

20th May 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 H2 FY26 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 H2 FY26 Earnings Call.

Kindly take the aforesaid information on record.

Thank you.

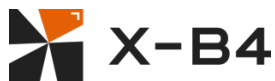
Yours faithfully,
For **EFFWA INFRA & RESEARCH LIMITED**

Lina Lad
Chief Financial Officer



“Effwa Infra & Research Limited
H2 FY26 Earnings Conference Call”

May 13, 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: **MRS. RASIKA SAWANT – X-B4 ADVISORY**

Moderator: Ladies and gentlemen, good day and welcome to the H2 FY26 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 this conference call, please signal an operator by pressing star and zero from your touch-tone phone.

I now hand the conference over to Mrs. Rasika Sawant from X-B4 Advisory. Thank you and over to you, ma'am.

Rasika Sawant: Thank you. Good evening, everyone, and welcome to H2 and FY26 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 harbour statement is given on second page of earnings presentation of the company which has been uploaded on the stock exchange as well as 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: Thanks, Rasika. Good evening, everyone, and thank you for joining us on our earnings call. On behalf of Effwa Infra & Research Limited, I extend a warm welcome to all our shareholders, investors, analysts and stakeholders on this call. We sincerely value your continued trust and support. I am delighted to share that FY26 has been a year of encouraging performance, reflecting the company's continued focus on sustainable growth, operational efficiencies and value creation for our stakeholders.

For the year ended 31st March 2026, our revenue from operations stood at INR253.3 crores, reflecting growth of 36.8% year-on-year. EBITDA for the year came in at INR42.1 crores, up by 40.3% year-on-year, while PAT stood at INR28.6 crores, registering growth of 42.3%. This was supported by stronger operational efficiencies achieved through continuous monitoring and control systems, focused value engineering initiatives, adoption of advanced engineering software and sustained investments in the technical and soft skill development of our workforce.

The company also delivered a healthy operating cash flow during FY26, reflecting our strengthened working capital management practices, efficient realization of receivables, and implementation of stringent credit control measures. In line with our long-term growth vision and expanding scale of operations, the company acquired new office premises measuring approximately 10,000 square feet in a location which is a prime location in Thane.

This strategic investment will further strengthen our operational capabilities and support future expansion initiatives. We are delighted to announce a dividend of 10% for our valued shareholders, reflecting the company's strong financial performance and reaffirming our commitment to delivering sustainable returns and long-term stakeholder value. With this, I will hand over to Mr. Subhash Kamal, who will share more on our business outlook, project momentum, and strategic priorities. Thank you, everyone.

Subhash Kamal:

Thank you, Dr. Varsha, and good evening, everyone. The environmental engineering industry has been transforming from traditionally known pollution control to a sustainability resource recovery and recycling, paving way for circular economy. At Effwa, we have consistently stayed ahead by anticipating where the industry is heading. Demand remains strong across steel, metal, oil and gas, infrastructure, fertilizer and other segments like data centers.

Customers today want solutions that improve their efficiency, reduce operating cost and manage the waste stream more effectively. The areas where our experience and core strength gives us clear edge. We have seen strong momentum across our major projects this year, executing key orders for multi-plants. Our order book stands at around INR750 crores plus with a pipeline of more than INR2,600 crores, giving us solid revenue visibility ahead.

Operation and maintenance is becoming an increasingly important focus area for us as the project size grows. O&M adds recurring revenue and deeper client relationship. And we are actively encouraging customers to bundle it with EPC. Our export, we continue to selectively expand in Africa and other international market. Our technical qualification, financial strength, and execution record are all improving, enabling us to bid for larger and more complex tenders.

Looking ahead, our focus is threefold, executing the order book efficiently, converting the pipeline into profitable orders, and building capability through technology, talent, and innovation. We are also strengthening internal system to scale up without compromising quality and safety. The combination of industry demand, execution strength, a growing client base. And a technology-led approach positions your Effwa well to create a long-term value for all stakeholders.

Thank you for your support, and I'll request our CFO to present the financial highlights for H2 FY26. Thank you.

Lina Lad:

Thank you, Kamal sir, and good evening to all participants. Starting with the financial performance for the second half of FY26, we recorded an operating profit of INR163.09 crores, reflecting a year-on-year growth of 31.2%. EBITDA came in at INR26.68 crores, translating to an EBITDA margin of 16.4%. Net profit after tax stood at INR18.47 crores with a PAT margin of 11.3%. For the full financial year FY26, our operating income was INR253.29 crores, a strong growth of 36.8% year-on-year.

EBITDA for the year was INR42.11 crores, up 40.3% from the previous year, with an EBITDA margin of 16.6%. Net profit after tax was INR28.62 crores, reflecting in a PAT margin of 11.3%. Let me now walk you through the segmental and business vertical performance for H2 FY26

and for the full year FY26. Starting with H2 FY26, from an institutional perspective, 63.2% of our revenue came from public sector undertakings, while the private sector contributed 36.7% and government institutions accounted for a marginal 0.1%.

In terms of geography, our business remained largely domestic, with 97% of revenue coming from domestic markets and exports contributing 3%. Looking at the service mix, effluent treatment plants with ZLD dominated our revenue at 95.1%. This was followed by effluent treatment with recycling at 1.7% and operation & maintenance contributing to 3.2%.

Now moving to the full year FY26 performance. From an institutional standpoint, 61.1% of our revenue came from public sector undertakings, while 38.4% was contributed by private sector and 0.5% from government institutions. On domestic versus export fronts, 87.2% of total revenue was generated domestically, with exports contributing a stronger 12.8% for full year.

Finally, in terms of service mix, effluent treatment with ZLD remained the dominant contributor at 92.4%, followed by effluent treatment with recycling at 4.6%, and O&M contributing 3%. Overall, the numbers clearly highlight our strong positioning in ZLD-based solutions and a predominantly domestic PSU-driven revenue profile.

Thank you. With that, I would conclude the segmental overview and would like to open the floor for any questions. Thank you.

Moderator: Thank you very much. We will now begin with the question-and-answer session. Your first question comes from the line of Ravinderbir Singh from Alpha AMC. Please go ahead.

Ravinderbir Singh: Congratulations, sir, on the great set of numbers. So, my first question is regarding the order book. In the last con-call that we had in January, you have mentioned the order book was around INR750 plus crores, but at the end of FY26, the order book still remained at INR750 crores. But you mentioned, you will be closing this year by more than INR1,000 crores of order book. So, isn't that we didn't get any orders, or how is that working?

Subhash Kamal: Yes. This present order value is whatever was executed, so balance of that, and few orders are already in our favour declared, but still we have not got the written intimation, which will be intimated.

Varsha Kamal: Which will be intimated to NSE once we receive it.

Subhash Kamal: Once we have on paper. But procedurally we have been declared successful. So, it will probably add to almost anticipated figure of INR1,000 crores.

Ravinderbir Singh: Okay. And sir, how much worth of order book have you bid for? How many worth of orders are in pipeline?

Subhash Kamal: When we say pipeline, it's, kind of, bidding into that, right. And few are serious. That is around INR2,600 crores, little more than that, INR2,600 crores.

- Ravinderbir Singh:** Okay. And sir, can you share about the progress that you filed on patent for Zero Material Discharge? How is that -- when it is coming live?
- Subhash Kamal:** July '27 we expect to launch it. We should have got the patent by then. However, with one of the client with some NDA, we are trying to implement. I'm bound due to NDA not to reveal where.
- Ravinderbir Singh:** So, you will be receiving the patent in July 2027, am I correct?
- Subhash Kamal:** Yes, before that we should get.
- Ravinderbir Singh:** Okay. And what are the margins that you will be commanding on that projects?
- Subhash Kamal:** This will definitely we'll be improving our margin, because this is the technology.
- Management:** First mover advantage.
- Subhash Kamal:** And first time, and which is going to save huge money for the industry.
- Ravinderbir Singh:** Okay. And sir, my last question is regarding the, in FY26 we have seen in capital work in progress of around INR20 crores, close to INR20 crores. So, what is that related with?
- Bhavin Gor:** Hello?
- Ravinderbir Singh:** Yes, sir.
- Bhavin Gor:** Yes, yes. Can you repeat the question sir?
- Ravinderbir Singh:** My question is in FY26 financials balance sheet, there is a capital work in progress of around INR20 crores, close to INR20 crores, INR19.8 crores. So, what is that related with?
- Bhavin Gor:** That is basically we have bought office, which is under construction. So, the INR19 crores is the amount, which we have already paid to the developer. Okay, the registration is already done on the name of Effwa, and the possession will be in December '27. So that is the part, which is reflected over there.
- Ravinderbir Singh:** So is it are you shifting your registered office or how is this?
- Bhavin Gor:** No, no, we are shifting our registered office over there. See, now our present office is of 5,000 square feet plus. So, we have bought this new office of 10,000 square feet as rightly mentioned by Varsha ma'am in her speech. That we are increasing the manpower also, and we have bought one 10,000 plus square feet of office in very prominent area in Thane, which is under construction. So that part, which we have already paid to the developer, which is reflecting as a capital WIP in fixed assets.
- Ravinderbir Singh:** Okay. And when it is expected to commission?

- Bhavin Gor:** It will be -- we get the possession somewhere, soft possession somewhere in September '27. By December '27, we are expected to shift over there.
- Ravinderbir Singh:** Okay, sir. I actually do have some few more questions, but I will rejoin the queue. Thank you.
- Bhavin Gor:** Yes, yes, sure. Thanks, Ravinder.
- Moderator:** Thank you. Our next question comes from the line of Taher Hyderabadwala from Grobiz Fund. Please go ahead.
- Taher Hyderabadwala:** Hi, sir. Thank you for the opportunity. Sir, I have just two, three questions. Are there any development on the Zero Liquid Discharge technology, which was targeting to launch by FY27.
- Moderator:** Sorry to interrupt. Taher sir, you're sounding a slightly muffled. If I can request you to use handset, please.
- Taher Hyderabadwala:** Sir, thank you for the opportunity once again. And I have just two, three questions. First is on the Zero Liquid Discharge technology, which was plan to launch by FY27. So, are there any major updates?
- Subhash Kamal:** Yes, that is Zero Material Discharge basically, because ZLD, that is a step-ahead of ZLD, right?
- Taher Hyderabadwala:** Yes.
- Subhash Kamal:** So, the process of patenting is on, because it's not one day process. Lot of documentation, clarification, they keep coming. So, it's in advanced stage. We hope should be done in the first quarter, or something around there in '27. So, we have planned to launch it commercially by July '27. So, we hope it should happen much before.
- Taher Hyderabadwala:** Okay, okay. And sir, we have given a guidance of grow 50% plus in FY26. I say that what will be the guide for next two to three years going forward? FY27, FY28, FY29, if you can give us a number would be great.
- Bhavin Gor:** 35% to 40% CAGR we are expecting to grow for next three to four years.
- Taher Hyderabadwala:** Okay, okay. And, sir, one last question. If you can give us a revenue bifurcation between effluent treatment plant with ZLD, effluent treatment plant with recycling, and waste management and O&M.
- Bhavin Gor:** Around 92.4% is effluent treatment plant with ZLD, 3% is O&M, and effluent treatment plant with recycling 4.6%.
- Taher Hyderabadwala:** Okay. And how this mix will evolve going forward, when we say going forward two to three years, where will be focus more and growth will come from?
- Bhavin Gor:** See, we are basically present, we are focusing on ZLD plus as sir rightly mentioned that ZMD we are already developed and we will be commissioning some project in 2027. Once that is

picked up, so that will be the first mover advantage to us. We are the only one providing such kind of solution to the customer.

So definitely looking at a bigger margin over there and considering the demand because that can be taken care in terms of existing plant also, which can be upgraded plus the new plant, which will be coming with this solution. So that will really change the dynamics.

But at present, whatever we have available, ZLD is contributing, and we are focusing on O&M part, because now all the projects are more than INR200 crores plus. So, the size of the O&M is also higher, okay. And that is spread out to three to four years of any projects. So, we are expecting to 3% to 5% revenue should come from O&M.

Taher Hyderabadwala: Okay. Got it. And sir, out of the order book of INR600 crores, what number we have said? I missed that part. If you can break it up into what is the order book from government or public sector and private sector?

Management: Private sector is around, out of INR750 crores, we have around INR500 crores plus from private sectors like JSW and HUTNI, and that balance part is from PSUs.

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

Management: Thank you.

Moderator: Thank you. The next question comes from the line of Pritesh Chheda from Lucky. Please go ahead.

Pritesh Chheda: So, this INR750 crores order means how many sites?

Bhavin Gor: Around five to six sites.

Pritesh Chheda: Okay. And second on the ZMD, so what, kind of, industries will need ZMD?

Bhavin Gor: Just wait. I'll hand it over to Mr. Subhash Kamal .

Subhash Kamal: Yes, actually all the industries who are having ZLD today, or will be having ZLD, the whole concept will change to ZMD.

Pritesh Chheda: And what is the difference between -- so it's basically -- is it basically addressing the liquid discharge only, or because you use the word ZMD, so I was just confused.

Subhash Kamal: Yes, at present what we are doing under ZLD is whole liquid is turned into water, and the residue is all unwanted stuff, which is a hazardous thing for disposal, which we are paying heavily, a client is paying heavily for safe disposal, okay?

So, what we are going to do in our process, we'll have water and then we'll have several byproducts for reuse in different industries, either the self-industry, or you can have some other

industry. So, you will not have anything dispose, so you will save lot of money in disposal cost and also in energy cost.

Pritesh Chheda: Okay. So, basically let's say in ZLD liquid is turned into water and between that whatever a sludge, or any other material has to be disposed, whereas, under ZMD there'll be nothing to dispose?

Subhash Kamal: Exactly.

Pritesh Chheda: Okay. And what will be the, let's say, a capex cost premium to ZLD?

Subhash Kamal: For that, there should be, we should be making some premium for sure for all our efforts.

Pritesh Chheda: Okay. But for any plant, or let's say any company that is putting up a certain liters of ZLD, if it puts a ZMD, how much more capex that they would have to incur?

Bhavin Gor: So in that case, the company will recover that additional premium what they are paying for ZMD in one year or 1.5-year payback period.

Pritesh Chheda: Okay. And when will this -- had this solution being already started, being offered to the client?

Subhash Kamal: No, not yet. We are waiting for patent to be in place to question that patent, because if we launch then we can sustain maybe for couple of years before others start copying it, which is encouraged by many industries also. So, we have patience. And, however, by the time I get my patent, we would like to have one plant operational. So, we have done some NDA with one of the reputed client, who we are working for many years with them. So, hopefully before we get the patent, something there will be witnessed.

Pritesh Chheda: And in your opinion, it's a 12-month affair to get the plant up for that client or it's more than 12 months?

Subhash Kamal: No, it's less than 12 months.

Pritesh Chheda: Okay. It's less than 12 months. Okay, got it. So, the last thing is on the ZLD side, which is the bulk of your business. If you could translate into the liters of water treated, or annual installation and our market share considering this INR250 crores, INR260 crores revenue that we have, if you could translate into the market share?

Bhavin Gor: So, the market size is more than INR10,000 crores. And we are mainly doing only industrial water recycling. We are not into municipal corporation or STP or anything. Otherwise market size is humongous.

Pritesh Chheda: And in the industrial water supply -- industrial treatment, what is the market size and our market share?

Bhavin Gor: In the industrial water recycling, it's around -- if you talk about India.

- Subhash Kamal:** I see your question, I'll address. See, we do not work with individual private sector. We work with leading top-notch private sector; they are almost like PSUs. If you name Tata, JSW, Vedanta, so they are the clients. And our success rate is almost plus 30% where we bid. Even in this sector also, we do not bid for everything like water treatment we do not, because we can't be competitive. There are many other people.
- We have very selective things where we can have some premium, where our engineering is valued. So, our success rate is almost 30% plus and we have good competitors, good companies to compete.
- Pritesh Chheda:** Okay. But let's say in the INR250 crores business that we do, or let's say what was the inflow that you took last year, order inflow?
- Bhavin Gor:** Pardon, can you repeat the question sir.
- Pritesh Chheda:** What was the order inflow last year?
- Bhavin Gor:** Order inflow last year was around INR600 crores plus.
- Pritesh Chheda:** So, when you say 30% success rate on INR600 crores, does it mean that there was...?
- Bhavin Gor:** See, Success rate is not -- I said, that is more than INR2,000 crores orders were bid. Out of that we got INR600 crores.
- Pritesh Chheda:** Yes, that's what I'm saying that in the clients that you address, there was a INR2,000 crores of order inflow available, and you got INR600 crores?
- Bhavin Gor:** Yes, yes.
- Pritesh Chheda:** And those clients that you refer to are some large corporates, large listed organized corporates of India?
- Bhavin Gor:** Yes, yes.
- Pritesh Chheda:** Any size of corporate that you would go up to, because let's say there are 3,000, 4,000 listed companies in India, and in manufacturing there'll be a certain number of companies. Is there a certain size up to, which you go and bid or how it is?
- Subhash Kamal:** No, the large corporates, it's not the size or their rating, we don't do. We just see the track record with respect to financials and their stability. Risk analysis we do where there's lot many parameters before we decide to bid.
- Bhavin Gor:** So right now we are working with Tata, JSW, Reliance, Adani in private sector, and public sector IOCL, BPCL, HPCL, those are our clients. So, considering those big corporates, blue-chip company you can call it.

- Pritesh Chheda:** Okay. So, your usual industry has to be steel, metal, oil and refineries, these will be the main industries, right?
- Subhash Kamal:** Yes.
- Pritesh Chheda:** Okay. Thank you, sir.
- Moderator:** Thank you. Our next question comes from the line of Aditya from Securities Investment Management. Please go ahead.
- Aditya:** Yes, hi, sir. Thanks for the opportunity. Sir, now with this war happening, material costs have been increasing throughout. So, in our business, how are we placed against this raw material inflation? Do we pass on this inflation or [inaudible] orders?
- Subhash Kamal:** We have in most of the contract escalation clause. For almost all the contracts that we have are with the escalation clause.
- Aditya:** Understood. So, this escalation clause is for particular metals only or for what, kind of, material?
- Subhash Kamal:** They are basically indices, RBI indices where metal comes, electrical components come separately. Diesel and petrol rate also affect that goes with the civil. So, we have for almost everything. And these are part of the contract.
- Aditya:** Understood. So, we don't expect the margins to take a hit because of this raw material inflation.
- Subhash Kamal:** We are well-protected.
- Aditya:** Understood, sir. And sir, on the balance sheet, what is the retention money amount currently?
- Bhavin Gor:** INR28 crores to INR30 crores.
- Aditya:** Okay. And sir, I think we were looking to furnish bank guarantees so that we can faster recover our retention money. So, how is the progress on that front going?
- Bhavin Gor:** Yes. Couple of clients have accepted it and in coming projects we are putting that clause.
- Aditya:** Understood. And now, I think we are primarily present in steel and oil and gas sector. So, are there any other sectors, which the company is looking to get into where ZLD is majorly used, and which would also help us increase our addressable market?
- Subhash Kamal:** Mining, steel, metal, fertilizer, oil and gas, and then data center is picking up. So, now we are into -- although, orders not yet received. But, yes, we are in that field as well. Then in addition, we were not into municipal business, but with the current trend that treated sewage to be used by industry. So, we are into that field also. We are participating for sewage recycling plants, existing sewage recycling projects, which is a huge profile, yes.

- Aditya:** But sir, what I understand was the reason we were not participating in this sewage projects was there used to be delays in the project commissioning and the payment was also not on time. So, just wanted to understand why are you now getting into this municipal, kind of, business?
- Subhash Kamal:** Because this business is not being dealt or controlled by municipalities. This is falling under industrial estates. They are not run by municipal authorities. So, we are dealing with agency like GIDC or MIDCs, number one.
- Two. Executing sewage project getting delayed was due to laying the sewer line and excavating all over the township. So, those were the challenges and they remain. Therefore, we were not into that. So why we are now interested is, because at one point, I'm getting the treated sewage from there I have to further treat and recycle it and supply to industrial estates.
- Aditya:** Understood. Got it. And now as we are now bidding for larger contracts, so how is the execution timeline of different versus the earlier small size orders we used to do?
- Subhash Kamal:** See, they are going up to 36 months. The biggest one we are basically part of a pipeline will extend up to 36 months, but normally it is 12 months to 20 months.
- Aditya:** Okay. Understood. Sure, sir. Thanks for answering my questions.
- Bhavin Gor:** Yes, thank you.
- Moderator:** Thank you. The next question comes from the line of Karthi from Suyash Advisors. Please go ahead.
- Karthi:** Yes, good evening, sir.
- Subhash Kamal:** Good evening.
- Karthi:** Yes. Sir, couple of things. On the INR750 crores order backlog, what is the committed execution schedule for FY27, and what is the revenue recognition policy?
- Bhavin Gor:** We are anticipating around INR350 crores plus to commission in next coming financial year in this.
- Karthi:** Yes, yes. But see, if I remember the JSW order is an 18-month order and it's already four and a half, five months into that project, right? Likewise, the HUTNI project is a 14-month project. So, I'm just wondering why you're being conservative, or is it that there is a change in the schedule, execution schedule?
- Bhavin Gor:** No, there is no change in the schedule as such. Just a minute.
- Subhash Kamal:** In JSW we are already done with the engineering, still it's going on and site work already commenced. Civil work is by the client. So, already they have started. And by March, we shall be executing almost 25% to 30% on the order value in this, and then it goes beyond March

basically. So, rest shall be executed in '28. So total period was 20 months. So, we could not do in this financial year because engineering is going on.

Karthi: Okay. And what would be the revenue recognition policy, sir?

Bhavin Gor: Revenue recognition policy same as what we do always. Once the bill is accepted by the client and approved by the client, we recognize revenue.

Karthi: Right. So, depending on it is percentage of completion basis, or is there a different milestone?

Bhavin Gor: Milestone basis. See, the whole tender -- while bidding only the milestones are defined and according to the milestones we submit our bills, they do all their check once they approve, client approves, then only we account the bill.

Karthi: Right. And so this year, for example, FY26, there was, if I remember correctly INR15 crores, INR20 crores spillover from the previous year when you couldn't make certain deliveries and that spilled over to this year. So, if I adjust for that, the growth has not been as positive as I would have liked, as was originally indicated actually. So, I'm just wondering if there is any challenge on the execution side?

Bhavin Gor: No, there is no challenge on the execution side, but what happens, there are 10 things that plays very important role, which is not in our control, because of the war situation and labor supply issues in the last month, there were couple of dispatches got delayed. So, uncertainty is the only thing that we need to see, otherwise whatever we planned accordingly we...

Karthi: Those dispatches were done or not done yet?

Bhavin Gor: Pardon?

Karthi: You said some dispatches could not happen...?

Bhavin Gor: Done, done. That is done in this first half.

Karthi: But I couldn't see anything in the inventory number. There's only INR25 lakhs inventory number.

Bhavin Gor: Sir, it was not purchased. So how I can develop the inventory? The material came in April.

Karthi: Okay. Anyway, thank you.**Bhavin Gor:** If it could have come in March, yes, then it would come in the inventory?

Karthi: Okay, sir. Thank you.

Bhavin Gor: Yes, thanks.

Moderator: Thank you. The next question comes from the line of Manoj Shetty from MS Investments. Please go ahead.

- Manoj Shetty:** Thank you for the opportunity. Sir, it's regarding the INR250 crores of sales that we have done in the current year. If I remember correctly in one of the earlier calls you had given a target of around INR350 crores. So, there is a drop of more than INR100 crores. So, you have just mentioned about the war part and all, but was there any other reasons because the difference is more than INR100 crores?
- Bhavin Gor:** Sir, I think you are referring very old call, okay, because that time we were expecting JSW order to come somewhere in June, July, but due to their SOP system it got delayed and we got that order somewhere in December. And HUTNI also we were expecting in May or June, but there are lot of -- their internal approvals and their government approvals are required to start this. So, we got that project somewhere in December.
- So, because of that only it happened, but in our all calls after November or December only we started revising those numbers, because we were confident of getting those projects even in, you know, but because of the procedural aspect that got delayed. But, otherwise, there is no reason of any problem in terms of execution.
- Manoj Shetty:** Okay. Sir, now for the FY27 you are saying 35% to 40% growth. So, for FY26 sales figure of INR255 crores, if I add 35% minimum number, so it comes to around INR350 crores. So, with whatever the orders you have on hand, like, INR750 crores plus whatever INR250 crores you said you've already won and yet to receive that, so that should be sufficient to do this INR350 crores for FY27. Then there is no other problem in that, right?
- Bhavin Gor:** Yes, yes.
- Manoj Shetty:** Correct? Okay. Now, regarding the order book size, you are mentioning that as on January or February when you did the last call, you had order book of INR750 crores as on that day. Thereafter, whatever you have executed in last three months, that is January, February, March, plus whatever the new one have come, so all put together it is again it's that INR750 crores only and another INR250 crores you're expecting in another one or two months. Is that understanding is correct?
- Bhavin Gor:** Yes, yes. We are expecting in two, three months that additional one.
- Manoj Shetty:** So that it will become INR1,000 crores?
- Bhavin Gor:** Yes.
- Manoj Shetty:** Okay. Now in this INR1,000 crores, can you tell me how much of these orders includes O&M also?
- Bhavin Gor:** See, basically O&M is a part of the projects. There is no separate order for the project. Now, whatever projects we have completed in past, let's say in 2025 to 2026, which is handed over, their revenue of O&M will start coming, which we are anticipating around in terms of absolute amount, it may be INR10 crores to INR12 crores.

Manoj Shetty: In the FY27?

Bhavin Gor: Yes.

Manoj Shetty: See, what I'm saying is, so in this INR1,000 crores of order whatever you are having, so that should have more than 90% ZLD-only?

Bhavin Gor: Yes, more than 90% ZLD, almost ZLD.

Manoj Shetty: Okay. And all these ZLD, because you had mentioned in the earlier call that all these ZLD projects you're quoting with O&M. So, all these have O&M?

Bhavin Gor: Yes, yes, yes.

Manoj Shetty: So now in the current year, see, 4.6% is the O&M revenue of the overall revenue. So, that should give you -- pardon me, sir?

Bhavin Gor: It's 3%.

Manoj Shetty: No, sir. Operation and -- sorry, 3%. So that means it's around INR8 crores or so.

Bhavin Gor: Yes.

Manoj Shetty: So next year, for FY27, there will not be much increase in that, because you're saying only INR10 crores to INR12 crores?

Bhavin Gor: See, whatever project is completed, that O&M only will start. And second thing is my base amount has gone up. See, from INR250 crores I'm going INR350 crores, then in percentage term it will be diluted.

Manoj Shetty: Okay. But this O&Ms have relatively better margins, correct?

Bhavin Gor: Obviously, obviously.

Manoj Shetty: Obviously. Okay. Sir, my last question is, see, even though we are cash flow positive this year, you had mentioned that once we cross revenue of INR350 crores plus, then you may have to look for some raising the funds. So, is that situation remains the same or is there any other changes?

Bhavin Gor: No, we have got sufficient bank limits from our bankers since our credibility from CRISIL has gone up. And looking at our financials, our banks has proposed a reduction in collateral also. So, we are sufficient enough with the fund-based limit plus non-funded limit to execute project plus project of around INR450 crores. So, this is what the right present situation is.

Manoj Shetty: Okay. So that means till FY28 more or less looks like you're covered. You would not be required to raise money?

- Bhavin Gor:** Most likely, see what happens, sir, we are now bidding for a very high value projects. Previously we were doing INR50 crores, INR60 crores, then we gone up to INR100 crores, then INR200 crores, now JSW INR300 crores plus. Now what we are looking doing is around INR500 crores, INR600 crores projects also. If we fortunately get the project, then we may require some fund. So let's -- if we go in this speed, we are sufficient enough, but God grace we get some INR500 crores, INR600 single project in coming time, then definitely we can look for some funds.
- Manoj Shetty:** Okay, fine. But to do INR450 crores of turnover, you don't require any cash, but if it is more than that if you're trying to cross, then only you would be requiring the fund. That is what you're saying, correct?
- Bhavin Gor:** Yes, yes, yes.
- Manoj Shetty:** Sir, lastly, I'll squeeze in one more question. As on 31st March, there is a debtor's amount of INR128 crores, or INR128.7 crores.
- Bhavin Gor:** Yes.
- Manoj Shetty:** So the debtor amount has not gone up proportionate to the increase in the revenue, which is commendable job. But just wanted to know how much of this INR128 crores you have this retention amount?
- Bhavin Gor:** INR28 crores to INR30 crores, sir.
- Manoj Shetty:** INR28 crores to INR30 crores. Okay. Thank you very much, sir, and wish you all the best for the current year.
- Bhavin Gor:** Thank you.
- Moderator:** Thank you. Our next follow-up question comes from the line of Ravinderbir Singh from Alpha AMC. Please go ahead.
- Ravinderbir Singh:** Sir, my question is regarding the largest single order. Is it just from the JSW that is for INR300 crores, and what is the capacity of that order?
- Bhavin Gor:** It's INR313 crores of order from JSW. That is the highest value project.
- Ravinderbir Singh:** Okay. And sir, you mentioned, you have orders from the clients like oil and gas companies. So, with the ongoing geopolitical tensions, don't you think they will be deferring the projects, or is there any kind of delay in the projects that you might face?
- Bhavin Gor:** IOCL is on the verge of finishing, right? IOCL project that we are right now executing is almost now on completion. And as far as the capex is concerned, we don't see any reduction or deferment of capex from those oil industries at present.

- Ravinderbir Singh:** Okay. And sir, just I missed that part, you mentioned the Zero Material Discharge. I was just asking, when are you expected to receive that patent?
- Bhavin Gor:** That is under process, sir. So, we have already prepared all the documents, and attorneys are already appointed, papers are given to them. We are expected in a months or so, we will be able to file those things. And sir has already mentioned that we are also trying to do NDA with reputed client for practical solution -- demonstration at a full scale. So that's what the status is.
- Ravinderbir Singh:** Sir, actually mentioned we have the date for around July 2027. So, is it the date for completing the ZMD project or is it for receiving the patent?
- Bhavin Gor:** Patent takes around 12 months to 13 months or 14 months' time. So, both are happening parallely. So that is what July somewhere we can get both the things.
- Ravinderbir Singh:** Okay. So, you are expected the patent will take more than one year now, right?
- Bhavin Gor:** Yes, yes. It's a general period, because we are doing it globally also. It's not only India.
- Ravinderbir Singh:** Are you facing any, kind of, challenges because you have filed this for around more than six months, so it will take more than one year, so total be around more than -- close to around two years of filing the patent. Is there any issues or delays that you are facing?
- Bhavin Gor:** No, no, there is no delay. It's very highly technical part of it. There are lot of paper need to write and give it to the attorney. So, it's a process, lengthy process, but we have already passed those milestones.
- Ravinderbir Singh:** Okay. And sir, you have mentioned the growth of revenue of around 35% to 40% on revenue. But if we see the order book of around INR750 plus crores, which will you be closing around INR1,000 plus crores. So, and the timeline of that projects are around 18 months to 20 months. So, don't you think it would be close to INR400 crores to INR500 crores by the end of FY27?
- Bhavin Gor:** We are trying our level best. We are just putting numbers on a conservative side, because these are the numbers already there in hand. The projects are already there in hand and I just need to execute. But to be a conservatively, we are putting those numbers.
- Ravinderbir Singh:** Okay. And sir, my last question is regarding can you mention about the total of fund-based limits and non-fund-based limit, like the working capital line, how much do you have and what is the cash conversion cycle, like, how much you can do of revenue with that?
- Bhavin Gor:** With the present limit, we can do INR450 plus crores revenue. And we have around INR235 crores total limit, of which INR62 crores is fund-based, balance is non-fund based.
- Ravinderbir Singh:** Okay. So, with INR235 crores of limits, you can do around INR450 crores of revenue. Am I correct?
- Bhavin Gor:** Yes, minimum.

- Ravinderbir Singh:** Okay, sir. And sir, just from the follow-up about the shifting of new offices. So, are you planning to increase your workforce or how is it going? And what is the employee strength as of now?
- Bhavin Gor:** Yeah definitely we want to increase our workforce from here now to achieve INR500 crores plus. See, we are targeting quite a big amount in coming three to four years' time.
- Ravinderbir Singh:** Okay. And what is the strength of the employees as of now on your company's payroll?
- Bhavin Gor:** Right now, it is around 140, 145.
- Ravinderbir Singh:** Okay, sir. Thank you. That's all from my side.
- Bhavin Gor:** Yes, yes.
- Moderator:** Thank you. The next question comes from the line of Aditi Kasbekar, an Investor. Please go ahead.
- Aditi Kasbekar:** Good evening, sir. Thank you for the opportunity to ask question. So, you just mentioned that we have 145 employees. Is that correct?
- Bhavin Gor:** Yes.
- Aditi Kasbekar:** How many of these are engineers, sir?
- Bhavin Gor:** 75% of them are engineers.
- Aditi Kasbekar:** 75% engineers. And by the end of FY27, so I assume that this is, you know, as of 31st March is the number. So, by the end of next year, how many people we plan to hire?
- Bhavin Gor:** That is around 10% to 15%.
- Aditi Kasbekar:** So, the total count will grow by 10% to 15%, is it?
- Bhavin Gor:** Yes, yes, yes.
- Aditi Kasbekar:** Got it. And I believe that all of this will be growth in engineers. So, engineers currently around 108 to 110 engineers, which will grow by 10 % to 15%. Is that the right understanding?
- Bhavin Gor:** Yes, yes.
- Aditi Kasbekar:** Got it, sir. Sir, the other question I have is in your corporate presentation you've mentioned that you're planning to foray into high purity water treatment segment for data center applications. So, what I wish to understand about this segment is, I mean, firstly, who are our competitors or who are the other people who are doing this already?
- And secondly, in terms of technology, or in terms of the capability to execute those, kind of, projects, etcetera, how different are these high purity water treatment segment for data centers

different from what we are currently doing, which is primarily ZLD for metal plants, or some of the other industries that you already spoke about? So, two parts to that question; one, is how different is that technologically or in terms of capabilities, and secondly, who are the competitors?

Subhash Kamal: Yes. See, high purity water you require in pharmaceutical, primarily pharmaceutical industry, but the quantity required is very small, number one. So high purity is not something very important, is the quantity of high purity water.

Now for ZLD, I have to add one more step for high purity. From purity to high purity, one more step comes. In data center, you need large quantity of water where we have proven track record. So, in fact, we were not focusing on this, but growing data center and then people reaching out to us. That's how we are now into. We are yet to get our first project, but yes, earlier we were not into, but since it's growing, so we have got into now.

Aditi Kasbekar: Got it, got it, sir. But basically in terms of the -- so basically what you're saying is to go from purity to high purity, there are additional steps involved, that's what you're suggesting?

Subhash Kamal: Yes, an additional step of big size, therefore, you name good companies like WABAG is there, Thermax, so we are there. Where there are hundreds of companies who have been focused and specialized for very high purity water, but the quantity was very small. They were machines. What we do is a project.

Aditi Kasbekar: Understood.

Subhash Kamal: So if I give you size, 1 lakh liter and it becomes 1 crores liter. That's the kind of difference.

Aditi Kasbekar: Oh, I see. Okay. Got it, sir. Got it. So, basically in terms of, I mean, technologically it's the same, but the scale is a lot larger in terms of managing the water and that's why -- and there is also given that you're moving from purity to high purity, there are additional steps involved. And we're saying that WABAG and Thermax I think have been our competitor in our current segment as well. So, they will be competing with us in this segment too, but this is where we're increasingly trying to focus more attention. Is that the correct understanding?

Subhash Kamal: You got it right. Earlier we were not in competition, now we'll be in competition. Rather now we are in competition.

Aditi Kasbekar: Understood, sir. And how do we see that market? I mean, just can you talk a little bit through, how much -- I mean, what kind of inquiries are you seeing? How is that market growing? Because obviously there is a lot of talk around India going very aggressively into building out data center capacity across the country. So, can you just elaborate on what, kind of, opportunity we're seeing there?

Subhash Kamal: We don't see there's a very big, exciting opportunity. It's only because we had to address for our stakeholders. Everyone was asking, oh, data center is something big, so I said, how big it is, let's

see. So that's how we got into. It's not something where you can run your whole future based on this.

Aditi Kasbekar: Understood, understood. No, fair enough, sir. Thank you very much for the clarification. This is clear. Thanks a lot, sir.

Moderator: Thank you. The next question comes from the line of Atul Kumar, an Investor. Please go ahead.

Atul Kumar: Hi, thank you, sir. Congratulations on the good set of numbers. Am I audible?

Moderator: Yes, sir. Please go ahead.

Bhavin Gor: Yes, yes, please.

Atul Kumar: Okay, cool. Congratulations on the good set of numbers. So, basically, I had some questions regarding patent for zero discharge. So, basically, as far as I understand it, this will depend on the type of effluents that's coming out from industry. So, basically the chemical processes and technology will differ based on whether we are making it for steel industry versus pharmaceuticals or some other industries, right? So when you're applying for the patent, is it for some industry like few specific industries or it's across that you're applying for?

Subhash Kamal: We are not limiting to particular industry. It's wide open. Wherever you have a ZLD, this will replace ZLD concept basically. And every industry needs ZLD. There are internal changes, they are design changes depending on the industry and their waste.

Atul Kumar: Okay, okay, sir. And also you said that you are applying this for global market as well and not just India. So, basically, what is the competition in India, or in global market and I heard I think, you are saying that we are first mover in this, so is it that no one else has patented this process or technology for Zero Material Discharge so far?

Subhash Kamal: Yes, actually there are patents available, but the process is so cumbersome, unreliable, which produces the material of poor quality. The process is very expensive with recurring huge cost. Instead of payback period, it only reduces and not yet proven. And when we do this, when we make our application, this is the first step whether our innovation is worth patenting. Does it deserve -- does it qualify? So, we already qualified. It means we are not clashing with any other options available.

Atul Kumar: That is great, sir, actually to listen to. And also, we are planning to get it in next July. So, do we know how many years of advantage we'll have for this patent? Is it going to be more than five, seven, or 10 years?

Subhash Kamal: 15 years. That's for 15 years.

Atul Kumar: 15 years? Okay, great. Sir, one more question I have on the growth that we are saying that we're planning to grow at a rate of 35% to 40% in next three, four years. So, to fund this growth, are

we planning to have any capex in next two-three years? If yes, then if you can share some details on that front. If we are, are we going to increase the debt-to-equity levels?

Bhavin Gor: No, we don't require any capex as such.

Atul Kumar: So, basically in the next three, four years, you are saying we don't require any capex in whatever capability we have today. It will be sufficient for us to give a growth of 35% to 40% for next three, four years?

Bhavin Gor: Yes, yes. We are very asset-light company. Even today also we don't do any assets. Look at the balance sheet except the office what we bought right now, there is no assets, no tangible big assets.

Atul Kumar: Yes. In future also we are planning to remain this -- like keep this asset-light approach?

Bhavin Gor: Yes, yes. It will remain like this.

Atul Kumar: Okay. Sir, one last question on main board migration. So, basically, I think by July next year we will be completing three years in SME. So, is there any thought on by when we're planning to move to main board?

Bhavin Gor: As soon as we are eligible, we are already -- as far as other things are concerned, we are eligible. Once the time -- three years completed, we will be doing shifting to the main board in July '27.

Atul Kumar: Okay, that's great. And just one last question, sir, actually if I can squeeze that in. So, when we work on effluent treatment plants with recycling capacities, basically in those what exactly we do, like, what processes? Do we do hydrometallurgy to recover some critical metals? If you can tell few sentences on that, it'll be really helpful.

Subhash Kamal: Can you repeat or put your question again please?

Atul Kumar: Yes. Sure, sir. So, basically, I'm saying when we execute projects, which are effluent treatment plants with basically recycling. So, in that, what processes do you use? Do you use hydrometallurgy, some other process to recover some critical metals, or how exactly that is for us?

Subhash Kamal: It's industry specific, not even industry specific. You may call it steel plant, but then you have to look at what the waste is, what is the effluent, right? Based on that we have to make the process. So, we have several unit operations to be optimized. So, there is nothing standard that you have and then keep on repeating. So, every time, at least in your company Effwa, we look at the waste and give solution.

Atul Kumar: Okay. And sir, how big market potential we have in Zero Material Discharge, if you can throw some light on it once we get the patent and we start the operation for it? So how big that market is in terms of total addressable market?



- Subhash Kamal:** For ZMD market will be existing ZLD projects and all upcoming, because all ZLD will change into ZMD because it pays back. And all upcoming ZLD will be known as ZMD now.
- Atul Kumar:** Okay. Thank you, sir. Thanks for the opportunity again.
- Moderator:** Thank you. Ladies and gentlemen, we will take that as our last question for today. I now hand the conference over to Mr. Subhash Kamal for closing comments.
- Lina Lad:** Instead of Subhash Kamal sir, Varsha ma'am would be giving the closing comments. Ma'am, please go ahead.
- Varsha Kamal:** Thank you, Lina. Thank you all everyone for participating in this earnings con-call. I hope we have been able to answer your questions satisfactorily. If you have any further questions, or would like to know more about the company, please reach out to our investor relationship partner at X-B4 Advisory. Thank you, everyone, and take care. Good evening. Thanks, Rasika.
- Moderator:** Thank you. On behalf of Effwa Infra & Research Limited, that concludes this conference. Thank you everyone for joining us and you may now disconnect your lines.