: So, has construction started at the land bank or is it still in the planning stage?

Ramveer Singh: It is still in the planning stage. As of now, we are getting drawings made. So, I think we will reach that stage by November.

Tejas Khandelwal: Sir, how big is the land bank and what can be the gross development value of that? It would be better if you could tell us.

Ramveer Singh: The land bank will be around Rs. 200 crores, Rs. 250 crores.

Tejas Khandelwal: Okay. And what was the cost of acquisition that you took? Because as I can see, it is a related party transaction. So, what was the cost of acquisition?

Ramveer Singh: It is at face value. We did not take any money from the land bank or anything like that from EMS. Realtech took it from its own resources.

Tejas Khandelwal: Okay, sir. So, the second question was on this order book only. So, in how many contracts are we L1 bidders as on today?

H.K Kansal: We are L1 bidders at Fatehpur UP. That is for around Rs. 185 crores. We are L1 bidders and some formal meetings are going on at the government level. They will approve it and we will get a letter of intent say within 15 days or so.

Tejas Khandelwal: Okay, sir. Thank you. That is all from my side.

H.K Kansal: Thank you.

Moderator: Thank you. Next question comes from the line of Dinesh Kulkarni with Finsight.

Dinesh Kulkarni: Hello, sir. Sorry, I am having some network issues and not able to connect. May have missed some questions. But, sir, can you just repeat once again? You have mentioned that we will be able to achieve 25% of the growth for this year as well. Can we improve our EBITDA margin or it will be lower than what we are expecting?

H.K Kansal: No. We will achieve our revenue growth, the projection for our revenue that is around Rs. 1250 crores. And in terms of percentage, it will be around 25% for this year. And EBITDA margin will remain almost same with plus minus 1% is always there. But, it will remain the same.

Dinesh Kulkarni: Okay. That is great, sir.

H.K Kansal: In terms of percentage, of course.

Dinesh Kulkarni: Yes. Definitely. Sir, a question in terms of, what you are saying is that we are not able to do our work because of the rainy season and all that. Has this impacted our working capital

requirements in any way that you are, like, I am assuming that you should get the payments in terms of

H.K Kansal: No, no. We are even doing the less work. So, we are getting less payments. Our payment cycle is same still whether it is a rainy season or not. So, there is no payment crisis. Because whatever we are doing, we are doing less and we are getting less. And when we will do more, we will get more. So, no payment cycle is affected in any way.

Dinesh Kulkarni: Okay. So, that is not impacting our current liabilities in any way, right?

H.K Kansal: No, not at all. Because all the work is from government. If we are doing less, we will get less. If we will do more, we will get more. So, payment cycle is not affected.

Dinesh Kulkarni: Okay, sir. Thanks, sir. Sir, I have one more question. We wanted to acquire the paper company. Any update on that? Like, what is the final status on that? How much we have paid for that? And final thing

Management: Yeah. So, that has already been done. It was already communicated in the March 2025.

Dinesh Kulkarni: Okay.

Management: Yes. So, we have acquired 60% stake in that company.

Dinesh Kulkarni: Okay. So, are we planning to acquire the rest 40% or like, I mean, I do not see any reason to keep it, you know, as a minority, you know, subsidiary company. Any reason for that?

Management: So, by paying 60%, we are able to use that land for 100% value. So, I think we do not need to pump in more money into that company. We are only using that company to pledge the land as collateral for getting bank facilities in shape of bank guarantees. So, that purpose is already being served.

Dinesh Kulkarni: So, fine. But, sir, just till the question we had last time when we discussed. So, what is the purpose of the land? Obviously, we are, you know, mortgaging kind of a thing or using it as collateral. But, till the land

Management: That is the purpose of the land.

Dinesh Kulkarni: Yes. But, till the land remains vacant, right? I mean, what is the use of the actual, is there anything productive happening on the land?

Management: It was a running company. We acquired it from NCLT. Right. Okay. So, the operations that are going on that land are in addition to the value that we paid for.

Dinesh Kulkarni: Okay. So, what is the worth of operations I want to understand in terms of, say, revenue and

Management: I think revenue-wise, I think it is going to generate revenue of about Rs. 100 crores per year. And margins, as it is a manufacturing unit, margins would be in range of 6% to 8%. So, this is without requiring any money being pumped in from the owning company.

Dinesh Kulkarni: Right. So, 6% to 8% is the PAT margin you are saying, right?

Management: Yes.

Dinesh Kulkarni: Okay. So, that is additional that we are getting without putting in any money. So, basically, we can assume 60 percent of that earnings and, you know, but the revenue belongs to EMS, right?

Management: Yes.

Dinesh Kulkarni: Okay. And no further CAPEX plans on this?

Management: Yes. No further CAPEX plans.

Dinesh Kulkarni: Okay. That sounds great, sir. I think that is it from my end, sir. I look forward to good results. Thank you very much.

Moderator: Thank you. Next question comes on the line of Rishabh, an individual investor. Please go ahead.

Rishabh: Yes. Hi, sir. Am I audible?

Management: Yes. You are audible.

Rishabh: Yes, sir. I have two fundamental questions. Firstly, as we are saying, we are planning to grow at a 25% growth number and our margin will be maintained up to 25%, 26%. Given our cash cycle, most likely we would like to take more debt. So, what is your expected gross debt, assumption debt to EBITDA estimate?

H.K Kansal: No, we will have to take more debt, I think this is mistaken already because we are debt-free as of now. So, we do not have any debt. In addition to that HAM project in which that is a mandatory to take debt to provide equity and to do the financial closure. So, there is no debt on our company.

Rishabh: Okay.

H.K Kansal: On EMS Limited. There is no debt till date. We are debt-free company except that the HAM project which is a separate SPV and that is having a debt as a financial closure. So, we are debt-free already. Already we have never taken debt basically. We have the facility for that but we

have not taken debt and we are not looking for that. That is why we always say that we are looking for 25% to 30% growth because this is the organic growth which we can maintain with internal accruals without taking debt. So, that is our philosophy. Otherwise, seeing the scope of work, we could have grown with the 50% also but 25% to 30% growth is our target because we do not want to take any debt. That is our company policy that we will not take any debt as per the thinking at present.

Rishabh: Understood. So, you said to the previous participant that your order book is currently roughly Rs. 2,500 crores, right? Correct. So, your expected execution timeline is like 12 months, 12 to 18 months or how should we see that order book?

H.K Kansal: Actually, in different tenders, there is different time of completion and usually it is two years. Usually, it is two years and sometimes it is 1.5 years, somewhere it is 2.5 years. So, usually if you take an average, the completion period is two years but as a safety, we presume it to be 2.5 years because there is some period which is used in engineering, design, survey, finalization and approvals. So, we take it 2.5 years. So, it is very safe to assume in our industry, in our type of industry that whatever is the order book, you can execute 40% of that order book in coming year. So, if my order book on 31st March 2025 was say Rs. 2,200 crores, then I will execute Rs. 1,100 crores because in that my design approval has been done. So, according to two years, I will complete Rs. 1,100 crores in one year. And the order which will come in this year, assume that my order comes of Rs. 800 crores, then I will be able to do 25% to 30% of that because it will take some time for me in approvals, drawings, etcetera. So, if I win an order of Rs. 800 crores in this year, then I will be able to do Rs. 200 crores out of that. So, 1,100, if we add 200 then, 1,300 and if we take the margin, then it becomes 1200, 1250, 12%, 12.5% growth we will do. So, this is how our order book is run and in this typical industry, almost all the order books are run in the same way. Now, how much better they manage, so if it is a better managed company, then it gives you turnover of 40% of the order book easily.

Rishabh: Thank you for the detailed answer. Sir, one last small request. If the company can provide quarterly presentations, I think Q1 has not been uploaded. So, that would really be helpful for the investors.

H.K Kansal: Q1 presentation, yes that we will upload.

Rishabh: Sure, sir. Thank you. That is it from my side.

Moderator: Thank you. Next question comes from the line of Vineet with Ashika. Please go ahead.

Vineet: Am I audible?

H.K Kansal: Yes. Please proceed.

Vineet: Sir, my question is related to this execution risk. Like you said that because of rains, we are not able to do projects. So, are we looking into next order? Will this be your theme? So, are we looking to ramp up adjacent products like power distribution or doing more O&M contracts this time for the next to? So, you do not see no obligations to reach to that revenue target?

H.K Kansal: I got your question. Basically, every June, every first quarter after this April to June is always a slower quarter. In place of 25% of the revenue, usually we complete 20% revenue of the total year. It is a trend of the industry. Because in March, we get all the receivables. So, in June, it is generally a slower quarter. And next quarter is also slower because rainy season starts usually from July and it ends up to August and mid-September. But this year, it was 15 days earlier, most of the places, rainy season. That is why although we fetch up that quarter-to-quarter, we are still 4% up in terms of revenue. But because we lost our 10 to 15 days, that comes around 12% to 15% of the revenue we could have generated by doing the work in that period, which we could not do. As far as fetching up in the whole year is concerned, we are still doing a lot of work, not in the field of sewer link and water supply. We are still doing the work related to STPs, buildings, WTPs, and all other works which are not being affected by the rainy season. We are also doing the necessary procurements on the sides. So, we are not sitting idle basically seeing the rainy season. We are doing it. And that procurement will ultimately be converted into the real civil work and that will generate the receivables from the time when monsoon season is off, say by the end of September or something. So, usually those people who are doing the storm water drainage work, sewerage work, water supply laying work, they are usually 40% in H1 and 60% in H2. That is the usual trend all along the year. If you see our history, you will find like that only. But this year, it could remain 35% in first half one and 65% in H2 due to the rainy season. But it is not affecting our overall revenue or overall profits. This is just an unprecedented rain which has caused some hindrance and affecting and apparently giving the results as they have grown only by 4%. So, I think I have made it clear how it goes.

Vineet: Yes. Thank you, sir.

Moderator: Thank you. Next question comes from the line of Paras Chheda with Purpleone Vertex Venture LLP. Please go ahead.

Paras Chheda: Sir, I mean, business-wise, at least we have understood. Only one thing, is that we have made some significant investment in Polymer Tech Electronics. So, is there any thought process there, sir? Is there any development or at some point, is there any value unlocking, etcetera, that can be done?

Management: Sir, it was done as a long-term investment. That investment was made before our IPO. So, now, sir, there is no thought of liquidating it. Otherwise, if the company needs some CAPEX, now there is no need for any special CAPEX and if the market conditions become good, if the value becomes good, then we can think about it. But now, there is no such thought.

Paras Chheda: As of now, we are a long-term investor. That is what we think.

Management: Yes.

Paras Chheda: Understood, sir. Thank you, sir.

Moderator: Thank you. Next question comes from the line of Pankaj Motwani with Equirus Securities. Please go ahead.

Pankaj Motwani: Yes, thank you for the opportunity. Sir, I just have one single bookkeeping question. So, like, as per your disclosure, this Brij Bihari Company, so, like you were saying, this the Brij Bihari Company is using 20% of the property plant equipment and for the...

H.K Kansal: Can you please talk a bit louder?

Pankaj Motwani: So, I am saying, this Brij Bihari Company, so, like you have mentioned that the 20%, you are using 20% of the property plant equipment in this company. So, and the rest, 80% is not being used. So, you are not charging depreciation on this asset. So, my question is, like, as per Ind AS 16, like the depreciation starts, whenever the asset is intended, the asset is available for use. And so, my question was that, the asset is, if you have the asset available for use, so why are not we charging depreciation on the same?

Management: Just wait a second, please.

Management: Yes. Hello. So, sorry, I was not able to, I think, correctly understand your question. But I think you are asking if we are claiming depreciation on the asset. Is that your question, sir?

Pankaj Motwani: My question is, like you said, this 80% of the asset, we are not using. That is why we are not charging depreciation on that.

Management: No, I do not think I ever said that.

Pankaj Motwani: No, so it is mentioned on your

Management: The only thing I have to say was that we have acquired 60% stake in that company.

Pankaj Motwani: Yes, I got that. But I am saying this disclosure is mentioned in your Q1 results. That is why I am asking. So, it is on page 11, portfolio number 8.

Management: So, sir, we are not using 100% of the machinery that is present there. So, I think we are only claiming depreciation on the machinery that is currently being used.

Pankaj Motwani: That I understand. But as per Ind AS 16, what Ind AS 16 says, depreciation should start when the asset is ready for use. Irrespective, if we are not using, we should book depreciation.

Management: It is not put to use, sir.

Pankaj Motwani: I am saying depreciation should start whenever the asset is ready for use, irrespective

Management: The whole asset is not ready for use.

Pankaj Motwani: Okay. But I think, as you have said, this company was actively working before our acquisition. So, our asset was not ready for use.

Management: Whole plant was not operational. There are four to five machineries. Out of that, two machineries were operational.

Pankaj Motwani: Okay. So, like we have to incur more CAPEX on those machineries?

Management: No, we do not plan to invest any money in this company. If the company is able to generate money to start those machineries, then it may start. But EMS Limited is not going to pump in any money in that company. Our primary objective was to use this land for mortgaging to the bank and it will remain so. Any business or income that is related in that company, through its own assets or goods, is additional benefit to the company.

Pankaj Motwani: Okay. So, if you do not want to use those machineries, so any plans to

Management: We do not want to put any money in that company because it is not our primary line of business. But if that company, on a stand-alone basis, generates enough revenue or income to start those machineries, then it is fine.

Pankaj Motwani: Yes, I got it. Just I am saying, 80% of the machineries, do you want to sell them because you are not using them and you do not want to

Management: Yes, we are also thinking on that line. We are assessing the scrap value. If it is acceptable and the rates seem appropriate, then the company may decide to scrap those machineries.

Moderator: Thank you. Mr. Motwani, please rejoin the queue for more questions. Next question comes from the line of Ruthviz Vohra, an individual investor. Please go ahead.

Ruthviz Vohra: Yes. Good afternoon, Ram sir, Tomar sir. I have been invested in your company for about two years now and it has been a good journey, sir. I just have one observation which I wanted to ask. The rate of order flow of today's, which used to be there earlier, has reduced a lot. Is it because the number of vendors has reduced or is it because the timeline for closure has increased, sir?

H.K Kansal: Rate of order flow, if you can explain a bit more, what does it actually mean? We are getting continuous orders and our unexecuted order book is increasing continuously. And the bidding we are doing is also increasing. We are under more than Rs. 4000 crores bids in pipeline and Rs. 2005 crores order book in hand. So, exactly I could not get your valuable point, basically.

Ruthviz Vohra: Sir, before you had joined, about nine months back, when the SI call happened, at that time our order in hand was about Rs. 2000 crores, Rs. 2200 crores and the number of bids we had done about was Rs. 4000 crores, Rs. 4500 crores. So, in the last nine months, what I am saying is that we have won an order of about Rs. 200 crores.

H.K Kansal: So, whatever orders we are going, we are also executing, right? That is why this is on date, unexecuted order book, once the execution is done, that is deducted from the standing order books.

Ruthviz Vohra: So, currently is the order closure going on the same rate?

H.K Kansal: Exactly, rather we have executed, say, in last nine months, Rs. 600 crores, Rs. 700 crores order. So, that is deducted now from the, at that time, order book, it is deducted. And fresh order, it has added. So, now it has achieved Rs. 2500 crores order book. So, order book is increasing. That is net order book, basically. It is not only that this is the order book, which is the same. This is always calculated as unexecuted work, basically. Unexecuted work is our order book, in our terms.

Ruthviz Vohra: I want to say this, whenever you win an order, I think it will help if you make that announcement, so that, you know, the positivity continues to stay. That has gone, sir. My second question is, sir, L&T has also come into this line in a big way, because I have seen some wins from their side also on the sewer.

H.K Kansal: Can you please repeat it?

Ruthviz Vohra: Larson and Toubro have also come in this line to take orders from this side, sir. They were not there before.

H.K Kansal: No. L&T might have come. L&T has done one, two work in UP earlier and in other places also. But now, mainly, the sewerage network and laying of sewers in the city area or laying of water supply line in the city area, in that, currently, in our competition, L&T has not shown anywhere. They are doing the works of STP and WTP as stand-alone, because that is the work which is being executed in a campus sort of thing. So, in that, they are there. They are also there in DCEL plants and WTP and STP. And we are doing our work in that of execution. So, we have not faced in any of our tenders as a competitor. That is all we know. They must be knowing better.

Moderator: Thank you. Mr. Vohra, please rejoin the queue for more questions. Next question comes from the line of Prasad, an individual investor. Please go ahead.

Prasad: Hi, sir. Good afternoon. Thank you for the opportunity. Sir, I have two questions. One is on promoter pledge, where it could be low, because we had around 7% of promoter pledge around last quarter, and it has increased to 11%. Can you know the reason, sir?

Management: Not audible. Sorry, you are not audible, please.

Prasad: Sorry, sir. I am audible now.

Management: Yes, you are audible now.

Prasad: I have two questions, sir. One is on promoter pledge.

Management: Please be a bit loud.

Prasad: Okay. So, I have two questions, sir. Promoter pledge, we have around 7% of promoter pledge, which has been increased to 11. May I know the reason, sir?

Management: Yes. So, we acquired some property on personal basis. For that, some fund was raised by pledging of the shares.

Prasad: Okay. Thank you, sir. So, is there any timeline this pledge will be reduced on any timeframe, like 12 months down the line, 18 months down the line, sir?

Management: So, I think the pledge is not substantial, but I think coming one, one and a half years, yes, this pledge will be removed.

Prasad: Got it.

Management: Okay.

Prasad: So, just one more question, sir. So, are we doing business in Punjab? So, currently Punjab is badly impacted on monsoon crisis. So, are we doing any business there, sir?

Management: Can you please repeat that?

Prasad: Are we doing any business in Punjab, sir?

Management: No, currently we are not executing any project in Punjab.

Prasad: Okay. So, due to this rainy season, I do understand based on your commentary, like our revenues will be impacted. So, looking into the equation that you have shared, 35% in H1 and

65% in H2. So, we may see a decline on year-on-year quarter basis kind of Q2, right? Is my understanding is right, sir?

Management: Yes, I think that is right. But we are going to maintain our guidance for year-on-year basis.

Prasad: Got it, sir. Fair enough. Thank you, sir. Have a good day.

Moderator: Thank you. Next question comes from the line of Dinesh Kulkarni with Finsight. Please go ahead.

Dinesh Kulkarni: Thank you for giving me the opportunity, sir, again. Sir, I had a question. As you mentioned, we will be doing some 25% revenue growth this year, which is great. And so, you are saying like Rs. 100 crores of revenue we are expecting for Paper Company. So, this 25% growth is inclusive of Rs. 100 crores or excluding this?

Management: No, no. That guidance is for EMS Limited on standalone basis. Any revenue generated by our subsidiary would be in addition to that.

Dinesh Kulkarni: Because, see, this is a 60% subsidiary. So, we will do a full consolidation, right? So, on a consolidated basis, it will be Rs. 100 crores plus revenue, right?

Management: Yes.

Dinesh Kulkarni: Okay. So, that is it from my side. Thank you very much.

Moderator: Thank you. Next question comes from the line of Paras Chheda with Purpleone Vertex Ventures, LLP. Please go ahead.

Paras Chheda: Sir, at one point, we had a plan to raise some prep money last year, which, of course, market conditions have changed. So, I was just want to understand if there is any update on that? And what was that money, you know, at some point being targeted for? So, is there such a plan at some point?

Management: Yes, so, it is under process. You see, this whole process is guided by the market. So, as soon as the market stabilizes, and if any deal is finalized, then you will surely get to know.

Paras Chheda: But, sir, that funding plan, whenever it happens, what was the purpose typically? I mean, generally, it was going to be used for this, right? Because we are that way net debt free. Of course, higher equity will be used for certain business purposes. But just trying to understand, what purpose can it have, sir?

Management: For executing large HAM projects. We were looking for that.

Paras Chheda: Okay, and those opportunities continue to exist?

Management: Yes, those opportunities continue to exist, and frequent tenders are floated by various departments on a regular basis.

Paras Chheda: So, it is about good market timing eventually, and then we will hopefully look to enter that space also.

Management: Yes.

Paras Chheda: Understood. Thank you, sir.

Moderator: Thank you. Next question comes from the line of Ruthviz Vohra, an individual investor. Please go ahead.

Ruthviz Vohra: Yes. Sir, we had picked up one HAM order. Do we plan to continue to bid during the next few months on HAM products, or we will wait for completion of the existing HAM products and then...

H.K Kansal: Actually, the HAM project which we have undertaken is already completed, and we are getting annuity since last September. That is around one year we are getting annuity for that. And basically what is happening in particularly NMCG that is National Mission for Clean Ganga, there are so many projects being floated as HAM projects. The intention of the mission, intention of the Namami Ganga Mission could be that if you do the work with some CAPEX of the government and some CAPEX of the SPV, so you do the good work and maintenance for 15 years is also done. So, there are so many projects only in UP, and India-wise they are coming from the government side. So, we are definitely intending to go for the HAM projects of the ticket size of Rs. 500 crores plus. So, for that we were planning for this fundraiser and all that, and that is still under consideration and we are bidding for that. As soon as the bidding process itself takes four, five months minimum, because HAM project bidding is a bit different, and it is more cumbersome bidding than the EPC projects. So, we are continuously behind it to get the work, because that is our field. National Mission for Clean Ganga, Ganga and River Regeneration, River Pollution Abatement works, that is our field basically. So, we are definitely looking for HAM projects. And the fundraising phenomena or the fundraising concept was for that HAM project only.

Ruthviz Vohra: Sir, one last question. Sir, FY'26 we expect to do about Rs. 1250 crores. What is the plan for FY'27 and FY'28, sir?

H.K Kansal: Actually, I can tell one thing that since the inception of the company, it is almost 12 years when we are having the balance sheet. So, in 2012-13, we were at Rs. 109 crores. Then after six years, in 2018-19, we were Rs. 313 crores standalone. And in 2024-25, after six years again, we have

Rs. 939 crores standalone. So, that is a cumulative progress of 20% per annum in revenue. And in these 12 years, 2 and 2.5 years were COVID affected. So, we also remained stagnated like other companies remained. So, we got an average growth of 23%, 24% and we are still looking for 24%, 25%, not for this year, but the years coming ahead, so many years to come. We will try to grow by 25% to 30%. So, that is our target as a long-term perspective.

Ruthviz Vohra:

But sir, our order book is not growing at this time.

H.K Kansal:

No, order book is sufficiently growing because we have the Rs. 2,500 crores unexecuted order. Basically, order book and unexecuted order book could slightly confuse anybody. Unexecuted order books, we have already raised the bill against these orders. The Rs. 2,500 crores rupees order book is still there. I can complete in two years. So, in two years, even if I do not get any order, I will do the Rs. 1250 crores rupees work. So, order book is sufficient and we are continuously getting the orders. And the bids in pipeline is of the order of 4,000 crores rupees. So, that is like that. We are growing in terms of order. We are growing in terms of orders in pipeline. We are growing in terms of bidding process. And we are in line perfectly to grow with the 25% to 30% growth revenue-wise.

Ruthviz Vohra:

Right, sir. Mr. Ram, any view on your long-term perspective, it will really help, sir.

Ramveer Singh:

Yes, sir. As Mr. Kansal said, we are majorly working in the water sector, and we will continue to do the same work. And we do this extra 10%, 20% work, we do to increase our additional qualifications. We do it from the start. This is our business model, and we will continue to do the same. And this 20%, 25% growth will continue to come. In that, our position is that if you look at Q-to-Q, you may not get it. Because there are many factors in this. We have all the underground services. For example, if there is an election, there will be a shutdown for three months. If it rains a month in advance, then the results of that quarter will not be as good. Now this time, the rain has been going on for a long time, the second quarter will go down a little more. The PAT will be maintained, and the progress will continue as you want. The total growth will continue as it is. There will be no problem. You will get correct results from year to year.

Ruthviz Vohra:

Are you planning to grow by 50%?

Ramveer Singh:

No, we have 25% roundabout. To do 50%, we will have to dilute. We have no intention of doing that.

Ruthviz Vohra:

Okay, right sir.

Moderator:

Thank you. Next question comes from the line of Paras Chheda with Purpleone Vertex Ventures, LLP. Please go ahead.

Paras Chheda: Sir, I was talking about pref. I understand I have heard your response. You are trying for HAM. I am saying we should aggressively bid for it. And in a time when the market is not supporting, we can probably take a short-term bridge loan. And after that, we can just replace that whenever the market conditions are favorable. But if the business opportunity is big, I think we should go for that, this is my suggestion.

H. K Kansal: See, what happens there are some fundamental concepts of your company based on which you have been working from the beginning. You do not change it immediately because you may have such experiences in knowing and recognizing that you took a debt, gave a debt, the company went down. It is not in our policy. It is nothing like that we are considering it bad. Many companies take it and they can grow faster and better. But as far as our policy is concerned, the company management does not think that we should go for any debt.

Paras Chheda: That is a very good thing. But sir, I have only one suggestion. I mean, it is a very good thing.

H.K Kansal: Your suggestion is not at all denied. That is a good suggestion.

Paras Chheda: I have only one suggestion. Let us say, if we do about 10%, 15% as a debt of equity.

H.K Kansal: We do not have that much ambition. There is only an ambition of 25%, 30% growth. There is no more ambition than that.

Paras Chheda: Okay, understood.

H.K Kansal: And the EPC project.

Paras Chheda: Because sir, the capability of our company is very well positioned. So, if we can leverage that, then this is also an opportunity. So, I am not saying that you go for a big debt and change the whole philosophy. I just wanted to say that suppose we are getting a good business opportunity in HAM. So, in a certain proportion, let us say, if we have a balance sheet of Rs. 1000 crores.

H.K Kansal: We are continuously putting tenders. For example, we are continuously putting tenders in Aligarh and we are also putting tenders for EPC. But if we get big orders of HAM. See, what happens in this is that if you put two tenders, you get both. Strike rate is 100%. If you put two tenders, you get zero. Strike rate is 0%. So, we are behind the HAM project tender and we are doing it. And in EPC also, we are looking. Basically, we have to look for the good tenders also. So, that our pre-bid engineering team works. So, every tender, we do not participate basically. So, we have to see so many things in the tender. How much is the pipeline? What is the STP capacity? How we can make our profits? Whatever we think that we should get. So, there are certain criteria. We are also bidding aggressively in HAM. We are daily preparing for the bids. So, for that, if it will happen in the long term. So, for that, we are thinking about our QIP or something fundraising. We do EPC project easily with internal accrual. Because now a little

retention is also being reduced by the government. There used to be retention in the bills. So, that will ease our condition. And we can further increase the growth to 25% to 30% to 35% also in future, let us see. So, but as a guidance, we can guide for 25% plus.

Paras Chheda: It is good, sir. I mean, I agree with you. It is a very good philosophy. There was only one suggestion that if such a term comes. So, if we have to take even a small 10% then we can then eventually replace.

H.K Kansal: Absolutely. Your valuable suggestion is absolutely note-taken. And we will definitely consider. We will not take your suggestion outright. We will consider it. Okay. Thank you.

Moderator: Thank you. Ladies and gentlemen, due to time constraints, we have reached the end of question and answer session. I would now like to hand the conference over to Mr. Ramveer Singh, promoter and chairman for the closing remarks.

Ramveer Singh: Thank you. Out of all the suggestions that we have received from all of you, those suggestions will be considered which are in the interest of the company. Keep giving us suggestions from time to time. We will move forward by cooperating with all of you. And we promise that we will keep taking forward our history. We will never disappoint you. Thank you.

Moderator: Thank you. On behalf of EMS Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.