

पंजीकृत कार्यालय : इंजीनियर्स इंडिया भवन, 1, भीकाएजी कामा प्लेस, नई दिल्ली-110 066 भारत
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कंपनी सचिवालय/ COMPANY SECRETARIAT

सं. सचिव/No. Secy/906/9/10

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| The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400 023 Scrip Code-532178 | The National Stock Exchange of India Limited Exchange Plaza, 5th Floor Bandra Kurla Complex Bandra (East), Mumbai-400051 Symbol-ENGINEERSIN |
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विषय/Sub: Disclosure pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Update on meeting with Analyst/Institutional Investors

प्रिय महोदय/महोदया,
Dear Sir/Madam,

This is further to our letter dated 5th August, 2022 intimating the Exchanges regarding Schedule of Earning Call Post declaration of first quarter Financial Results for the Financial Year 2022-23 held on 8th August, 2022, in terms of Regulation 30 of SEBI (LODR) Regulations, 2015.

In this regard, please find enclosed herewith the transcript of Earning Conference Call held on 8th August, 2022 with several funds/individual investors.

The said information is also available on the website of the Company at <https://engineersindia.com/investors/reports-results/>.

कृपया उपरोक्त आपकी जानकारी एवं रिकॉर्ड के लिए है।
The above is for your kind information & records please.

धन्यवाद/Thanking you,

भवदीय/Very truly yours,



नरेंद्र कुमार/ Narendra Kumar
अनुपालन अधिकारी/Compliance Officer

Encl: As above /संलग्नक: यथोक्त



**Engineers India Limited
Q1FY23 Earnings Conference Call**

Event Date / Time : 08/08/2022, 16:15Hrs
Event Duration : 47 mins 09secs

CORPORATE PARTICIPANTS:

Mr. Sanjay Jindal
Director, Finance

Mr. Suvendu Padhi
Company Secretary

Mr. R P Batra
Group General Manager of Finance and Accounts and Investor Relations

Mr. Vinay Kalia
Chief General Manager, Business Development and Investor Relations

Ms. Bhoomika Nair
DAM Capital

Q&A PARTICIPANTS:

- | | |
|-----------------------------|----------------------------|
| 1. Deepak Narnolia | Birla Sunlife |
| 2. Ranjith Shivaram | Mahindra Mutual Funds |
| 3. Rajan Pillai | Sun Capitals |
| 4. Nimish Maheshwari | RSPN Ventures |
| 5. DigantHaria | Green Edge Wealth Services |
| 6. Ravi Nanda | Individual Investor |
| 7. Anil Kumar Sharma | Individual Investor |
| 8. Sanjay Agarwal | Individual Investor |
| 9. Somnath Paul | Individual Investor |

Moderator

Good evening, ladies and gentlemen. I'm Kritika, moderator for the conference call. Welcome to Q1 FY23 EIL earnings conference call, hosted by Dam Capital Advisors. As a reminder, all participants lines will be in the listen only mode. And there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * then 0 on your touch tone telephone. Please note that this conference is recorded. I would now like to hand over the floor to Ms. Bhumika Nair of Dam Capital. Thank you and over to you ma'am.

Bhoomika Nair

Thanks, Kritika, warm good evening to everyone. Welcome to the Q1 FY23 earnings calls of Engineers India. We have the management today being represented by Mr. Sanjay Jindal, Director Finance. Mr. SuvenduPadhi Company Secretary, Mr. R.P Batra, Group General Manager of Finance and Accounts and Investor Relations, and Mr. Vinay Kalia, Chief General Manager, Business Development and Investor Relations. Over to you, sir for your initial remarks, post which I'll open up the floor for Q&A. Thank you.

Management Team

Good evening, everybody. We have declared our results for the Q1 on 5th August 2022. In the first quarter EIL registered a turnover of Rs 805 crores vis-à-vis 735 crore for the corresponding Q1 FY2122. In this quarter EIL is having a turnover of Rs 350 crore from the engineering consultancy segment and 455 crore from the LSTA business segment. As such 44% turnover is from the engineering consultancy segment and 56% is from the EPC business segment. EIL is having operating profit of 48 crore vis-à-vis, sorry, segment profit of 40.80 crore vis-à-vis 99.9 crore in the corresponding Q1 FY2122. Our reduction is mainly on account of increase in provision for doubtful debt, which we are going to reverse definitely in the coming quarters on the receipt of our outstanding debt.

And in the previous quarter, we were having some change orders due to which our operating margin was higher, but we are for this quarter and coming quarters we are negotiating with our clients for some of the change orders and definitely you will find the impact of the change orders in the coming Q2 and Q3 onwards. And on the standalone basis EIL net profit is 50.51 crore and we have good news from the RFL front also. In the end the current quarter we are having net profit of 13.85 crore on account of EIL. In the previous quarter we were having a loss of 89.95 crore in the Q1 and on consolidated basis EIL is having net profit of 64.81 crore vis-à-vis 2.68 crores in the corresponding Q1 FY2122. Over to you.

Bhoomika Nair

Kritika, can you please open up the floor for Q&A?

Moderator

Thank you, ma'am. Ladies and gentlemen, we will now begin the question and answer session. If you have a question, please press * and 1 on your telephone keypad and wait for your turn to ask the question. If you would like to withdraw your request, you may do so by pressing * and 1 again. I repeat ladies and gentlemen, if you have a question, please press * and 1 on your telephone keypad. We will wait for a moment while the question queue assembles. First question comes from Deepak Narnolia from Birla Sunlife.

Deepak Narnolia

Good afternoon, sir and thank you very much for giving me the opportunity. My question is about the profitability in the consultancy business, which you, I think, in the initial remarks mentioned that you had certain provision on account of doubtful debts. So, I just wanted to have little more clarity on that. So, this is regarding what is the quantum of that and what is the possibility that this will be reversed in coming time and also the second question is about those change orders. So, in this quarter also I think in your LSTK you had seven change order. So, what exactly is that and will it have any impact on your profitability, is it likely to improve in coming time?

Management Team

We reversed provision for doubtful debts to the tune of 20 crores and in the Q1, there was no provision for doubtful debts, but in this first quarter of FY2223, we are having a provision for doubtful debts to the tune of 18 crore. So, provision for doubtful debt is not too much high. But if you compare with the previous quarter, definitely there is an impact due to provision for doubtful debt. And if I talk about the change order, we are negotiating with our clients and it's a routine process. **[inaudible 00:06:15]** Definitely, I cannot tell you the exact amount for which I'm negotiating with my clients, but definitely my results will be better on account of the change orders in the coming time.

Deepak Narnolia

So, even if you adjust for that provision for doubtful debts of 18 crores, so then also I think your profit margins or you can say a EBIDTA margins in the consultancy business would be lower in the quarter, any specific reason for that?

Management Team

No, it's a, our provision for doubtful debts is being done as per accounting standard in line with the accounting standard and company policy. Therefore, it does not mean that is unrecoverable from the client, but the provision is made in line with accounting. But they are sure that these debts will be realized in the coming future.

Deepak Narnolia

So, not about that doubtful debts, sir. I am just asking about the overall profitability in the consultancy segment. Is there anything specific which needs our attention that, going forward like for a year if you can give any guidance for the profitability. Sir, normal profitability is in between somewhere around 25 to 30%. So, if this quarter is such a lower margin, so, will it have an impact in the overall margin in the ER, something like that?

Management Team

Let me tell you EIL is a project-oriented company, and you know in the company like EIL, which is project-oriented company our results are cyclic in nature and we agree in this first quarter our margins are lower, but you will find we will cover this dip in the profit in the coming quarters. That's why I'm saying we are hopeful that in the balance period our margins will be intact in the range of 25 to 28%. We are sure rather.

Deepak Narnolia

Okay. Sir, in this quarter you had any change order or in the LSTK business or the order book is same as 2700 crores. In the LSTK business

Management Team

In the LSTK business, already we have received a change order of 1700 Crore from our clients, and we are expecting more LSTK business in the coming quarter.

Deepak Narnolia

So, what is the current order book in the LSTK business? Let me see. And the PLC business also

Management Team

Our total or order value is Rs. 28,883 crore, out of which our outstanding is 4,040 only. And in the consultancy segment we are having order book of 4,793 crores. Or 4,800, in the consultancy segment and 4,000 in the LSTK business segment and total order is 8,800 crores.

Management Team

Then the total comes at 9,200 in the breakup.

Management Team

No. 4,800 and 4,000. 4,000 in that LSTK business and 4,800 in the consultancy segment, total is 8,800.

Deepak Narnolia

4,044, 4,400.

Management Team

No, you can take it as 4,040. If you want exact figure 4,040, otherwise you can call it 4,000.

Deepak Narnolia

4,000 in the LSTK. And in PMC?

Management Team

4,800

Deepak Narnolia

4,800. Thank you.

Moderator

Next question comes from Ranjith Shivaram from Mahindra Mutual Funds. Please go ahead.

Ranjith Shivaram

Yeah. Hi, sir. I just wanted to check with you, like what was that if you can adjust for some of these, one-offs or what you call the provisions, how is the margins looking, is that normalized rate of 25% in consultancy and 5% in LSTK. Is that in line or is there any risk to that margins?

Management Team

No, there is no risk to the margin, and we are sure that in this financial year. And we will strike our consultancy margin of 25 to 28% and 3 to 4% in LSTK business. I'm sure. It is just because we are in the project oriented and project execution company and where the revenues are cyclic in nature. Sometimes, it may be lower and sometimes it may be higher than the expectation. So, on the overall basis for the financial year, we are sure that we were having a 25 to 28% margin in the engineering consultancy segment and definitely 3 to 4% in the LSTK business segment.

Ranjith Shivaram

And how much is the kind of revenues we are looking at both these segment for this year?

Management Team

I think we are targeting total turnover of around 3,200, more than 3,200, and we are expecting 50% turnover from the engineering consultancy segment and 50% turnover from the LSTK business segment and definitely we are targeting net profit of more than 350 or 360 crores.

Ranjith Shivaram

Great and how is the overall order intake pipeline.? How much is the order intake we are targeting this year?

Management Team

As on date, we are having order book of 8800 crore.

Ranjith Shivaram

How much of new orders?

Management Team

New orders. I will pass on this to Mr. Vinay Kalia, he will explain.

Vinay Kalia

As we had shared earlier, we'll be targeting for a growth in the turnover in the next 3 to 4 years for which we are aggressively pursuing new opportunities in diversification areas and green energy. So, we'll be having aggressive order inflow targets. We will be targeting both OBE contracts and consultancy projects in the coming year as we had shared in the last earnings call also. We are looking at the petrochemical expansion from OBE contracts and inflow targets would remain in the range of 4,000 to 5,000 crores that we will be looking for including the OBE. You're asking from purely consulting point of view traditionally we have been doing consulting in the range of 2,500 to 3,000 crores. We'll try to maintain that.

Ranjith Shivaram

Okay. So, if I heard it correctly around 4,500 to 5,000 crores of total order intake and in that consultancy will be around 2,000 crore.

Vinay Kalia

Traditionally what we have been doing in consultancy but since we have to push in for higher turnover growth as it was to increase our turnover to 5K in 2025. We are also looking at other opportunities both in green energy and OB LSTK as well.

Ranjith Shivaram

Okay, but in green energy, what kind of?

Vinay Kalia

See, there are a number of policy interventions which are happening which we have been sharing in earnings call with you all of you. Some of the things like green hydrogen we have shared we have started working on it, we have already got two projects, which are currently at pilot state, but yes, we are going to expand them, we are looking at technology licensing options in existing technologies. Then we are looking at green policies which are coming up like gasification there is a policy on greener utilization of coal.

Similarly, there are exploration in the steel sector on emissions control, our refinery and petrochemical plants are going for technology interventions as well for emissions Net Zero. All of us as per the Paris climate change have a mandate for Net Zero. Most nations are committed to it. So, all the oil companies and petrochemicals are going for Net Zero targets. So, they all these projects are technology related, which will be coming up we have a role to play.

Ranjith Shivaram

Okay, and recently there was some press release regarding some salt.

Vinay Kalia

See, as a company we are looking for strategic alliances which we have been sharing in past So, this is one such alliance although there is no investment required for this this is a partnership alliance who are taking up project. This is one of the company who will be associated with us in building of caverns, living services on caverns. We have already done rock caverns, so this is a new area new venture of salt caverns. Technology for salt caverns is slightly different. So, we have tied up, we have aligned with another technology player both of us would be bidding for projects.

Ranjith Shivaram

How big is that opportunity?

Vinay Kalia

Like you have seen in rock caverns, we have done three rock caverns. We are doing two more LPG caverns. As of now we have done DFRs for about three more projects, two more under realization. So, this is the history of rock caverns. And this is not just for India, I mean because of our history of rock caverns, we are also being approached internationally because you know, it's a very collective field. So, there are few players in the world who do rock caverns. But now, people are also exploring putting a salt caverns which are slightly different in technology.

So, we needed a partner for it wherever there are potentials for putting up salt caverns again there will be very few limited players. So, we will be one of them. So, one such project is expected in Bikaner, we have also got some international inquiry which we are looking at whether we can start working on it. So, I can't say the potential in size, yes, we have selected projects, few projects. But there are few players we have a good chance of getting those jobs.

Ranjith Shivaram

Okay and sir lastly, what is the status of that second-generation ethanol plant which we have put into Numaligarh. Has it started working or can we expect more?

Vinay Kalia

It's under advanced stage of construction. Yes, we were putting up a plant right. Commercializing it, in fact right from pilot scale to a commercial scale. It's one of the world's largest bamboo-based bioethanol plant, it's under advanced stage of construction activities. Not yet gone for commissioning. They are expecting that maybe next year end or, middle of next year we should target for completion of that project. But yes, there are technology challenges because it's a new project. It's a new technology. And now since we are partners in the technology we will be putting up or looking at opportunities of more such projects in the Northeastern region

Ranjith Shivaram

Okay, so, will we be participating in similar projects and what is the size of this plant which you are putting and?

Vinay Kalia

For example, I can just share with you the approximate project cost would be in the range of 2,500-3000 crores for this kind of a plant and ours is, as of now, we are expecting some more scope changes as well as of now, fees were close to 100 crores. But we are partners in technology with Chempolis. We will be putting up projects as the lead consultant if any such project comes up in future also.

Ranjith Shivaram

What's the KLPD size of this?

Vinay Kalia

I have to check. I don't remember immediately.

Ranjith Shivaram

Okay, that's it from my side and all the best. Thank you.

Moderator

Thank you. Sir. I request Mr. Kalia to come closer to the microphones the voice is too low. So, we are having a question from Rajan Pillai from Sun capitals. Please go ahead.

Rajan Pillai

Rajan here. I just wanted to check on the revenue stream for Q2 and Q3 Will they be in line with Q1, given the operating margin is believed to be improved in Q1. And also, how about the profits from the joint venture. Will they be in the similar line what has been reported in Q1 or where we can find more increase in profits from joint venture? And the third question would be how you are planning to reward the shareholders. Will the dividend payout ratio will remain the same as it has been since last one year, or is there any plan for buyback or rewarding shareholders with more dividends?

Management Team

Okay, good afternoon. Hello, am I audible?

Moderator

Yes, please go ahead.

Management Team

First of all, in this Q1 there is good news from our joint venture for RFCL - Ramagundam fertilizer and chemicals Limited. As I have earlier told in this quarter EIL is having net profit of 13.85 crore vis-à-vis with loss of 89.95 crore in the first quarter of FY2122. And this profit of 13.85 is definitely going to improve in the Q2 and Q3 because now, this plant has been stabilized and this plant will definitely achieve the 100% progress target and after some time, it will work at 110% capacity also. So, we are expecting more and more profit from this joint venture in the coming quarter.

As long as dividend is concerned in the last year, we have already paid 60% dividend and we assured that at least 60% dividend will be paid in this year also and we will be happy if we are in position to declare more dividends. Definitely our management will consider if that is possible. And as regards the revenue targets as I have already said in the coming Q2 & Q3 our revenues will be better than Q1 because in this Q1 our results of operating margin were down on account

of provisions and some non-receipt of change orders from our clients which have been delayed and definitely in the coming quarters we are going to get this change order from our clients.

Rajan Pillai

Thank you. So that answers my question. And I just wanted to know that given the profits will be increasing from this joint ventures that we have invested in. Any plan of buyback for this year or whether we are planning to invest somewhere more, other diversifying our business more in other area.

Management Team

In this financial year, we have no planning for the buyback, and for the investment opportunity, let me admit investment opportunity as on date we have not finalized any investment. Investment opportunity, we don't have any in the end. Or we are not considering any investment opportunity as on date. And if I get good opportunity, then definitely our management will consider it.

Rajan Pillai

Understood, and can you give us the position on cash as on today? How much cash Are we having in book?

Management Team

I think we are having cash around 1,200 crores, and, we are having cash position of 1,200 crores.

Rajan Pillai

Okay.

Management Team

Anything else?

Rajan Pillai

That answers my question? Thank you.

Moderator

Thank you. Sir, next question comes from Mr. Nimish Maheshwari from RSPN ventures. Please go ahead.

Nimish Maheshwari

Thanks for the opportunity. I have couple of questions, like what includes technical assistance or subcontract. Why it increased so much like last year comparison it increased by almost 50% where revenue increased by just 9%. So, how to project it for this year.

Management Team

Can you repeat your question please?

Nimish Maheshwari

Okay. So, what includes technical assistance or subcontracting charges, why it increased so much like last year comparison increased by almost 50% where revenue increased by 9% only. So, how to project it for this year?

Management Team

This subcontractor payments of subcontractor payments includes the payment made to our contractors who are working on the LSTK jobs. As you know in the LSTK jobs we are having margin of 3 to 4%. So, if whatever there is increase in the revenue stream on account of OBE jobs 93 or 94% goes to this subcontractor payments only. So, there is so since there is an increase in the LSTK turnover for this quarter. Therefore, there is increase in the subcontractor payments also. In the corresponding period of Q1, our LSTK turnover was 370 crore, and, in this quarter, we are having LSTK turnover of 455 crores. So, that's why you are seeing subcontractor payments are being on increased size.

Nimish Maheshwari

Okay, can you explain the technical assistance is same as subcontracting?

Management Team

Technical assistant and subcontractor payments are same.

Nimish Maheshwari

Okay. So, like we invested I think 700 crore in Numaligarh, which gave I think Rs. 10 dividend for the last year, whether it is in the other income portion or whether it will receive in this current quarter when we are expecting the change?

Management Team

In the last year we have received 2 dividends from the Numaligarh Refinery, which is included in the other income and further to that Numaligarh Refinery has also declared one more dividend of Rs. 5 but this dividend will be covered in 2nd quarter, because it will be accounted on the declaration of dividend in their AGM. So, on the overall, for the previous year, we will receive around Rs. 48 crore as dividend from the Numaligarh Refinery on the investment of Rs. 700 crores.

Nimish Maheshwari

Okay, got it. Can you explain little bit more about the strategic alliance with the German company and how we can project revenue from this venture going forward?

Management Team

Mr. Kalia will tell you in detail.

Management Team

See we are already doing rock caverns. So, there are now advanced technologies for having storages in salt caverns as well. This is another field which is fast emerging, but it's a niche technology area. So, we were looking for alliance partners because we are already working on rock caverns. So, in future, there would be potential options for storages coming up in salt type of caverns as well, like for Bikaner we have already done a DFR and there are international opportunities as well where our alliance also extends to international boundaries, where case specific we will be jointly offering services for such type of projects.

Management Team

Typically, the rock caverns are slightly bigger in size, and it could be say 1.5 million tonnes kind of caverns. The assessment of salt caverns has just started. We have done some DFRs on it. One potential project at Bikaner has been identified, that's one project in India where definitely we will be there. More projects will be explored in India and overseas like in Middle East, there

are a number of salt caverns opportunities which we can target. I can't tell you the size and potential because it will depend upon the capacity of caverns which are discovered. These are underground bedded caverns, maybe you can say 600 m to 1 km deep within the earth. As we discover them, the size and potential of projects we can share.

Nimish Maheshwari

Okay, thank you so much and best of luck.

Moderator

Thank you, sir. Next question comes from DigantHaria from Green Edge Wealth Services. Please go ahead.

DigantHaria

Yeah, hi sir. Sir my question is on the consultancy side that you know, we just mentioned that we are probably targeting around Rs. 1600 crores of revenue for the full year. Sir, like you know our revenue has been hovering in this you know 15-1,600 for the last 3-4 years. When do you think that you know, this breakout will happen you know, to say something like you know Rs. 2,000 crores revenue, because if we have to reach our vision statement of Rs. 5,000 crores and 65% of that Rs. 5,000 crores coming from consultancy, this numbers should inch up. So, sir what should happen for these numbers to inch up like you know, because refining maybe the growth is slower but in all these new areas when does the number become meaningful?

Management Team

See, as I have already shared, we are looking at aggressively other business opportunities as well, in India and overseas. In India its majorly on sustainability and green energy. Some technology interventions are going on which will be the additional revenue streams which we are looking at. We are looking at technology licensing, we have entered into the salt caverns business. So, all these incremental initiatives are being taken up to increase the consultancy business as well, from the current levels of 1,500, considering that we will be having aggressive targets in the order inflow. Besides, we will also be looking at OBLO and supplies of our technology proprietary items, because wherever we are technology providers, we are also looking at supplying our own proprietary equipment as well.

DigantHaria

Right, fine. And you know two more things. Is that Ratnagiri Refinery back on track because there's a change of Government that's happened in Maharashtra like, you know, anything that you hear on that? And secondly, you know, this coal to methanol, like how big can it be? Or it is just an experiment that we did because you know, we don't even have coal for the normal power plants we are importing a lot of coal. So, if coal to methanol, you know going to become big in India or it's right now, just an experiment that everybody's trying to see.

Management Team

I will answer your second question first, then I will pass on for DF to take up the first question. There is already a coal gasification policy for coal to green energy. It's an initiative of converting coal to greener energy, by pure hydrogen route. From hydrogen, we are trying to make methanol and ammonia also as green methanol and green ammonia. Ammonia can be used for so many purposes, like urea as well and methanol and ethanol you know are building blocks both for blending purpose also and also for olefin production which are Petro Chemicals. So, from coal there are already established technologies.

But there are a few technology plays, and we are also researching on technology for coal gasification converting it into value added products while not having an impact on the environment as well. So, there is a policy, so number of projects have been identified, one such project has already started for Neyveli Lignite, where we are doing. Another project of Talcher is already going on. So yes, things are happening on ground. That's what I can share. As regard Ratnagiri Refinery, we are also expecting some positive news with the change of Government in the State. We are still waiting for the good news.

DigantHaria

Sir, if Ratnagiri Refinery goes through, that will give a very big bump up to our book if at all it goes through, or because there is Saudi Aramco also involved, you know our relationship with them you know, how is it or you know any such I know it's a guess on guess but just asking?

Management Team

One thing is very sure, if Ratnagiri Refinery comes, it will give business at least for the 4-5 years and which you were talking about the turnover of 1,500 or 1,600, then definitely our turnover will be more than 2,500.

DigantHaria

Okay sir, there is one more connected question I may ask that what percentage of our revenue would come from BPCL currently in the consultancy space?

Management Team

That figure is not readily available. Normally we make it industry wise and segment wise. We have not yet worked out that, but then again it would vary, you know our big-ticket size orders are power and fuel. Big ticket size orders comes and the entire mix changes. As you know, now currently Rajasthan Refinery is going on some VRMP refinery from HPCL is going on. So, both refineries are from HPCL, and we are working for the new project for the Indian Oil in Panipat. And CBR, Cauvery Basin Refinery is also yet to start or yet to be started for the turnover point of view, which is from the CPCL. So, it depends on the project which are companies doing CapEx. So, now it is a major CapEx is from HPCL, Indian Oil and CPCL, in our books of account.

DigantHaria

Okay sir, in refining space you know the private sector refinery, especially that Essar and Reliance, they have very heavy petrochemical complexes, whereas the public sector ones are they trying to invest more to generate more petrochemicals, and could that be another round of CapEx coming or there are no such discussions at all?

Management Team

You are right. There is a huge demand and supply gap for the petrochemical plants and all clients are planning to put petrochemical plants and we are getting DFR jobs from our client also, for the integration of their refinery with their petrochemical plants

DigantHaria

Okay.

Management Team

And we are expecting more and more business from the petrochemical sector also in the coming years.

DigantHaria

Got it sir. Thank you so much for patiently answering in detail.

Management Team

Thank you.

Moderator

Thank you, sir. Next question comes from Ravi Nanda, an Individual Investor. Please go ahead.

Ravi Nanda

Good afternoon, sir.

Management Team

Good afternoon.

Ravi Nanda

Sir, you have said that Rs. 1,200 crore of cash is lying in the balance sheet. So, what do you intend to do with this cash, because the share price is continuous decline and investors are suffering because of it? So, what is your full plan with this amount of cash?

Ravi Nanda

Hello?

Management Team

Hello? **[Hindi patch 00:38:31]** revenues are cyclic in nature. Therefore, we are trying to create another business revenue segment. So, where if there is any downfall in the hydrocarbon sector in the engineering consultancy segment or business segment, so that we can have constant revenue stream from other sectors, so that it does not affect the overall profitability of the company. So, on these lines, we have recently invested in Numaligarh Refinery, and we have invested in Ramagundam Fertilizers and Chemicals Limited and in case in the future we get some good opportunity for the investment, then EIL will definitely encash the opportunity.

Ravi Nanda

[Hindi patch 00:39:44]

Management Team

As per DP guidelines, we have recently done buyback of shares. As on date we are not planning any buyback of shares, but definitely we are rewarding our shareholders for the good dividend and I expect this payment of dividend will continue further and for the revenue generation of company, we are looking for the investment where investment in the standalone project where CapEx is lower, and revenues are high.

Ravi Nanda

And sir [Hindi patch 00:39:44]

Management Team

[Hindi patch 00:40:47] cashflow we have given in the cash flow statement. I think you will find it along with the balance sheet. From there you can see, if there is any question you can definitely ask us.

Ravi Nanda

Okay sir, thank you.

Management Team

Okay, thank you.

Moderator

Thank you, sir. So, the next question comes from Sanjay Agarwal, an Individual Investor. Please go ahead.

Sanjay Agarwal

Thank you, Namaste Jindal ji. Jai Hind.

Management Team

Namaste Mr Agarwal, how are you?

Sanjay Agarwal

I am good sir. I have a specific question; I was patiently listening into you and Mr. Kalia [Hindi patch 00:41:30]. So, we are very thankful to you and the management [Hindi patch 00:42:02] total 100% has come from Ramagundam Fertilizers?

Management Team

[Hindi patch 00:41:50] standalone basis and revenue from the RFCL will be over and above this figure.

Sanjay Agarwal

[Hindi patch 00:42:25]

Management Team

[Hindi patch 00:42:29] but definitely next time I will share with you.

Sanjay Agarwal

Okay, so.

Management Team

Once the project achieves the 100% production target, then it is easy to have a prediction about the plant. And now plant is already running well. So definitely next time, I will give you a update on this.

Sanjay Agarwal

[Hindi patch 00:42:57]

Moderator

Sorry to interrupt sir, Mr. Sanjay Agarwal sir, could you please join the queue for further questions?

Sanjay Agarwal

No. This is just last question only. **[Hindi patch 00:43:09]** we will be seeing a profit and that will improve the consolidated profit? Is that understanding correct Jindal Ji?

Management Team

[Hindi patch 00:43:30]

Sanjay Agarwal

[Hindi patch 00:43:34]

Bhoomika Nair

[Hindi patch 00:43:37]. Rather, we are expecting more and more profit.

Sanjay Agarwal

Yeah, we'll wait for you to give us further guidance for the next quarter. Thank you, thanks for your time and patiently answering the question and all the best. Thank you.

Management Team

Thank you, Agarwal Ji.

Moderator

Thank you, sir. Ladies and gentleman, if you have a question, please press * and 1 on your telephone keypad. I repeat, if you have a question, please press * and 1 on your telephone keypad. We're having a question from Anil Kumar Sharma an Individual Investor, please go ahead.

Anil Kumar Sharma

Thank you, sir, my all question has been answered already. Thank you.

Moderator

Thank you, sir. Next question comes from Somnath Paul, an Individual Investor.

Management Team

Thank you.

Somnath Paul

Hi, good afternoon, sir. am I audible?

Management Team

Good afternoon, you are audible.

Somnath Paul

[Hindi patch 00:44:55] presentation page number 10, could you just please open once?

Management Team

Okay. What's the query?

Moderator

Mr. Somnath Paul, please respond.

Management Team

Mr. Somnath, are you with us?

Moderator

There seems to be no response.

Management Team

Ok ma'am.

Moderator

This will be the last question for the day. I would now like to hand over the floor to Ms. Bhoomika Nair from DAM Capital for closing comments.

Management Team

Okay.

Bhoomika Nair

Yes sir, thank you so much for giving us an opportunity to host you again and wishing you all the very best for the future. And thank you to all the participants for being on the call. Thank you very much.

Management Team

Thank you Bhoomika. There was one question which was left on the capacity of ABRPL. The capacity in 185 KLPD of ethanol. And they have an option to produce additional value-added product like acetic acid and propanol.

Management Team

Thank you so much for arranging this call for us. We value your feedback. Thank you to all the investors who are part of this. Okay, thank you Bhoomika ji.

Bhoomika Nair

Got it sir.

Moderator

Ladies and gentlemen, this concludes your conference for today. Thank you for your participation and for using Door Sabha conference call service. You may disconnect your lines now. Thank you and have a pleasant day.

Note: 1. This document has been edited to improve readability
2. Blanks in this transcript represent inaudible or incomprehensible words.