12th November 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400051
Symbol: EFFWA

Subject: Outcome of H1 FY27 Earnings Conference Call - Transcript

Dear Sir/Madam,

In compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Company's H1 FY27 Earnings Call.

Kindly take the aforesaid information on record.

Thank you.

Yours faithfully,

For **EFFWA INFRA & RESEARCH LIMITED**

Lina Prakash Lad
Digitally signed by Lina Prakash Lad
Date: 2026.11.12 18:24:51 +05'30'

LINA LAD
CHIEF FINANCIAL OFFICER

“Effwa Infra & Research Limited

H1 FY27 Earnings Conference Call”

November 03, 2026

MANAGEMENT: **DR. VARSHA KAMAL – PROMOTER, CHAIRPERSON AND MANAGING DIRECTOR – EFFWA INFRA & RESEARCH LIMITED**
MR. SUBHASH KAMAL – PROMOTER AND WHOLE-TIME DIRECTOR – EFFWA INFRA & RESEARCH LIMITED
MR. BHAVIN GOR – FINANCE DIRECTOR – EFFWA INFRA & RESEARCH LIMITED
MS. LINA LAD – CHIEF FINANCIAL OFFICER – EFFWA INFRA & RESEARCH LIMITED

MODERATOR: **MR. GAUTAM KOTHARI – X-B4 ADVISORY**

Moderator: Ladies and gentlemen, good day and welcome to the H1 FY27 Earnings Conference Call of Effwa Infra & Research Limited, hosted by X-B4 Advisory. As a reminder, all participant 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 call, please signal an operator by pressing star then zero on your touchtone phone.

I now hand the conference over to Mr. Gautam Kothari from X-B4 Advisory. Thank you, and over to you, sir.

Gautam Kothari: Thank you. Good afternoon, everyone and welcome to the H1 FY27 Earnings Conference call of Effwa Infra & Research Limited. Today on this call we have with us Dr. Varsha Kamal, Promoter, Chairperson and Managing Director, Mr. Subhash Kamal, Promoter and Whole-Time Director, Mr. Bhavin Gor, Finance Director, and Ms. Lina Lad, Chief Financial Officer.

This conference call may contain forward-looking statements about the company which are based on beliefs, opinions and expectations as of today. Actual results may differ. The statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

A detailed safe harbor statement is given on the second page of the earnings presentation of the company which has been uploaded on the stock exchange as well as on the company's website. With this, I now hand over the call to Dr. Varsha Kamal for opening remarks. Over to you, ma'am.

Varsha Kamal: Thank you, Gautam. Good afternoon, everyone and thank you for joining us for the H1 FY27 Earnings Call of Effwa Infra & Research Limited. On behalf of the board and the entire Effwa team, I extend a warm welcome to our shareholders, investors, analysts and all stakeholders. We appreciate your continued trust and support as we

execute our growth strategy and strengthen our position in India's water and environmental engineering sector.

Before reviewing our financial performance, I would like to begin with a significant milestone that many stakeholders have consistently inquired about during our previous interactions. I'm delighted to announce that Effwa has formally filed a patent application for our proprietary zero material discharge technology.

This marks an important step in our journey to build a differentiated technology-led business, while conventional zero liquid discharge systems, that is ZLD systems, recover and recycle water, they still leave behind salt residues that industries must dispose of as hazardous waste, often at a considerable cost.

Our ZMD technology is designed to eliminate this challenge by recovering high-purity commercially usable byproducts efficiently, effectively ensuring that no material is sent to landfill, promoting circular economy. For customers, this translates into lower operating and waste disposal costs, improved sustainability outcomes and enhanced resource recovery.

For Effwa, it creates a unique intellectual property asset and differentiated technology-led offering that strengthens our competitive positioning built through innovation developed entirely in-house. Turning to our financial performance, I'm pleased to report another strong half year marked by robust revenue growth, healthy profitability and disciplined execution.

For the 6 months ended 30th September 2026, revenue from operations increased 44.8% year-on-year to INR130.6 crores. EBITDA grew 37.1% to INR21.2 crore, while PAT rose 48.8% to INR15.1 crores. PAT margin improved to 11.6% and earnings per share increased to 6.52 from 4.38 in H1 financial year '26.

These results reflect the strength of our execution capabilities, improving project mix and continued focus on profitable growth. The period was also marked by several important operational achievements. We successfully completed a 48 MLD ZLD for Rourkela Steel Plant, SAIL, with a contract value exceeding INR200 crores, which was delivered on time.

In addition, we completed and handed over projects for Vedanta, Indian Oil, Tata Steel Mining as well as international projects for Afcons infrastructure in Ivory Coast and two projects in Tanzania, further strengthening our credentials across diverse geographies and industries. In July, we secured a INR44.3 crores end-to-end ZLD project from JSW JFE Electrical Steel, including approximately INR7 crores of operation and maintenance revenue over a 3-year period.

This order reflects our strategy of increasing recurring revenue streams by integrating long-term O&M contracts alongside EPC execution. I am also pleased to share that CRISIL upgraded our bank facility ratings to CRISIL BBB/+ STABLE for long-term facilities and CRISIL A2 for short-term facilities.

This upgrade reinforces the strength of our financial profile, execution track record and prudent capital management. Further validating our innovation-led approach, Effwa was recognized with the Afcons Innovation Partner for the Year 2025-26, an acknowledgment of the value we bring to our customers through technology and engineering excellence.

As we prepare for the next phase of growth, we have planned a dedicated innovation center which is expected to become operational within a period of next 12 to 14 months. This facility will accelerate product development, technology commercialization and research initiatives, strengthening our ability to deliver differentiated solutions to customers and to develop trained human resources.

To deepen customer engagement and improve project delivery capabilities, we are also establishing regional operations in Kolkata and New Delhi, enabling us to better serve clients across Eastern and Northern India. Additionally, we are pleased to welcome Dr. Arun Tripathi, former Director General of Solar Energy Corporation of India, to our advisory board.

His extensive experience in renewable energy and large-scale infrastructure development projects will provide valuable guidance as we expand into adjacent high-growth sectors. Looking ahead, we are actively building a presence in three attractive and strategically aligned segments like desalination, high-purity water treatment for data centers and compressed biogas (CBG).

Each of these sectors is supported by strong long-term structural drivers. Rising water stress is increasing demand for desalination solutions. Rapid expansion of India's digital infrastructure is creating significant opportunities in high-purity water systems for data centers and the country's transition towards cleaner energy resources is accelerating investment in compressed biogas.

We are witnessing encouraging inquiry activity across all three areas and are actively participating in multiple bid opportunities. While these initiatives remain at an early stage, we believe they have the potential to evolve into meaningful growth engines and diversify our revenue base over the coming years.

At Effwa, every strategic decision is guided by our commitment to creating long-term shareholder value. We remain disciplined in project selection by selective bidding and continue to fund growth through internal accruals and prudent banking facilities rather than equity dilution.

To summarize, H1 FY27 reflects the successful execution of our strategy, strong financial performance, milestone project deliveries, meaningful innovation progress, strengthening of our institutional

profile, and continued investment in future growth opportunities. Further insights into the industry development, our order book, and our strategic priorities going forward shall be elaborated by my colleague and our whole-time director, Mr. Subhash Kamal. Thank you once again for your continued confidence in Effwa. Mr. Subhash Kamal, over to you.

Subhash Kamal: Thank you, Dr. Varsha. Good evening, everyone. Let me begin with the industry backdrop because the demand for our solutions is being driven by three powerful trends First is stricter environmental regulations. Second is water scarcity, which is increasing. Third is rapid industrial expansion. To look at stricter environmental regulations, authorities are making regulations more stringent day by day.

Now all facilities are monitored online, therefore technological solutions have to be fool proof, sustainable, with full redundancy, which gives options for better technologies, improved control. Coming to water treatment and recycling, the opportunity is even broader. Industrial clusters like MIDC, GIDC are increasingly sourcing treated sewage and recycling it for industrial use, creating a growing market for large-scale water reuse projects.

We are participating in such projects limited to the establishment of sewage treatment plants and recycling, though our focus remains on industrial recycling solutions where our engineering capability provides a clear competitive advantage.

Desalination, that is increasing water scarcity. The coastal industrial clusters and cities facing freshwater stress are turning to seawater as a reliable source. Large desalination projects require the same membrane process and project engineering expertise that we have developed through our ZLD business, creating a natural extension of our capabilities.

Another sector is compressed biogas. This is supported by supportive government policy, and phased blending mandates are accelerating

project development across the country. These facilities require sophisticated process engineering, gas purification, and effluent management capabilities, aligning well with our technical strength and opening a new growth avenue for Effwa. Data centers represent another emerging opportunity.

The demand for large volumes of high-purity water aligns well with our expertise. While this is not a core growth driver for today, it remains a promising adjacent market and we will update investors as we secure meaningful orders. Finally, our operation and maintenance business continues to gain momentum as our installed base expands.

O&M provides high visibility, recurring revenue, while strengthening long-term customer relationships. O&M revenue grew 60% in H1 to INR2.1 crores, and every major ZLD proposal now includes an O&M component as demonstrated by the JSW JFE order Turning to our order book, we currently have orders exceeding INR675 crores and a bid pipeline of over INR2,400 crores, providing strong revenue visibility and significant growth potential.

Key ongoing projects include JSW Steel Dolvi, Dhar, SAIL Rourkela, SAIL ISP, NMDC, and JSW JFE Electrical Steel. Looking ahead, our priorities are clear, deliver our existing order book on schedule, convert our robust pipeline into profitable orders, scale our recurring O&M business, and commercialize ZMD following patent approval.

Investments in ERP systems and continued strengthening of our design, project execution, safety, and O&M teams are all directed towards one objective. Achieving sustainable, profitable growth without compromising quality, safety, or execution excellence, and thus creating value for all stakeholders. Thank you for your continued support. I will now request our CFO, Ms. Lina Lad, to take you through the financial performance for H1 FY27. Thank you.

Lina Lad: Thank you, Kamal sir, and good afternoon to all participants. Let me take you through the financial performance for the first half of FY27.

Revenue from operations for H1 FY27 stood at INR130.6 crores compared with INR90.2 crores in H1 FY26, a growth of 44.8%. EBITDA was INR21.2 crores, up 37.1% from INR15.4 crores, with an EBITDA margin of 16.2%.

Profit after tax stood at INR15.1 crores, up 48.8%, with PAT margin improving by 40 basis points to 11.6%. EPS for the half year was INR6.52. Coming to the balance sheet, net worth stood at INR138.6 crores as of September '26, up from INR123.5 crores in March. Cash and bank balances were INR46.8 crores, total borrowings were INR69.5 crores, and our debt-to-equity ratio was 0.5x.

Our current ratio was a healthy 3.3x and interest coverage was 23.9x. Capital WIP of INR23.1 crores relates to new office premises in Thane, which will be occupied by the end of '27. I would like to address operating cash flow directly because it is the one number this half that moved the other way.

Cash flow from operations for H1 was negative INR23.7 crores against an inflow of INR23.5 crores in H1 FY26. Three working capital movements explain this. First, trade payables came down to INR7.4 crores from INR25.9 crores in March as we paid suppliers in advance to secure materials for second-half executions. Second, inventory rose to INR9 crores from INR0.3 crores.

Deliveries completed before 30th September were awaiting customer compliance approvals and software validations, so revenue could not be recognized within the half. This has since been invoiced. Third, receivables rose modestly. Importantly, trade receivables at INR133.4 crores are broadly in line with INR128.7 crores in March, even as half-yearly revenue grew 44.8%.

On return ratios, ROE stood at 22.1% and ROCE at 26.5% for H1 FY27. Now the segmental performance for H1 FY27. From an institutional perspective, public sector undertakings contributed 56% of revenue and

the private sector 44%, compared to 38% from the private sector in FY26.

In terms of service mix, effluent treatment plants with ZLD contributed 97.6% of revenue at INR127.6 crores, a growth of 56% year-on-year. Operation and maintenance contributed 1.6% at INR2.1 crores, and effluent treatment with recycling contributed 0.7%. Thank you. With that, I conclude the financial overview, and I would be happy to take your questions.

Moderator: Thank you very much. The first question is from Taher Hyderabadwala from Grobiz Fund. Please go ahead.

Taher Hyderabadwala: Hello? Hi sir, can you hear me?

Bhavin Gor: Yes.

Taher Hyderabadwala: First of all, thank you for the opportunity, sir, and great numbers you have delivered in H1. I just have 2 to 3 questions. First, on the margins. Sir, our gross margins and EBITDA margins have declined. I know it is slightly, but they have declined. So what was the reason for that? Gross margin has almost declined by 5% and EBITDA has declined by 1%. So what was the reason there compared to H1 FY26?

Bhavin Gor: See, basically this gross margin and EBITDA depends on our sales mix and the entire -- where the project exactly lies, whether it is a design engineering stage or civil construction stage or supply stage. So in this first half, the supply part was higher compared to the last year. So this shows a little lower side on our gross margin, but over a project we are maintaining the gross level as well as EBITDA level in the whole project.

Taher Hyderabadwala: Okay, that was understandable. Sir, second part on the order book, we have mentioned we have an order book of around INR675 crores plus and a bidding pipeline of INR2,400 crores plus. And we have also gotten into data centers. So are we looking into -- there are some

orders from data centers, some big orders, or do we have any client approach in that segment, or what are we seeing in data centers?

Bhavin Gor: See, we have a couple of projects in pipeline where data centers we have already bid. Okay? So whenever we convert those orders, and we are looking for those orders provided we are getting our expected EBITDA margins. Subhash sir can add on this.

Subhash Kamal: Yes, we are qualified to bid and participate in many upcoming projects. We have already bided for a couple of data centers here in India So once we are through, then of course we'll be sharing the details.

Taher Hyderabadwala: Okay. And sir, one last question on the working capital. Our payable days have decreased, which our CFO already mentioned, because of some payment for advance payment, but our inventory doesn't increased from zero days to 13 days. Was there any specific reason? Are we getting our inventory stored, or anything on that front and if you can throw some light there?

Bhavin Gor: Yes. So see, basically these are the works which are already done by us, but it has not got inspection clearance from the customer side. So as per our policy, whenever after customer clearance inspection and everything, then only we do the revenue accounting.

So this work was already done, everything was done from our side, but which was certified by the appointed people from the customer in the first week of October. So it is already accounted as revenue in October instead of September. So that was the only point where it is showing in the balance sheet as a WIP.

Taher Hyderabadwala: Okay, last question, sir. Would this be the new normal working capital going forward of 190 days, or will it come down to 150 days which was in the past in March '25?

Bhavin Gor: No. And these are around – it is between 180 to 190 days only, so we expect the same way.

Taher Hyderabadwala: Okay, thank you. Thank you for the opportunity.

Bhavin Gor: Yes, thanks.

Moderator: Thank you. The next question is from Yogesh Patil from PAMI Investments. Please go ahead.

Yogesh Patil: Yes. Thank you very much, and good afternoon, everyone. My question is basically, what is the -- from ZLD to ZMD, it means from liquid to material discharge, zero material discharge, how much scope will increase from our side business, and is this only specific towards chemical industry, pharmaceutical, or any other industry? And what is the almost industry size as per your estimates?

Subhash Kamal: Zero liquid discharge will become history. It will be replaced by zero material discharge. Reason is, and it's across all the industries, wherever you have water recovery, right, so there is a reject, that is evaporated. This is called zero liquid discharge.

Now our process works for all RO rejects across the industry, whereby we recover a lot of byproducts, leaving no residues for disposal. So this shall become mandatory for every industry. Because presently the residue which is hazardous is being dumped into secured landfills for which every industry has to pay very heavily.

Yogesh Patil: Okay. Sir, roughly if a 100 MLD plant, let's take it, how much cost will increase from liquid discharge to zero material discharge? Let's take it from approximately just, from a 100 MLD plant?

Subhash Kamal: Now there are 2 things. If we are doing a greenfield project, greenfield ZLD, let's say, so it will become greenfield ZMD. Capex will not increase. So what is happening with ZLD will remain the same. So no discouraging point for industry, number one. Two, instead of their monthly bills which are huge, huge, that will become a profit-making point.

Yogesh Patil: Okay. But sir, on what basis you are saying basically material discharge the client will gain? Because see, it is also dependent on the industry to industry. Every industry doesn't produce that much of, let's take a salt or minerals, which we can actually reproduce it again. So that's why I asked the initial question. It is specific to only industry where client can recover some portion, or maybe the byproduct can be sellable in market or reusable, something?

Subhash Kamal: Now see, wherever you have zero liquid discharge, right, that is the outcome of water recovery. You have recovered whole water and there is some reject in liquid form. Then we have, as per ZLD, we have to thermally evaporate this to further recover water as condensate. So what you're left with is a mixture of hazardous solid form, okay, which is transported to secure landfills.

And what our case is, we don't reach to that thermal evaporation system stage itself. Before that, we recover a lot of byproducts in different forms which have wide use, and they substitute to the imports used across industry. So it's not a theory, but it's industry-specific, and where we have options of recovering up to 4 products. It can be 3, it can be 2, depending on the industry. There is a complete supply chain already in place.

Yogesh Patil: Okay. So, we are saying, this will be one more criteria from government or client or globally anywhere. So it is more of a criteria or is it an aspirational product for client or us?

Subhash Kamal: See, this is going to pay back to industry. It's not because of the rules. We have another rule coming on industry. It's a relief from the pain industries have today.

Yogesh Patil: Okay.

Subhash Kamal: They are going to save money. They are going to make money. That's paying the money, right? So it's not -- it will be a pleasure of industry than a pain.

Yogesh Patil: Okay. Got it. And from our side, sir, we need to look slightly -- because within the same plant designing, we can actually introduce this zero material discharge. We don't need to do extra parts or anything from our side. It is more of a design.

Subhash Kamal: No, suppose one, I mentioned about greenfield projects, right? If there are existing ZLD projects, so we have to spare some of their existing units and add on some of our units and recover the product.

Yogesh Patil: Okay.

Subhash Kamal: So it's not a significant capex, not some huge capex, not that case.

Yogesh Patil: Okay. And roughly approximately, as per your -- because you keep interacting with industry people, so what will be the size of the market? Maybe not this year, maybe in FY 2029. What's the future of this market? Basically, I completely agree, it is very—we can use for zero liquid discharge also. But approximately, based on our client interaction and how much we can generate revenue from this,

Subhash Kamal: Well, awaiting a patent, right? We already filed; we got the number. Almost all our clients, whether it's oil sector, steel sector they're all after us to sign NDA and still go ahead, implement the project. So that's the indication. A simple thing is, why should I pay every month INR10 crores for disposal of my residue? Why should I not make INR20 crores per month? Option is this. Choice is very clear. So that, as I said, ZLD will become a history. All existing ZLD will become ZMD.

Yogesh Patil: Thank you.

Moderator: The next question is from Rushabh from RBSA Investment. Please go ahead.

Rushabh: Thank you for the opportunity, sir. Just to take further point on ZMD, you mentioned that ZLD will become history. So what happens to existing base business going forward? I understand this opportunity for

ZMD is much bigger than ZLD. In transition, will that -- will we be focusing on ZMD once ZMD starts next year?

Subhash Kamal: Yes, ZLD will -- see what we are doing is ZLD, all positive things are still there. What ZLD does, we are see -- if it is not ZLD, right? So it was water recycling projects, wastewater recycling plant, okay, wherein we used to recover 80%, 85% of process water and 15% in liquid form we used to drain out. Throw it. So hazardous was going in liquid form.

Now government said, come on, I will not let you drop -- send any liquid waste. So evaporate. Thermal energy we are using. And so evaporate the liquid and again condense it, recover it as a process water. So what you are left with is solid hazardous residues. That is called zero liquid discharge, but you are discharging solid.

Got it, burning a huge quantity of fuel, affecting, causing global warming and whatnot. Now, so instead of ZLD, that part remains. We are turning the residue. We are not reaching to the residue itself. With every residue is mixed highly hazardous, so we are stage-wise before it goes to thermal system.

Right, so we don't have full thermal system. In our case, it will become 50% of the thermal system. Existing ZLD project will spare one of the units, right, save on operating costs, and we'll be recovering several byproducts.

Rushabh: Okay. And so you mentioned that we are entering this high purity and desalination. So how is the competitive intensity and margins compared to our current business?

Bhavin Gor: Yes, so margins are a little better.

Rushabh: Okay. And just the last question, because we have given a forecast of 30%, 35% revenue growth for next 2 years, do we require to do any equity fundraising for this next 1 or 2 years, or will we be doing from internal accruals and debt?

Bhavin Gor: Most likely we are going for internal accruals and the banks are extending their cooperation and reducing their collateral percentage also considering our project, our financials and credit ratings. So let's see if single projects of INR800 crores, INR1,000 crores, if we are bidding, then we may go for some equity dilution. Otherwise, for INR400 crores, INR500 crores projects, we have sufficient funds available.

Rushabh: Okay, sir. Thank you. I wish you all the best.

Bhavin Gor: Yes, thanks.

Moderator: Thank you. The next question is from Shreya Bajaj from Serene Alpha. Please go ahead.

Shreya Bajaj: Question is on the order book. Despite the earlier guidance of achieving INR1,000 crores order book by March '27, the current position remains below that level. In fact, we have received only INR55 crores to INR60 crores new orders in FY27. Could you explain the reason why we have not been able to convert the pipeline into confirmed order book so far, and if the closing order book target of INR1,000 crores is intact by the end of FY27?

Bhavin Gor: We have already more than INR2,400 crores projects are in pipeline. In the last first half, we have already got INR160+ crores orders booked, new orders in the last first half, from April to September 26th. See, understand this, getting the project here in this industry is not a 1-month or 2-month job. It's a continuous work of more than 8 to 10 months.

Okay, and we also do a lot of detailed study before bidding the projects, looking at their financial viability, practical viability, and everything. So we are very much confident of a couple of projects are already there which are under the last stage of negotiations, which may come in the coming couple of months. So we are confident of getting the order book up to INR1,000 crores by March '27.

Moderator: Thank you. The next question is from Charchit Maloo from Genuity Capital. Please go ahead.

Charchit Maloo: Hi sir, thanks a lot for the opportunity. My question is regarding a CBG plant, right? So I just wanted to understand how big this opportunity can be for us on an industry level?

Subhash Kamal: See, government has mandated all PSUs and large corporates to set up CBG projects based on agro waste across India. You must have heard that Reliance has already committed 5,000 projects across India for CBG. And we do have the technology, we always had the technology up to gas production, but purification to CBG, compressed biogas, right, that is an add-on thing which we are having in-house capability and expertise.

So market is huge. This will continue because agro waste is a problem everywhere. You see that stubble being burnt in Punjab, and so this is a potential. Another is all sugar mills, they produce press mud, a wonderful source for biogas. So, this will be a continuous thing happening.

Charchit Maloo: Okay, so like if you can quantify the opportunity,

Subhash Kamal: In terms of?

Charchit Maloo: Like how big the market can be.

Subhash Kamal: I said 5,000 plants Reliance has committed to the government. We have already given our proposals. So, if we can handle, we have opportunity for 5,000 projects. Work already started in almost 500.

Charchit Maloo: Okay, and from our business, like from when we can expect to generate revenue from our plant and like start the CBG plant, like timeline?

Subhash Kamal: Right. Yes, here in CBG, if you see, Dr. Arun Tripathi has joined our advisory board, right? He's the man from renewable energy having expertise in this field. He has been a policymaker. Got it? So, and second

is, with EIL, all PSUs have also been mandated to implement projects. So we have already bidded with EIL and some other PSUs.

Charchit Maloo: Okay, understood. And sir, for FY28 and FY29, how much are you expecting in terms of revenue and EBITDA on a consolidated level?

Bhavin Gor: Sorry, can you repeat the question?

Charchit Maloo: For FY28 and FY29, how much are we expecting in terms of revenue and EBITDA level?

Bhavin Gor: See, revenue, EBITDA level, as far as ZLD is concerned and the other things what are spoken about, we are maintaining 16%-17%. But once -- after the entry of ZLD, the equation will change. Those figures we can't reveal right this point of time.

Moderator: Thank you. The next question is from Surender Singh from My Equity Sherpa. Please go ahead.

Surender Singh: Hi sir, good afternoon. I hope I'm audible.

Bhavin Gor: Yes.

Surender Singh: Yes, thank you. So sir, one question in particular I have is because the story of your company looks beautiful, we have applied for a patent in ZMD, we are going for an Innovation Center, which is a big thing actually for a small company, and we have good growth aspirations as well. One thing which keeps me worried is like the kind of aspirational growth we are hoping for compared to that, the kind of order inflow we have. I think we are having a mismatch here. So, what is your thinking around it?

Bhavin Gor: Mismatch in what aspect you are talking about?

Surender Singh: The previous con calls, my understanding is we wish to grow at the rate of 30% plus, right? So, if I see today's order book of INR675 crores and the coming H2 aspiration of INR200 crores revenue, we want to achieve, and then the subsequent year will be around INR500 crores, right? But

INR675 crores is not sufficient for us to even do 1.5 years of revenue, right? So, yes. So book-to-bill ratio, when I see, since we are an order-based business and you said it takes 8 months to 9 months to convert the order in our hand, right?

So, I just wanted your thinking that how you think about it and how you ensure that we will never be short of work in our hands.

Bhavin Gor: See, we are continuously -- we have a separate team and people are continuously monitoring and doing a bidding process, okay. As we already mentioned, INR2,400 crores plus orders we are already in pipeline, okay. Few of them are very near to completion. As a management, we also understand that we also -- we should have a clear visibility of 1 years or 2 years of revenue, okay?

So here, if you look at INR675 crores, I have 2028 -- till '28, we have a clear visibility of revenue. Okay? And obviously in 1.5 years we are not sitting idle. INR2,400 crores projects are already in pipeline, and definitely, a few of them will be converted. Okay. People have experienced us in the past also. Okay, because when we took JSW's first project, okay, more than INR300 crores project we took first time that customer came on our board, in first go only they have given a INR300 crores plus project.

After that, they have given another 3 projects. Okay? So you can understand the efficiency and the deliverables and the technology that what Effwa is having. Okay? Number 2, sir has already again mentioned the ZMD concept on this call also, and this is going to change the whole situation or ecosystem of this particular industry.

So, we as a management, we are not very much worried about the order book and we are not going behind getting orders. Okay? People are behind us for giving us the order. Okay? So, we are very selective and we are very much clear on taking orders on our board.

Surender Singh: Okay. Got it, sir. Yes, thanks for that. Another point which I wanted you to share your views is around this. My understanding from previous con calls is that till date we were not having WABAG and Thermax as our competitors, but once we come to data centers line of business, we will start competing with them?

So, one question I had was -- why till date we were not a competitor for them? Are we operating in a smaller size of orders, or is it they were flying at a very big project level so that we were not crossing paths with them? And if we are going to cross paths with them henceforth, what all we have ensured at our level that we can continue gaining this 30% plus of our bid winning rate when we compete with them directly?

Subhash Kamal: ,WABAG, Thermax or Ion Exchange and a couple more, their business model is different. They are into municipal—not, Ion Exchange, but WABAG, they're mostly on municipal business. Of course they compete with us. We all compete when it comes to PSUs. Right? Data center, yes, is a high purity water requirement.

And now if you are aware, this opportunity will cease soon because technology has solutions alternative to water cooling. So, you might not have this opportunity after a couple of years. However, as we have already participated in 2 data centers, right? In India, which are still based on other water-based cooling systems, so we are very much qualified and we are waiting.

If we get the order based on our terms and our margins, then of course we'll be doing it. So, it's not that we are not crossing it. We are doing projects of the size what WABAG is doing. Earlier we did not have that size of project to demonstrate, having executed successfully. So, today's market, we are competing, we are bidding for INR800 crores, INR600 crores projects.

Moderator: Thank you. The next question is from Tejas Thakkar from TNJ Investments. Please go ahead.

Tejas Thakkar: Thank you for the opportunity. So, my first question is, we had done an NDA and did a trial run with one of the clients for this ZMD. So, what is the feedback and what is the outcome so far? And the patent that we have filed for ZMD, what stage is it at? Have we received a provisional patent? Have we received any objections? Or has it been published? If you can just throw some light on that.

Bhavin Gor: As far as the patent is concerned, we have filed the provisional patents. Okay.

Tejas Thakkar: So, we would have received, since we have filed this, I think last year if I'm not wrong, we would have received some…

Bhavin Gor: We have just filed last month.

Tejas Thakkar: Okay. Sorry, so can you repeat that? I was not able to hear.

Bhavin Gor: Then there were questions and answers by the attorney, which are answered, and we have filed. So, they also run a basic due diligence search across the…

Tejas Thakkar: Correct.

Bhavin Gor: Okay? So that everything was done, and after their concurrence, we have filed that provisional patent.

Tejas Thakkar: So, once we'll receive the provisional only, then we'll get the final one, right? Because that's how the…

Bhavin Gor: Yes, obviously, again, there is a lengthy process. Okay? So it will take a year's time to get a final patent.

Tejas Thakkar: Okay. And what about…

Bhavin Gor: Probably, but we will have a first right since we already filed it. Yes.

Tejas Thakkar: Then the first part of the question was the ZMD that we have done with the NDA with the client. What's the feedback on that?

Bhavin Gor: Yes, that is in the process. We have signed the NDA with the client and we are under execution of the process. So, yet the outcome has to come.

Tejas Thakkar: So, it's not finished, the implementation is still ongoing?

Bhavin Gor: Yes, it's not a one-day job.

Tejas Thakkar: Yes, so okay, understood. Thank you, sir. That's all I wanted to check.

Bhavin Gor: Yes, thanks.

Moderator: The next question is from Vaibhav from Trade Nest. Please go ahead.

Vaibhav: Yes, hi, good evening, sir, and congratulations on strong results. Could you clarify whether any other company currently offers technology similar to Effwa's ZMD, and what differentiates Effwa's technology from existing solutions?

Bhavin Gor: Sorry, I could not hear your question properly.

Vaibhav: Am I audible, sir?

Bhavin Gor: Yes.

Vaibhav: Sir, I'm asking to clarify whether any other company currently offers technology similar to Effwa's ZMD.

Bhavin Gor: Yes. As per the global prior search conducted by attorneys, right? There is no parallel technology to what we have developed.

Vaibhav: But there are some companies that claim that they do the same thing..

Bhavin Gor: Sorry, can you repeat?

Vaibhav: But sir, there are some companies that claim the same thing?

Bhavin Gor: See, we are referring to the complete global patents, global technologies related to what we are saying, right? What we have demonstrated. What we are patenting. Now we have heard, we are pretty aware about this. Some companies claiming ZMD, we are aware, right?

They are very, very secondary, yet to be demonstrated anywhere. And they start this hazardous waste going to secure landfill. First they generate that hazardous waste, they are claiming to be processing right? And that is for very, very secondary application if possible, because we are aware of all these. So who is claiming what? We know everything about it because those things do not work.

What we developed is a practical thing for which supply chain is in place. Rest is a theory. So even that hazardous waste can be used by tanneries. We are aware, we knew it 10 years back, but then regulations attached, conditions attached, make it unviable. You are generating a hazardous, the so-called salt here in Maharashtra, tannery is in Chennai.

Would you like to transport this salt? No. So there is something called practicality. And our process is totally different. They are processes, they could not be commercialized. They could not be commercialized. They are patented, but they could not be commercialized. Well, so we have a solution overcoming all those options available globally.

Moderator: Thank you. We'll move to the next question. The next question is from Taher Hyderabadwala from Grobiz Fund. Please go ahead.

Taher Hyderabadwala: Hi sir, thank you for the opportunity again. Can you hear me?

Bhavin Gor: Yes, fine.

Taher Hyderabadwala: Yes. Sir, I have two to three more questions. So first of all on the order book which you mentioned of INR675-plus crores, how much of this will be executable, in let's say FY27 and FY28?

Bhavin Gor: It's almost 80% is executable in '27 and '28 out of INR675 crores.

Taher Hyderabadwala: Okay, so how much will be in '27?

Bhavin Gor: I can't reveal those figures right now.

Taher Hyderabadwala: Okay, okay, sure. Sir second question was on the, out of this INR675 crores order book, what is our average project size for per project?

Bhavin Gor: It varies, there are projects of INR40 crores, INR50 crores, then there is a project of INR300 crores. So it varies, in a very wider range.

Taher Hyderabadwala: Okay. And sir, from the JSW plant of INR315 crores, how much of this is executed and how much will be executed in H2, if you can share some percentage?

Bhavin Gor: We have executed around 15%-20% in H1.

Taher Hyderabadwala: Okay. And for H2, how much will be done?

Bhavin Gor: It may be another 30%-40%.

Taher Hyderabadwala: Okay. Okay. So, and sir our H1-H2 breakup from last two years was around 35% to 65%. Will that be similar in this year also, or this will change?

Bhavin Gor: Yes, it's somewhere around.

Taher Hyderabadwala: Okay, okay, sir. Great, sir. And sir, one last question. Out of the bidding pipeline of INR2,400 crores, what is the expected conversion ratio?

Bhavin Gor: Generally we convert at 25%-30% rate.

Taher Hyderabadwala: Okay. Okay sir. Okay, sir, thank you, thank you. That's all from my side.

Moderator: Thank you. Next question is from Surender Singh from My Equity Sherpa. Please go ahead.

Surender Singh: Hi sir, thank you for giving the opportunity once more. The only question I have is, since our ZMD technology sounds very unique and we are taking a worldwide patent for it, so I was just wondering, once July 2027 comes and we have the patent in place, have we ever thought

about to license it to other parties and earn royalty out of it? Because we as the organization cannot implement it at each and every corner of the world, right?

Subhash Kamal: No, we have not thought of doing it as of now.

Surender Singh: Okay. Okay, sir. Thank you, and I wish you all the best.

Subhash Kamal: Thank you.

Moderator: Thank you. The next question is from Atul Kumar, who's an individual investor. Please go ahead.

Atul Kumar: Thank you for the opportunity, sir. I hope I'm audible. So, sir, I have one question on the timeline for the provisional patent that we have filed. So, like roughly how much time it will take before we can start deploying ZMD facilities at our client manufacturing site?

Bhavin Gor: We are targeting after 12-months, probably July to…

Atul Kumar: Provision also, it takes 12 months?

Bhavin Gor: No, provisional we already filed. Provisional patent application is already filed. It takes a 10-month to 12-month process, okay? Then we get a final patent on our name. So that is what time it takes. Provision is already filed.

Atul Kumar: Okay. So by next year only we can start.

Bhavin Gor: Yes.

Atul Kumar: ZMD Technology.

Bhavin Gor: Yes, yes, yes.

Atul Kumar: Okay. Okay, sir one more question I have on the trade receivable, basically.

Bhavin Gor: Yes.

Atul Kumar: So I do see that it has been flat compared to the March quarter, sorry, March, the second half of last year. So it has roughly been flat, but the amount is around INR133 crores, which is roughly equivalent to our revenue. So what I'm trying to understand is like since it has stayed almost the same, we are not getting those money from our clients, right?

So if you can tell us what is the level and by when we can expect this. I do see on the other side account payables is almost nil. I think that was around just INR7 crores and it was because we wanted to pay it in advance to our clients to fund our H2 revenue and also that's fine. But for account receivables, sir, when are we targeting to have a lower number? Because right now it's considerable, it's almost half of our, half of our revenue for the year, right so?

Bhavin Gor: Yes.

Atul Kumar: And who are these clients like, who are we waiting to get these money from?

Bhavin Gor: See, basically, first of all, you understand, what numbers we are seeing, 180 days, 190 days on a balance sheet date or a half-yearly date. It is just, mathematically it is calculated. If you look at bill-to-bill, it is all of less than 90 days okay, except retention money. In our business, retention is one of the contractual parts, okay?

So out of any invoice, when I'm getting my money, so 10% to 12% depend on contract-to-contract, my retention gets deducted. And this retention I am getting after the one year, after the completion of the project, okay? So effectively it remains in my receivable books more than 3 years around 3 years and so. So this is one point which, because of that, receivables look higher, number one.

Number two, all these receivables are from a very -- all topmost PSUs and topmost private companies like JSW and SAIL, IOCL. So there is nothing called any doubtful receivables. Okay, number three, this is not

a manufacturing or a trading concern where I have a turnover of unique turnover every month.

It depends on every month it differs. So if you look at my half-yearly result also, the major sale happened in August and September. So because of that and those bills are obviously within 90 days and some of the collection is already done in October and we are also expecting substantial receivables in November. So if you look at on a practical basis, we are not facing any cash crunch and this receivable does not reflect very old and not moving or like that. So those things are not there.

Atul Kumar: Okay. Thanks for those details. So, the reason I was I was like deep diving more into this is because in this half, right, I also see the total borrowing has increased from INR38 crores to INR70 crores. So definitely it's creating some sort of working capital stress for the company like on one side we are paying sooner on account payables, but we are not receiving money at the same time?

Bhavin Gor: No, that is not the right way of interpretation. If you also -- you look at also the bank balances, we have also increased by FD levels because I'll see what I am utilizing limits more in the form of non-fund-based like bank guarantees and LCs. Now I have to give 15% to 20% cash margins to bankers. So we have utilized the CC limit or we have increased our working capital to look at my cash and bank balance then there is an increase in FDs also. These FDs are created for giving bank guarantees. So this is -- so this is the reason the working capital requirement has gone up.

Atul Kumar: Okay, also this debt ratio has gone up to -- from like if I see last 3 years, right, we have been maintaining debt-to-equity of 0.3, now it has gone to 0.5. So going ahead in future, what is the debt ratio that we are targeting, debt-to-equity ratio?

Bhavin Gor: See, the debt ratio has gone up only because we have bought an office for which we have taken a loan. So this debt is 100 -- more than 120%, 130% is secured. Okay, so we have also made our contribution from the

company and that is the reason that you see that higher, but eventually it will come down below 0.3.

Atul Kumar: Okay, got it. And sir the last question I have on the pledge -- I do see we have 20% of the pledge shares from promoters. So is there any plan in near future to remove those pledges?

Bhavin Gor: Yes, we are discussing with banks. So see, basically this is given to replace the collateral because for any individual there is a limitation of giving collateral to the bank. Okay, so these shares are pledged to the bank for creating a working capital facility for the bank only. So we'll see, over a period of time as and when our market share is going up and we will be having some additional collateral available with us, then we can think of releasing those liens from our shareholders' stake -- promoter's stake.

Moderator: Thank you. We take the last question from Tejas Thakkar from T&J Investments. Please go ahead.

Tejas Thakkar: Yes, thank you for the opportunity again. So you just mentioned, you just mentioned that we've looking at July for the provisional patent. But sir, if I understand correctly, since you've just filed this patent, provisional patent, there's a whole process between it when the patent -- Indian Patent Office publishes that patent for objection and then there is the -- there's a waiting period and all that?

So do you think is it a little ambitious to expect it to come by July or are you looking or usually it takes, because what I understand it takes about 24 months to -- from the provisional patent filing time. So you can just throw some light on that? Sorry sir just one last point And the project that we've implemented under NDA, what is the likely time for us for completion of that project?

Bhavin Gor: So as what we understand from our attorney, they have done a very deep dive, detailed research regarding this particular patent what we are asking for. And after a lot of documentation and a lot of discussion, we

have finally filed the provisional patent in the last month. So we are confident getting a final patent in 12 months, as what they advised us. And the project which, which is under NDA and what we are doing, it will also take a similar type of 1 year to complete.

Moderator: Thank you very much. That was the last question. I would now like to hand the conference over to Dr. Varsha Kamal for closing comments.

Varsha Kamal: Thank you everyone for your questions and for your continued trust in Effwa. The first half has given us strong growth in revenue and profits, our largest project completed on time, a credit rating upgrade and the filing of our ZMD patent. We are equally focused on what remains to be done converting our pipeline into orders and bringing our working capital back to normal levels in the second half.

We will continue to keep you informed through our exchange disclosures for any improvements, any progress in the company's financials and other, other aspects. If you have any further questions, please reach out to our Investor Relationship Partner, X-B4 Advisory as they will definitely help you with all this. Thank you and good evening.

Moderator: Thank you very much. With that, we conclude today's conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.