

Enviro Infra Engine.

12 August 2026

Operator: Welcome to the Enviro Infra Engineers Ltd. Q1 FY27 earnings conference call. Before we begin the conference, a brief disclaimer. This conference call may contain forward-looking statements about the company that are based on the company's beliefs, opinions, and expectations as of the date of this call. These statements are not guarantees of future performance and may involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions at the end of today's presentation. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I would now like to hand the conference over to Mr. Manish Jain, Managing Director of Enviro Infra Engineers Ltd. Thank you, and over to you, sir.

Manish Jain – Managing Director: Thank you. Good morning, everyone. I would like to welcome you all to our Q1 FY27 earnings call. On the call today with me is our investor relations team from AdFactors. We have shared our earnings presentation and press release, and I hope you have had the opportunity to go through them. On behalf of the entire team, I am pleased to share our operational and strategic progress for the first quarter of FY27.

Q1 FY27 continued to reflect the transformation that Enviro Infra Engineers has been building over the past years, as we strengthen our core position in water and wastewater infrastructure while expanding our presence across renewable energy, battery energy storage systems, and the wind EPC segment.

Our water and wastewater treatment business, along with our operations and maintenance portfolio, remained the foundation of our execution during the quarter. At the same time, our renewable energy platform continued to gain momentum, with increased capabilities across solar, wind, and battery storage. Our focus remains firmly on disciplined execution across all our businesses.

In water and wastewater, we continue to strengthen our technical capabilities, expand our geographical presence, and pursue larger and more complex projects. In renewable energy and BESS, we are focused on building a scalable platform supported by our capabilities across solar, wind, and energy storage. We believe the convergence of water infrastructure, renewable energy, and energy storage presents a meaningful long-term opportunity for Enviro Infra Engineers.

As an engineering- and technology-driven infrastructure company, we are focused on leveraging technology, engineering capabilities, and execution expertise to address evolving infrastructure requirements. Our priority is to convert these opportunities into sustainable growth while maintaining execution discipline, healthy margins, and prudent capital allocation.

Now turning to our order book and execution pipeline, our total order book stands at approximately 6,721 crore, providing strong revenue visibility for the coming periods. The order book comprises 3,694 crore in the water and wastewater treatment segment and 3,027 crore across renewable energy and BESS. Within the water and wastewater segment, we have 2,696 crore of execution orders and around 998 crore of O&M orders. In the renewable portfolio, we have execution orders worth 1,948 crore, while IPP and O&M comprise projects worth 1,079 crore. This diversified order

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book provides us with a strong execution pipeline and allows us to participate across multiple segments of the environmental infrastructure and clean energy value chain.

During the quarter, we secured a new EPC and O&M contract worth 113 crore from Sardar Sarovar Narmada Nigam Limited in Gujarat, further strengthening our water infrastructure portfolio. Through our step-down subsidiary, Suyog Urja Limited, we secured a renewable energy contract worth 207.5 crore for land aggregation and balance-of-plant works for a hybrid wind and solar project. This further strengthens our capabilities in the renewable energy value chain and provides additional execution opportunities through the Suyog platform.

During the quarter, we also secured two hybrid annuity model projects in Varanasi, Uttar Pradesh, under the Namami Gange program, with a combined value of 256.9 crore. These include a 60 MLD sewage treatment plant at Lota valued at 130 crore and a 45 MLD sewage treatment plant at DDU Nagar valued at 126.8 crore. Both projects have an 18-month construction period followed by a 15-year O&M period. We believe the addition to our HAM portfolio has now increased our total to five projects, further strengthening our long-term revenue visibility and the quality of our order book.

On the execution and business outlook side, our focus remains on converting the strong order book into revenue through disciplined project execution. Our water and wastewater business continues to remain the core of our operations, with execution spread across multiple states and project categories, including WWTPs, WSSPs, and ZLD projects.

The core water and wastewater treatment segment contributed approximately 255 crore, representing 71% of consolidated revenue and underscoring its significance to the overall business. At the same time, our renewable energy platform is also gaining meaningful scale. During Q1 FY27, renewable segment revenue contributed approximately 104 crore, which is around 29% of consolidated revenue, reflecting the increasing contribution of this business to overall operations.

As mentioned, our renewable capabilities now span solar, wind, and BESS, with both EPC and IPP opportunities. We believe the combination of these capabilities provides us with a broader platform to participate in India's ongoing transition toward cleaner and more flexible energy infrastructure.

Going forward, our priority remains to maintain execution momentum across the existing order book, pursue quality opportunities, and ensure disciplined bidding and capital allocation.

On the financial performance side, for Q1 FY27, revenue from operations stood at 359.2 crore, registering 49% YoY growth, driven by continued execution across our order book. EBITDA stood at 75.7 crore, registering 17.87% YoY growth. EBITDA margin stood at 21.07%, compared with 26.65% in Q1 FY26 and 18.7% in Q4 FY26. The movement in EBITDA margin reflects the current project and execution mix, along with the impact of input costs.

Profit after tax stood at 45.2 crore, registering 6.47% YoY growth, while PAT margin stood at 12.38%, broadly stable sequentially compared with 12.37% in Q4 FY26.

Overall, the quarter reflects strong revenue growth, continued execution momentum, and an increasing contribution from our renewable energy platform. Looking ahead, we see Enviro evolving

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into an integrated engineering services specialist across various industry verticals, wherein we can leverage our technological and project expertise on a wide range of projects.

We remain confident in our ability to execute the existing order book and continue to build a quality pipeline of opportunities across water infrastructure, renewable energy, and BESS. Our focus for the remainder of FY27 will remain on strong execution, working capital discipline, maintaining healthy margins, and creating sustainable long-term value for our stakeholders. With that, I would like to open the floor for questions.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have our first question from the line of Raman KV from Sequent Investments. Please go ahead.

Raman KV – Sequent Investments: Hello, can you hear me?

Operator: Yes, you are audible.

Raman KV – Sequent Investments: My first question is with respect to margins. Our gross margins have declined significantly YoY. Can you explain the main reason for the decline in gross margin?

Manish Jain – Managing Director: If you had seen our earnings guidance for the current financial year, input costs have increased since the start of this year. Therefore, there is a slight reduction in our guidance for EBITDA margins. Earlier, we used to give margin guidance in the range of 22% to 24%. For the current financial year, we have lowered our guidance slightly to the range of 21% to 22%.

The results reflect that the guidance we have given is in line with the actuals. Our EBITDA margin is currently around 21% at the standalone level, and we are happy to confirm that our EBITDA margin has remained at the same level of 21% even at the consolidated level, where the renewable energy business is consolidated.

This indicates that the EBITDA margin we expected, somewhere in the range of 19% to 20% with the renewable energy business included in the mix, has been achieved at a level slightly better than our earlier expectation.

Raman KV – Sequent Investments: Understood. So, basically, the decline in margin is primarily because of raw material costs and not because of excess competition in the industry. Is my understanding correct?

Manish Jain – Managing Director: No. It is because of the increase in raw material costs, first. Second, it is because of the renewable energy mix. Third, a lot of development work was ongoing in the last financial year. We were increasing our team size because we were receiving new projects and had a very healthy order book in the water and wastewater treatment sector itself.

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Our employee cost, if you look at it, increased to approximately 7% in Q1, whereas earlier it used to be in the range of around 3% to 3.5%. We expect employee costs to reach a prudent level of approximately 5% to 5.5% as we move ahead in this financial year.

Finance costs are also currently around 4%. However, at a blended level during the entire financial year, when the top line is expected to be in the range of 2,000 crore, we can expect finance costs to be in the range of 3% to 3.5%.

With this, our PAT margin, which currently stands at 12.5%, should see a delta of approximately 1.5% to 2%. This indicates that the company's progress is in the right direction and that we are doing well.

Raman KV – Sequent Investments: Understood. My second question is with respect to the order book. You gave us an approximate split between the water and wastewater EPC business and the renewable EPC business. I want to understand the timeline for executing these projects. On the O&M side, for how long, on average, are we supposed to provide O&M to the end user?

Manish Jain – Managing Director: First of all, with respect to the execution order book that we have, 2,7...

Management: ...2,700 crore is the order book available in the water and wastewater treatment segment. The execution timeline here is 18 to 24 months. Practically speaking, this entire order book of 2,700 crore is to be executed over the next 2 years.

Coming to the renewables side, this total order book of 2,000 crore is to be executed over a period of 12 to 18 months.

Now coming to operations and maintenance, when we talk about the water and wastewater treatment segment, all the turnkey projects, whether EPC or HAM, include operations and maintenance. These O&M orders come along with the execution order book from the beginning and span a period of 5 to 15 years.

At an average level of 10 years, we can say that roughly 100 crore can be the top line from operations and maintenance. Operations and maintenance itself provides a better EBITDA margin, but the quantum or value of O&M in comparison with execution will remain in the range of 3% to 5%.

Regarding the O&M order book for our renewable segment, it extends either from the EPC projects, which have a period of 5 to 12 years, or from the IPP projects, where IPP income will be received over a period of 25 years. This is how the entire order book will progress.

Raman KV – Sequent Investments: Understood. I will rejoin the queue. Thank you.

Management: Thank you.

Operator: Thank you. We have the next question from the line of Vidisha from CR Kothari & Sons. Please go ahead.

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Vidisha – CR Kothari & Sons: Can you quantify the impact of the increase in raw material costs that led to the margin decline, versus the impact of the project mix? Also, can you give us the EBITDA margin split between the solar, wind, and water EPC segments?

Management: First of all, if I talk about profitability in the different segments, in the water and wastewater treatment segment, we expect EBITDA margins to be somewhere in the range of 21% to 22%. In the renewable segment, which spans solar, wind, and BESS, EBITDA margins should be in the range of 15% to 18%. At a blended level, we can expect EBITDA margins to be somewhere in the range of 19% to 20%.

There can also be a different split within the water and wastewater segment, which spans EPC, HAM, and the type of water or EPC projects, such as EPC of sewage treatment plants or EPC of common effluent treatment plants. This blend, or product mix, across the quarter will drive the appropriate EBITDA margins. At a blended level, we can say that around 20% is the EBITDA level that we can achieve for the entire financial year.

Vidisha – CR Kothari & Sons: Understood. In the new orders that we won, is there a—

Operator: Sorry to interrupt you, Vidisha. Your voice is breaking.

Vidisha – CR Kothari & Sons: Am I audible?

Operator: No, it is still breaking. Can you please move to an area with better reception?

Vidisha – CR Kothari & Sons: Is it better now?

Operator: Yes.

Vidisha – CR Kothari & Sons: In the new orders that we won, is there a possibility of raw material cost pass-through?

Management: The impact of raw material prices is somewhere in the range of 1% to 2% of the company's overall top line. This is what we have accounted for in our EBITDA margin guidance, which we have currently lowered to 21% to 22%, instead of the 22% to 24% that was predominantly available in previous years.

Vidisha – CR Kothari & Sons: So, the cost will be borne by the company in the new orders as well, correct?

Management: There is a price variation clause in the tender as well, which is linked to the WPI and CPI indices. Some of the price increase is covered through this price variation, while some part is required to be absorbed by us.

There was a point in time when we thought that the war had just ended, things would settle down, and margins could improve again. However, we will have to wait. We may definitely have to absorb some of the price increases in our EPC prices themselves.

Vidisha – CR Kothari & Sons: Understood. Lastly, what was the revenue contribution from the wind segment? Also, in renewables, can you give us the split between O&M and EPC?

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Management: The wind segment contributed 80 crore in Q1 out of 359 crore. This order book is essentially 2,000 crore of execution order book in renewables and around 1,000 crore of O&M and IPP revenue order book in the renewable segment.

Vidisha – CR Kothari & Sons: That is all from my end. Thank you, and all the best.

Management: Thank you.

Operator: Thank you. We have the next question from the line of Sudeep Anand from Systematix. Please go ahead.

Sudeep Anand – Systematix: Good morning, and congratulations on a good set of numbers. We have seen that our overall profitability was impacted by higher interest costs. I understand this is largely because of the IPP business, but what could be the peak debt that we are looking at currently, based on the current order book that we have to execute?

Management: Good morning, Sudeep. The profitability has been impacted for the reasons I explained. One is the cost impact, since prices have increased. There is also a blend with renewables. However, unfortunately, at least for this quarter, we do not see any downside from the renewable order book that we executed in the current quarter.

With the total revenue mix, as we move further into this financial year, the revenue is currently approximately 20% in the guidance. In the first 3 quarters, it remains somewhere in the range of 20%, 20%, and 20%, while the last quarter accounts for around 40% of the overall revenue for the financial year.

As we move ahead, indirect costs, such as employee costs and finance costs, will reduce as a percentage of sales. Therefore, profitability is expected to improve slightly.

Sudeep Anand – Systematix: Can you give some more details on the bidding pipeline in both the water segment and the renewable segment? What exit FY27 order book are you looking at?

Management: At present, the projects for which bids have already been submitted and evaluations are ongoing amount to approximately 3,000 crore. Apart from this, there is a robust bidding pipeline. We are looking at projects worth approximately 6,000 to 7,000 crore for which bids have already been invited and we will be submitting our bids. In this way, the order book pipeline in the water and wastewater treatment segment remains very strong.

In the renewable segment, since the order book is already at a very decent level for the current financial year and we also see the next financial year positively, we are not going aggressively in renewables. Rather, our initial focus will be on execution in solar, wind, and BESS across all 3 segments, after which we can look forward to further increasing the order book.

Nevertheless, we expect some good orders in the wind EPC segment. We are looking for some good projects of approximately 600 to 800 crore to be added to the company.

Sudeep Anand – Systematix: Thank you very much. Thank you, and all the best.

Management: Thank you.

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Operator: Thank you. A reminder to all participants: if you wish to ask any questions, you may press star and one. Anyone who wishes to ask a question may press star and one on their touchtone telephone. The next question is from the line of Dhananjay Mishra from Centrum Broking. Please go ahead.

Dhananjay Mishra – Centrum Broking: Thank you for the opportunity. In terms of the balance sheet, what is the current status of receivables or unbilled revenue?

Management: Dhananjay, I would say that the position has not improved right now. The position is still bloated. However, we are hopeful because funds are always allocated. Even in the last quarter, we had confirmed that the movement of funds should take place, but it remains slow.

The working capital cycle still remains bloated. I do not have the exact numbers and cannot state the numbers that are there, but the position remains as it is. By September, when we publish our cash flow position, I am quite sure that we will be at a healthy cash flow level.

Still, what I will say is that the cash flow position of the company is stable. We are able to meet all our liabilities well on time. There has been no slippage at all with respect to any of our liabilities. There is a slight slowdown in receiving cash flows from government clients, but we do hope that the cash flow cycle will improve.

Dhananjay Mishra – Centrum Broking: With respect to Suyog Urja, regarding the second tranche investment for the remaining 25%, when do you expect it to be completed? What is the target revenue for this year, and what kind of order book pipeline are you looking at?

Management: The total acquisition that we made in Suyog Urja Limited had a total acquisition value of 311 crore. The first tranche of 111 crore has already been paid. The second tranche of 100 crore will be paid after FY27, sometime in July. It will be based on the KPIs that we have finalized in terms of revenue, the bottom line, and the order book that will be available.

There can be a slight increase or decrease in the payment amount at that point in time. It will be paid through a mix of internal accruals and some debt, which we will take as acquisition funding.

At present, Suyog has generated 80 crore in the first quarter. Our expectation is that Suyog Urja Limited will generate revenue in the range of 400 to 450 crore. In terms of the order pipeline, the current order pipeline in Suyog Urja's wind EPC business is somewhere in the range of 800 crore, and we expect another 500 to 600 crore of projects to come in the wind EPC segment during this financial year.

Dhananjay Mishra – Centrum Broking: Are margins in this segment close to 14% to 15%?

Management: If I talk about EBITDA margin, it is in the range of 15% to 16%. At the PAT level, I would say it is 12% plus, which we can achieve.

Dhananjay Mishra – Centrum Broking: So, this year, in FY27, we will consolidate only 51% in terms of profitability, and the 75% impact in terms of profitability will come in FY28, correct? We will complete the second tranche subject to achieving the revenue target of FY26 or the order book target. Is that the correct understanding?

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Management: After FY28, it will be the third tranche. There are 3 tranches: the first tranche has already been paid, the second tranche is due after FY27, and the third tranche is due after FY28.

Dhananjay Mishra – Centrum Broking: So, the Q1 numbers are on track to achieve whatever target you have set?

Management: Yes. We are well on target.

Dhananjay Mishra – Centrum Broking: That is all from my side. Thank you.

Management: Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any questions, you may press star and one. The next question is from the line of Ashwin Patil from Intelligent Prosperity Solutions. Please go ahead.

Ashwin Patil – Intelligent Prosperity Solutions: Good morning. First of all, thank you for the opportunity. Looking ahead to FY28, do you see any possibility of margins moving to structurally higher levels from the current 20% to 22% range?

Management: There is always a possibility of improvement. However, when we give guidance, it is based on a level of certainty regarding the minimum margins that will be achieved.

At a blended level, when we consider the water and wastewater segment along with the renewable segment, we look forward to EBITDA margins in the range of 19% to 20%. I have already explained the individual EBITDA margins: in the water and wastewater treatment segment, we expect them to be in the range of 21% to 22%, and in the renewable segment, 15% to 18%.

Nishit Shah – Motilal Oswal: Thank you. This is Nishit Shah from Motilal Oswal.

Management: Welcome.

Operator: Thank you. We have our next question from the line of Ankur Shah, an individual investor. Please go ahead.

Ankur Shah – Individual Investor: I hope I am audible. I have a quick question as an individual investor. Last year, there was a massive delta between what the management committed and what was achieved. I think we gave a year-on-year target of more than 50%. How confident are we this year in terms of execution and achieving the top-line guidance that you have been providing?

My other question is whether we are chasing growth at the cost of margins, or whether it is genuinely the case that raw material and employee costs have increased and significantly impacted the bottom line. I would like some clarity on that.

Management: Let me explain how the last year developed. At the start of last year, we were proceeding with an order book of approximately 1,200 crore. If I had given guidance based on that figure and a 50% to 60% conversion, the total revenue guidance could have been in the range of approximately 600 crore.

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However, there were many projects for which bids had been submitted and we were expecting the results. The results started coming in, but the process of order book accumulation remained somewhat slow. During the entire financial year, we expected the order book to increase and the revenue from the respective order book to also increase. However, that did not happen.

Our total revenue guidance, as a percentage of the starting order book, was more than 90% to 95%. In that way, I would say the company did not perform badly at all.

In terms of EBITDA margins, our guidance has never been higher than 22% to 24%. We are one of the companies that is in a position to maintain that level of EBITDA margins. I have never given guidance for margins higher than that. What we can foresee is that margins could increase as a measure of efficiency, which we never rule out, or as a result of the product mix.

Coming to the current financial year, based on the bid pipeline available to us, we are currently sitting on a very healthy order book. Our water and wastewater treatment order book alone is more than 2,700 crore, in addition to the renewable segment guidance.

When we look forward to achieving the top line and bottom line, we have made an investment of 75 crore in the renewable segment. If we consider the profitability that will come from it and understand the ROE levels, with our guidance of around 700 crore, if we are able to achieve renewable profitability in the range of around 60 to 70 crore, you can imagine the type of ROE that we can generate from that segment.

Coming to water and wastewater again, against this healthy order book, we have maintained a conservative conversion rate of 50% and are expecting 1,300 crore as our top line. Therefore, we look forward to maintaining our guidance.

There has been a slight increase in input costs. Regarding the development that took place last year, if you look at our presentation from the time we went public, our total team size was around 900, which has now increased to 2,300. This is because we were receiving orders and wanted our team to be in place so that we could execute the projects efficiently and in a time-bound manner.

Therefore, our costs increased slightly at one point in time, particularly employee costs. We understand that when we proceed and complete this financial year, these costs will definitely decline as a percentage of sales and will be reflected in improved profitability.

However, our guidance will remain in the range we are projecting, and we do hope that this year's guidance, which is based on the available order book, will be maintained.

Ankur Shah – Individual Investor: Thank you. Best wishes.

Management: Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any questions, you may press star and one. Anyone who wishes to ask a question may press star and one on the touchtone telephone. We have our next question from the line of Manish from Keynote Capital. Please go ahead.

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Manish – Keynote Capital: I have 2 questions. One question is on JJM. What are the receivables we have from the JJM mission, and is there any update on JJM 2.0? The second question is on our cash flow. Will we be CFO-positive in H1 on the balance sheet?

Management: First of all, talking about JJM, as we have already mentioned in all our previous interactions, JJM constitutes a very small percentage of our order book or receivables segment right now. There was only one portion of the order book that we took in MP, and then we continued execution.

At present, the trial and commissioning phase is ongoing. We bill approximately 15 to 20 crore for this, after which the payments are released.

If we talk about JJM as a whole, as we understand it, JJM and JJM 2.0 are now streamlined and funds are being released. Fortunately for us, we were working in MP, and the funds were not stalled even in the last financial year. We were also progressing smoothly under the JJM projects.

To my understanding, the total JJM component, either as unbilled receivables or as order book, will not be more than approximately 150 to 160 crore in our total balance sheet.

Coming to cash flow, operational cash flow definitely appears to be moving toward the positive side. Even in the last 2 financial years, if we take into account service concessionaire receivables, which are receivable over a period of 15 years and are included in operating cash flow activities, the cash flow goes negative by approximately 85 crore.

However, even as part of our audit process, we expect operating cash flow to turn positive. We hope this will happen, but we cannot provide any guarantees. We are hopeful that, based on the substantial funds that are expected to be released shortly, operating cash flow should turn positive.

Manish – Keynote Capital: Will we maintain the EBITDA margin and PAT margin guidance given in the last quarter? That would be around 21% to 22% for EBITDA, and PAT was approximately 13.5% to 14% for this year. Do we maintain that guidance?

Management: This guidance is for revenue from the water and wastewater treatment segment. On a standalone basis, we will maintain this guidance. At a blended level, EBITDA margins could be in the range of 19% to 20%, with profitability in the range of approximately 13% to 14%.

Manish – Keynote Capital: That is all from my side. Thank you.

Management: Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any questions, you may press star and one. We have our next question from the line of Raman from Sequent Investments. Please go ahead.

Raman KV – Sequent Investments: Hello, can you hear me?

Management: Yes, you are audible.

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Raman KV – Sequent Investments: My question is with respect to wastewater treatment HAM projects. We have around 400 crore of orders. You said that execution of orders in the wastewater segment takes between 18 and 24 months on an EPC basis. Can you specify how much time it will take to execute our HAM projects?

My second question is regarding the water supply project. We have a very small order book of 100 crore in that area. Will it be executed this year? I want to understand the execution cycle for this water supply project. Is it a quarterly execution cycle, or is it again a 1- or 2-year execution cycle?

Management: First of all, with respect to HAM projects, there is a process before defining or declaring the effective date. The effective date specifies the start of physical execution of the project. Before that date, certain conditions precedent are required to be fulfilled by all parties.

All parties means the concessionaire; in our case, the funding agency is NMCG; and the department with which we are executing the project is UP Jal Nigam. All parties are required to satisfy their respective conditions precedent.

The general timeline once a project is awarded is 5.5 months: 1.5 months for the creation of the SPV, followed by another 4 months for completing the design and drawings and achieving financial closure during that period.

After that, the execution period ranges between 18 and 24 months, as the projects have been awarded to us across these 5 HAM projects. This is how the timeline will proceed.

After construction is completed, there is a 3-month period for stabilization of the plant and achievement of COD. COD is the commercial operation start date, by which we achieve the performance guarantees based on which the plant was designed. Once COD is achieved, the 15-year operation and maintenance period begins, during which the operation and maintenance payments, along with the annuity and interest, are released on a quarterly basis.

Coming to the water treatment order book under JJM, which is approximately 100 crore in our books, we expect this entire order book to be completed within this financial year. This is a small portion of the 1,200 crore order book that we were executing.

Once this is completed, the 10-year operation and maintenance period will commence. There are a total of 5 projects, and the 5 projects will be commissioned one by one. For the first project, we expect commissioning to be recorded by October, after which operations and maintenance will commence. This is how the water-side order book will progress.

Raman KV – Sequent Investments: Thank you. Best wishes.

Management: Thank you.

Operator: Thank you. A reminder to all participants: if you wish to ask any questions, you may press star and one. We have our next question from the line of Sheetal Shah, an individual investor. Please go ahead.

Sheetal Shah – Individual Investor: Am I audible?

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Management: Yes, you are audible.

Sheetal Shah – Individual Investor: Good afternoon. If I remember correctly, in the last conference call, you had guided for consolidated revenue of 2,000 crore in FY27 and net profit of around 260 to 270 crore in FY27. Am I right?

Management: You are 100% right.

Sheetal Shah – Individual Investor: As per our execution history, Q1 constitutes around 21% of our total turnover. If we follow this, our turnover should be in the range of around 400 to 425 crore. However, this quarter we delivered around 360 crore. My question is, what was the reason for this lower-than-expected execution, and do you still maintain your guidance of around 2,000 crore turnover in FY27?

Operator: Yes, you can continue.

Management: Sheetal, first of all, when we say in our guidance that 20% should be the top line, there can be a delta of 1% to 2% on either side. If we have achieved 360 crore as the top line during this quarter, then we are well on target.

Let me explain the reason for this. We have some BESS projects from NTPC, including a {? 3,930 megawatt hour ?} project. Procurement of materials for this particular order will commence in Q3. Therefore, there will be a significant jump from Q3 onward, when the top line is likely to increase.

We are well on target to achieve 2,000 crore. We do not see any slippages. Wherever we have given our guidance, whether for renewables, a combination of solar IPP, BESS IPP, or BESS EPC, we are well on target and in a position to achieve the 2,000 crore top line. We maintain our guidance of PAT at the level of 260 to 270 crore.

Sheetal Shah – Individual Investor: It is very encouraging to hear that. My second question is regarding order intake. Can you tell us how many orders you bid for during this quarter? What is your strike rate? Or, alternatively, how much order inflow do you expect in the remaining part of FY27?

Management: First of all, our current bid pipeline for projects where evaluations are already underway is somewhere in the range of 3,000 crore. Another 6,000 to 7,000 crore of projects are available for which bidding will take place shortly. These projects have already been invited, and bids are being submitted.

The company's strike rate in the last financial year was in the range of approximately 20%. Therefore, we can expect order inflow of approximately 2,500 crore during the current financial year. This was also our guidance.

Out of this 2,500 crore, we have received 256 crore in the current financial year so far. There are 2 projects in Varanasi totaling 256 crore. Therefore, we expect to receive the remaining 2,250 crore during the current financial year. We are well on target and look forward to achieving this guidance again.

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Sheetal Shah – Individual Investor: It is very encouraging to hear that. My other question is regarding receivables. You highlighted that there is no problem, but our receivables and working days are bloated, if I heard you correctly. Do you think this will be resolved by September? Do you foresee any bad debts or anything else?

Management: First of all, we want to move toward a prudent working capital cycle. We definitely hope that funds will flow from the government side and that the working capital cycle will ease. This is one part.

The second part relates to the cash flows available with the company. Even at present, despite the bloated working capital cycle, the company has significant unencumbered funds available. Therefore, we are comfortable. We are completing our projects and making payments well on time. There is no hindrance or slowdown anywhere.

There have never been any bad debts in the history of the company, and we will continue to maintain that record in the future as well.

Operator: Sorry to interrupt you, Sheetal. May I request you to rejoin the queue?

Sheetal Shah – Individual Investor: I have only one question. If possible, just one last question.

Operator: Okay.

Sheetal Shah – Individual Investor: Thank you. Last year, we had a problem with execution because we could not receive orders on time, so we were unable to meet our target. This year, we have orders in hand. I want to reiterate my question: do you foresee any other headwinds that may prevent us from achieving this target? Do you foresee any headwinds?

Management: In the case of an EPC company, the top line is a derivative of the available order book. We were proceeding somewhat aggressively and expected the order book to increase significantly in the initial months, after which we would be in a position to execute against that order book. This is not the normal industry practice.

However, if you compare revenue with the order book available at the start of the financial year, the conversion rate is in the range of approximately 90% to 95%. Therefore, this does not indicate any slowdown in execution. Execution has always been the company's key strength, and where we have complete control, we do not foresee any slippages.

The order book for the current financial year is already available. We are well positioned. We can continue to move forward, and even if no new orders come in, we can easily achieve the 2,000 crore top line from the current order book available to us.

Sheetal Shah – Individual Investor: It is very kind of you. On behalf of all our small shareholders, I wish you all the best in achieving your target this time. Thank you very much.

Management: Thank you.

Operator: Thank you. Ladies and gentlemen, to ensure that management is able to address questions from all participants in the conference, please limit your questions to 2 per participant.

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Should you have a follow-up question, we request you to rejoin the queue. I repeat, please restrict yourself to only 2 questions per participant. The next question is from the line of Vidhi Shah from CR Kothari & Sons. Please go ahead.

Vidhi Shah – CR Kothari & Sons: Hello.

Management: Hello.

Vidhi Shah – CR Kothari & Sons: Is there any revenue guidance for this year?

Management: Revenue guidance is 2,000 crore for this financial year.

Vidhi Shah – CR Kothari & Sons: Okay.

Operator: Thank you. We have the next question from the line of Saurabh Bhagat, an individual investor. Please go ahead.

Saurabh Bhagat – Individual Investor: My questions have been answered in the previous ones. Thank you.

Operator: Thank you. We have the next question from the line of Saurabh Gupta, an individual investor. Please go ahead.

Saurabh Gupta – Individual Investor: This is Saurabh Gupta. I have been invested in this company for the last 2 years. In the past, we used to receive orders during the same year and try to execute some portion of those orders in the same year, so there was revenue visibility.

Now, with the 2,000 crore revenue guidance, we already have the orders in hand. What is the best strategy we can adopt? Can we execute more and generate revenue of around 2,500 or 3,000 crore? What would we need to do to achieve that?

Previously, we used to receive an order during the year and try to execute a portion of it and recognize some revenue in the same year. Is it the same situation now, or has the story changed? Are we now being conservative in guiding revenue because we missed our target last year? Or can we still achieve a North Star guidance of 2,500 or 3,000 crore revenue this year, as we used to do 1 or 2 years ago?

Management: Saurabh, whenever we give guidance, we expect to meet at least the threshold level. For this financial year, that threshold level is 2,000 crore, based on the availability of orders that we had at the start of the financial year.

Out of the 2,700 crore order pipeline, with an execution period of 2 years, a 50% conversion can be expected from that order book. Therefore, 1,300 crore to 1,350 crore is what we expect on a straight-line basis.

When we proceed with project execution, some projects are on the verge of starting, some projects are in a growth phase, and some projects are under execution. There are different stages of a project, and we cannot predict exactly how the project will progress.

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As a ratio, when the company was smaller and its size was around 500 or 700 crore, the movement appeared quite fast. Now, at a blended level, we first look forward to meeting the guidance that we have given, and then we would like to exceed that guidance as well.

You rightly asked what we can do to increase our top line to 2,500 crore or 2,700 crore. I explained earlier that, although our top line was flat last financial year, a lot of development work was taking place in the company.

This included team building, receiving new orders from the water and wastewater treatment segment, integrating into renewables, acquiring certain solar assets, bidding for the BESS project, winning BESS EPC projects from NTPC, acquiring the BESS IPP project, and acquiring the solar and wind EPC company, Suyog Urja.

A lot of development took place in the last financial year, and the results of that development will accrue in the current financial year. We understand that we will achieve the 2,000 crore guidance under any circumstances. We also look forward to exceeding that number. However, as guidance, I will maintain the level of 2,000 crore for now.

Saurabh Gupta – Individual Investor: My second question is about desalination plants and overseas opportunities. Are we pursuing these 2 opportunities, given that our competitors are pursuing them?

Management: In the previous conference calls, we had maintained that we would pursue geographical expansion and higher-value and higher-capacity projects. We also confirmed that we would wait for some CBG or biogas-to-electricity projects that we were executing as part of our STP projects. We also discussed ZLD.

Regarding geographical expansion, we are now present in 17 states. On ZLD, we received one ZLD project last year, which we are executing in Maharashtra for a textile area in Ichalkaranji, Lakshmi, and Parvati near Kolhapur.

Two of our biogas-to-electricity and CBG projects have been completed and commissioned. We have now entered into one CBG project using agricultural waste. We are undertaking it as part of the development of a cattle feed shelter and cattle shelter in MP.

We have a large area of approximately 275 acres, where we will develop the cattle shelter. There will be feedstock for the cattle, agricultural residue in the form of Napier grass, and we will also develop a solar farm. This is how we have integrated ourselves over the period.

Going forward, we have already submitted bids overseas and are waiting for the outcomes. We are also looking at some desalination projects. Therefore, by the end of this financial year, overseas projects and desalination projects should also be included in the company's portfolio.

Saurabh Gupta – Individual Investor: Okay. Fine, thank you.

Operator: Thank you. We have the next question from the line of Daksh Malhotra from Aadriv Global. Please go ahead.

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Daksh Malhotra – Aadriv Global: Good afternoon. How are you?

Manish Jain – Managing Director: Good afternoon. I am good. How are you, Daxay?

Daksh Malhotra – Aadriv Global: Very well. Thank you. FY26 was a tough year for EPC, and we have to appreciate that, while we were not receiving enough tenders and orders in water and wastewater, we did quite well in diversifying our business and entering different parts of the renewable energy sector.

I have 2 principal questions. One is regarding water and wastewater. How is the demand? The projects that we are bidding for, especially government projects such as Amrut, are not generating payments on time. How is the demand? Are EPC project conditions improving from where they were, or are they still somewhat slow within government departments, both in terms of new orders and payments?

The second part of the question is about the next 2 to 3 years. We have expanded our horizons to include renewables and other businesses, and we are also working on ZLD and biogas. We are discussing overseas desalination projects. There may be business opportunities in the Middle East once this war ends, and if we are well positioned, we could obtain some projects there.

However, we are pursuing multiple initiatives at once. Naturally, to do this, we have expanded our team and added employee costs. With a 2- to 3-year horizon, could you shed some light on how things are looking and what our targets are beyond FY27, perhaps for FY28, FY29, and FY30?

Manish Jain – Managing Director: First of all, regarding the outlook for the water and wastewater treatment segment, I would say that there is a lot of traction in this segment in terms of projects under Amrut 2, projects under Namami Gange, and projects from state governments involving loan tie-ups with the World Bank, ADB, or JICA.

There is a lot of traction. As I confirmed, projects worth approximately 7,000 crore are available in which we have a keen interest and for which we are bidding. The bidding pipeline may be much larger than that. I am referring to the bid pipeline in which we have an interest.

Daksh Malhotra – Aadriv Global: Sorry. Is this 7,000 crore purely water?

Manish Jain – Managing Director: When I say water, I am not referring predominantly to the water segment. Rather, I would say it is predominantly wastewater. It will include sewage treatment plants or common effluent treatment plants along with infrastructure. It is all related to this segment; I am not talking about renewables at this point.

Daksh Malhotra – Aadriv Global: So this 7,000 crore pipeline is wastewater, not renewable energy and not renewable EPC. Good, good.

Manish Jain – Managing Director: Yes, that is right. We can have a very healthy order book going forward as well. A lot of work is taking place in this segment.

Going forward, diversification remains one of the key factors if we are to maintain our growth rate. We diversified in the water and wastewater treatment sector through geographical expansion,

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initially in India. We are now also looking forward to opportunities in overseas markets.

The next segment we entered was desalination. There is a lot of opportunity emerging in India in terms of the reuse of water from sewage treatment plants. This will be one of the biggest opportunities that will open up.

Therefore, ZLD, water reuse, and certain desalination projects are areas in which we have a keen interest. We are looking forward to bidding for some of these projects through joint ventures. This is how diversification in the water segment will continue and how we will move forward.

Coming to renewables, diversification is again the need of the hour. That is why we entered renewables. We invested a small amount of capital in renewables, and within the first year we built it into a sizeable company.

The acquisition of the wind EPC company has integrated us across the entire renewable energy chain, which includes solar, wind, and BESS. Once the execution of the order book available with us reaches this level and is completed, we can move forward as a developer as well. We can look forward to hybrid opportunities in this segment.

The opportunity and availability of opportunities will be very significant, at least for Enviro. That is how we expect to continue growing.

CBG was also one of the segments being derived from the water and wastewater treatment business itself. We are also focusing on it because it can create a good value chain. This is how we are trying to integrate across different segments.

Daksh Malhotra – Aadriv Global: Combining all 3, just 2...

Operator: Sorry to interrupt you, Daxay. May we request you to rejoin the queue?

Daksh Malhotra – Aadriv Global: This was part of the original question. We are just continuing that part. Over the next 2 to 3 years, where do we see ourselves after combining these 3 areas? What is the vision for the next 2 to 3 years? Where do we see the top-line trajectory and margin trajectory? How do we see the overall picture developing?

Manish Jain – Managing Director: We look forward to continuous growth of approximately 25% to 30%, which should be the minimum level at which the company continues to grow, while maintaining healthy margin levels.

I think our EBITDA margins and PAT margins have remained at a very decent level even after entering renewables. We expect and will continue to foresee our margins remaining strong. We are not inclined to pursue projects where the margin profile is low, and maintaining the margin profile will be a key area of focus for us.

Operator: Thank you. Daxay, we request you to rejoin the queue for any further queries. We have our next question from the line of Raman from Sequent Investments. Please go ahead.

Raman KV – Sequent Investments: Thank you for allowing me to ask a follow-up question. Regarding the hybrid HAM wastewater treatment project, I want to understand this. You mentioned

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that you will create an SPV and then the project will be executed over the next 5 months after the SPV is created. You also mentioned in the opening remarks that you want to focus more on HAM projects going forward. Can you give us the bidding pipeline specifically for HAM projects?

Manish Jain – Managing Director: At present, we have submitted bids for 2 more HAM projects. We expect some HAM projects to become available for bidding in the next 3 to 4 months, since the DPRs are currently in progress. At present, we have 2 projects for which bid evaluations are underway.

Raman KV – Sequent Investments: Is this 400 crore project one project, or is it made up of multiple projects?

Manish Jain – Managing Director: There are a total of 5 projects under HAM that we have received. One project has been completed. The second project, at Mathura, is on the verge of completion. The third project is at Saharanpur, for which 3 milestones out of 8 have been completed, and it is progressing ahead of schedule.

These 2 projects are new, and work on them is expected to commence sometime in October and November, based on our current expectations.

Raman KV – Sequent Investments: Understood. Thank you.

Operator: Thank you. Ladies and gentlemen, due to time constraints, that was the last question of the day. I now hand the conference over to Mr. Manish Jain, Managing Director, for his closing comments. Over to you.

Manish Jain – Managing Director: Thank you for your continued trust and interest in Enviro Infra Engineers Ltd. We remain focused on disciplined execution, strengthening our core water and wastewater business, and scaling our renewable energy and BESS platforms.

With a healthy order book and expanding capabilities, we remain committed to delivering sustainable growth and creating long-term value for our stakeholders. Thank you once again for joining us today. Thank you.

Operator: Thank you. On behalf of Enviro Infra Engineers Ltd., that concludes the conference. Thank you for joining us, and you may now disconnect your lines.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.