

**TRANSCRIPT OF THE PROCEEDINGS OF THE 20<sup>TH</sup> ANNUAL GENERAL MEETING  
OF A2Z INFRA ENGINEERING LIMITED HELD THROUGH VIDEO CONFERENCING  
ON THURSDAY, SEPTEMBER 30, 2021 AT 11.00 A.M**

**PARTICIPANTS:-**

**Mr. Surender Kumar Tuteja**  
Chairman & Independent Director

**Mr. Amit Mittal**  
Managing Director

**Mr. Rajesh Jain**  
Whole Time Director and CEO

**Mrs. Dipali Mittal**  
Director

**Mr. Ashok Kumar Saini**  
Director

**Ms. Atima Khanna**  
Independent Director

**Mr. Atul Kumar Agarwal**  
Company Secretary

**Mr. Rajiv Chaturvedi**  
CFO

**Mr. Manish Agrawal**  
Partner Walker Chandiok & Co. LLP, Statutory Auditors

**Mr. Suchitta Koley**  
Partner DR Associates, Secretarial Auditor

☆ **MR. ATUL KUMAR AGARWAL**

Good morning ladies and gentlemen!

Myself, Atul Kumar Agarwal, Company Secretary and Compliance Officer of Company.

With great pleasure I welcome all the members in the 20<sup>th</sup> Annual General Meeting of your Company. The Quorum being present, the meeting can start now. I hope that you and your family are safe and fine. In view of the continuing COVID-19 pandemic, and to ensure social distancing norms, this 20<sup>th</sup> Annual General Meeting of the Company is being convened through Video Conferencing, in accordance with various circulars issued by the Ministry of Corporate Affairs and SEBI and in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015.

Before we commence, I would like to mention certain point regarding the participation in the meeting, the facility of joining the AGM through Video Conferencing is being available to all the members who's email id's are registered with the company/RTA or depositories as on cut-off date, all the members joining this meeting are by default placed on mute mode, to avoid any background noise disturbance and to ensure smooth conduct of the meeting.

During the Question Answer session the name of the registered speaker shareholder will be announced who will after be un-muted by the moderator of the AGM and will be allowed to express their views, or can ask question. Each speaker shareholder will be given 2 minutes time and the speaker shareholders are requested to adhere to this limit to ensure effectiveness of the meeting and to provide an equal opportunity to other speaker shareholders to put forward their views/queries.

The speaker shareholders are requested to click the audio button while speaking. In case of connectivity problem at the speaker shareholder end, we will ask the next speaker shareholder to join the meeting and the previous speaker shareholder shall be given chance to speak once the issue is resolved.

During the meeting if any member faces any issues they may call at the helpline numbers of the RTA, as mentioned in the notice of AGM.

Speaker shareholders are requested to minimise background noise while speaking, and we advise them to use earphones, so that their voice will be clearly audible.

I take pleasure in introducing the Board of Directors of the Company and other respected dignitaries:

- ❖ **Mr. Surender Kumar Tuteja**  
Chairman & Independent Director
- ❖ **Mr. Amit Mittal**  
Managing Director & Promoter
- ❖ **Mrs. Atima Khanna,**  
Independent Director and also the Chairperson of Audit Committee and Nomination & Remuneration Committee of the Board of Directors

❖ **Mrs. Dipali Mittal**

Non-Executive & Non-Independent Director and also the Chairperson of Stakeholders' Relationship Committee of the Board of the Directors

❖ **Mr. Rajesh Jain**

Executive Director cum CEO

❖ **Dr. Ashok Kumar Saini**

Non-Executive & Non-Independent Director

❖ **Mr. Rajiv Chaturvedi**

Chief Financial Officer

❖ **Mr. Manish Agrawal**

Partner Walker Chandiok & Co., Statutory Auditors

❖ **Mr. Suchitta Koley**

Partner DR Associates, Secretarial Auditor

Now, I request Mr. Surendra Kumar Tuteja, Chairman of Company, to Chair the meeting.

Since this AGM is being held through Video Conferencing. Hence, in accordance with MCA's circular there is no proxy facility available for this meeting. The Register of Directors & KMPs (including their shareholding) maintained under Section 170 and Register of Contract maintained under section 189 of the Companies Act, 2013, are available electronically for inspection and the Members may send their request to inspect the same.

As per the provisions of Section 145 of the Companies Act, 2013 and the applicable Secretarial Standards issued by the Institute of Company Secretaries of India, the qualification, observations or comments of the Auditors on the Standalone and Consolidated Financials for the year ended March 31, 2021 and the qualification, observations or comments of the Secretarial Auditors on the Secretarial Auditor Report, shall be read before the Company at Annual General Meeting.

The Statutory Auditors, Walker Chandiok & Co. LLP has qualified opinion on the financial statements for the year ended March 31, 2021, on the following matters that they are unable to comments on the ability of the Company to continue as a going concern, the Company has defaulted in payment of settlement amount, company has not recognized interest on the NPA borrowings and delayed payment under the respective settlement agreement, the consolidated net worth of the associate company namely Greeneffect Waste Management Ltd. has completely eroded, delayed filing of GST returns and certain adjustments made by Company in the GST returns. Members may kindly note that copies of Annual Report containing the Auditors' reports has already been circulated to all the members at their email ids registered with the Company/Depositories.

Hence, with the permission of the members, I would like to take the same as read.

The Secretarial Auditors' Report does not contain any qualification, observation or adverse comment; it is not required to read this Report at the meeting.

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies(Management and Administration) Amendment Rules,2015, Regulation 44 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company has provided the facility to the Members to exercise their right to vote on the businesses proposed to be transacted at this AGM through remote e-voting for the period commencing from 27th September, 2021 to 29th September, 2021. In order to facilitate voting to those Members, who have not exercised their right to vote through remote e-voting, the Company has also provided facility to vote at this AGM through e-voting platform of NSDL.

Mr. Suchita Koley, Partner, DR& Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize remote e-voting as well as e-voting at this AGM in a fair and transparent manner and, hand over the combined report on voting within forty eight hours of conclusion of this AGM.

Upon receipt of the result of voting along with the Scrutinizer's Report, the same shall be uploaded on the website of the Company, Depository and shall also be submitted to the Stock Exchanges.

Since this meeting is being held through Video Conference/Other Audio Visual Means and the resolutions mentioned in the Notice convening this meeting have already been put to the vote through "remote e-voting" and e-voting at the AGM. Hence, there is no proposing and seconding of the said resolutions.

Now I hereby request Mr. S.K. Tuteja, Chairman to address the shareholders.

☆ **MR. SURENDER KUMAR TUTEJA:-**

**Thank You Atul!**

**Good Morning, Ladies and Gentlemen!**

I, Surendra Kumar Tuteja, Chairman of the Company, attending this meeting through video conferencing from Bengaluru, I hereby inform that all the directors are attending this meeting from their respective locations via video conferencing mode.

On behalf of the Board of Directors, I deem it a privilege to welcome you all in the 20th Annual General Meeting of your Company. Thank you for your presence through Video Conferencing today, and for your continued support in the success of the company.

The COVID-19 pandemic was the kind of storm not seen by the world in more than a century and having survived it we have seen the resilience and intensity of our capabilities and commitment. While we are not out of the woods completely as there are residual effects of the downturn in the first half of FY2020-21 and downside risks looming over the horizon, there are many positives to be thankful for. The performance numbers of the Global economy in 2020 are a testament to the devastation that the pandemic left in its wake. From

a 2.5% YoY (year on year) growth in 2019, the global economy suffered a degrowth of 3.5% in 2020. Only a handful of countries among the major global economies saw growth during the year. The Advanced Economies suffered the brunt with a high number of COVID-19 cases and deaths, and even economically the output declined by 4.7%. However, by the end of 2020, the scenario had transformed into one of cautious optimism on the economic front. The world economy was expected to rebound in 2021 with a 4.0% growth, which was further revised upward by mid-2021 to 5.6%. The trend for the Indian economy was no different. From 24.4% and 7.4% YoY drop in the first two quarters of the financial year and to end with 7.3% decline for the full year of 2020-21 and prospects of growing at 8%+ rate in FY2021-22, the country's economy is clearly on the recovery path.

The performance of your Company has also reflected a similar trajectory in the year under review with the last quarter of the year showing a 1.3% YoY revenue increase vs. 61.5% YoY decrease in the first quarter. The impact of the pandemic on the businesses of the Company was much deeper than many other sectors of the economy, especially the Engineering Services and the Facility Management Services. The health concerns from the pandemic and lockdown restrictions meant a total disruption of business activity for the EPC sector. Not only did we see project cancellations in the industry, but some projects also saw work stoppages due to supply chain blockages, issues with customer/ vendor communication, and availability of labour. These factors and commodity price volatility also resulted in cost escalations. With the offices not allowed to operate and employees working from home, the companies not only cut down on Facility Management Services but in most cases gave away a large portion of their office spaces. But with the increased budgetary allocations by the Government to the infrastructure sector and robust growth in office space absorption seen during the second half of the financial year, the outlook for the two affected businesses improved considerably albeit there remains a dark cloud on the horizon of any subsequent waves of the pandemic. Our Municipal Solid Waste management business continued to perform well even during the pandemic because of the essential nature of the service and the future for the SBUs (Strategic Business Unit) continues to be bright. Our waste-to-energy power plants could not commence commercial production due to the pandemic and other operational delays. However, your company continued its efforts to find alternate ways of using combustible portion of the Refuse Derived Fuel (RDF) without depending upon capital intensive power plants. This technology would be useful even in cities where generation of RDF is not sufficient to install power plant. We are in the beta stage for commercial launch of this technology.

Now I would like to call upon Mr. Amit Mittal, Managing Director of the Company to share with the members the financial performance of the Company for the FY 2020-21.

☆ **MR. AMIT MITTAL**

**Thank You Sir!**

**Good Morning, Ladies and Gentlemen!**

I warmly welcome all the members of the Company.....

On the profitability front, our initiatives to improve operational efficiencies resulted in the direct costs of raw materials and employee expenses as a percentage of the operating

revenue decreasing from 91.6% to 86.4%. With no exceptional loss in FY2020-21 as against Rs. 161 crore losses in FY2019-20, the Loss Before Tax was much lower than the previous year at Rs. 77.3 crore vs. Rs. 237.3 crore. The major concern that has arisen due to the pandemic that we continue to tackle is the lack of liquidity due to delays in the collection of receivables. This has not only resulted in no substantial One Time Settlement(s) (OTS) being executed with the borrowers as seen in the previous few years but also delay in payment of agreed deferred instalment(s) of settlement amounts against previous OTS agreements. We are, however, confident of tiding over this crisis by maintaining constant communication with the lenders and also focusing on collections in parallel.

In terms of the strategy for the future growth of our businesses, we are focused on tapping new opportunities across our SBUs (Strategic Business Unit). The sustainable cash flow business opportunity in the Operations & Maintenance space adjacent to the EPC business, emerging new customer segments in the FMS vertical such as public places, railways, and residential complexes, Smart City projects in the sanitation and waste management areas, and many more opportunities are a top priority for the Company to deliver growth. With the business outlook being positive, we will look to beg more projects such as Optical Fibre Network installation and O&M (Oppression & Maintenance) project to turn around the SBU (Strategic Business Unit). Focusing on good waste management project with long term sustainability is the prime focus in the coming year. Another issue that will receive our focused attention is the resolution of issues in restarting our Power Generation business at the new locations with available Refuse Derived Fuel or solid waste. These two are essential to regaining our financial viability in addition to negotiating further settlements with other bankers/ lenders.

### **Regarding the financials of Company for FY 2020-21**

The Company's operating revenues were Rs. 385.0 crores in comparison with Rs. 187.0 crores in FY2020-21, a decline of 51.42%. This reduction is because the Company's Policy to be very selective in taking EPC order and increased business from Facility Management and Waste Management which will multifold the Group's revenue in the forthcoming years. On a consolidated Group basis, the operating revenues went down by 40.77% from Rs. 699.0 crores to Rs. 414.0 crores in FY2020-21. The Company has made net loss after tax of Rs. 83.0 crore whereas in the previous year Company had incurred net loss of Rs. 290.0 crore. The Company on consolidated basis has made a net loss of Rs. 81.0 crore as against a net loss of Rs. 278.0 crore in the previous year.

We believe that the hardest phase behind us and with some extra efforts in the coming years we would have put the issues of the past completely behind us.

We thank you for your constant support through these tough times and the faith you have placed in the Company over the years. We are also grateful to all our employees, vendor partners, lenders, customers and other stakeholders for their commitment to our growth.

I invite Atul K. Agarwal, Company Secretary to proceed further with the agenda items of this 20th Annual general Meeting of the company.

☆ **MR. ATUL KUMAR AGARWAL**

Thank You Sir!!

With the permission of Chairman, I now take up the resolutions as set forth in the Notice.

**ITEM NO.1**

☆ **To receive, consider and adopt the Standalone and Consolidated Audited financial statements of the Company consisting of the Standalone and Consolidated Balance Sheet as at March 31, 2021, the Statement of Profit and Loss Account and the Cash Flow Statement for the year ended on that date along with the reports of board of directors and the auditors' thereon.**

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The financial statements of the Company including the consolidated financial statements for the financial year ended on 31st March, 2021 including the reports of the Board of Director's and Auditors' have already been provided to all the members.

**ITEM NO.2**

☆ **To appoint a Director in place of Ms. Dipali Mittal (DIN 00872628), who is liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment.**

**ITEM NO.3**

☆ **To appoint M/s MRKS and Associates, Chartered Accountants (Firm Registration no. 023711N) as the Auditors of the Company and to fix their Remuneration and in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION**

**ITEM NO.4**

☆ **To consider and appoint Branch Auditors for branch offices of the Company outside India and if thought fit, to pass, with or without modification(s), the resolution as an ORDINARY RESOLUTION.**

**ITEM NO.5**

☆ **To ratify, consider and confirm remuneration payable to M/s SKG & Co., Cost Accountants appointed as Cost Auditors of the Company for financial year ending March 31, 2022, and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:**

The Company had provided the facility to the Members to express their views/ask queries during the AGM. All the queries received by us shall be addressed and answered in the sensible manner.

**Mr. Surender Kumar Tuteja-Chairman**

Lastly I would like to thank our shareholders for their support and being part of this AGM.

Now those Members, who have not voted through remote e-voting may cast their votes during next 30 minutes.

**Vote of Thanks!**

First of all, I wish to convey my deep sense of appreciation to the members of the Board of Directors and other dignitaries, for their dedication and inspirational leadership and outstanding contributions to the Company.

I wish to take this opportunity of placing on record our deep sense of appreciation to M/s Walker Chandiok & Co. LLP, Statutory Auditors of the Company represented by Mr., Manish Agarwal for completing a 10 years long journey with us, and Mr. Suchitta Koley, partner of D. R. Associates, Secretarial Auditor for providing their significant services.

Thank you very much and that concludes the meeting!

Thanks!

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