November 16, 2026

National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex,
Bandra (E), Mumbai – 400 051

NSE Symbol: **WABAG**

BSE Limited,
Floor 25, P J Towers,
Dalal Street,
Mumbai – 400 001

BSE Scrip Code: **533269**

Dear Sir/Madam,

Sub: Transcript of the 'Q2 & H1 FY27 Results Conference Call'

Please find enclosed the Transcript of the 'Q2 & H1 FY27 Results Conference Call' held on Friday, November 06, 2026, post declaration of unaudited Financial Results (both Standalone and Consolidated) of the Company for the quarter and half year ended September 30, 2026.

This intimation is filed pursuant to Regulation 30(2) and 46 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Transcript of the 'Q2 & H1 FY27 Earnings Conference Call' is also available on the Company's website at www.wabag.com.

Kindly take the same on record.

Thanking You,

Yours faithfully,
For **VA TECH WABAG LIMITED**

SKANDAPRASAD SEETHARAMAN

Skandaprasad Seetharaman
Chief Financial Officer

Encl.: As above

sustainable solutions. for a better life.

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“VA TECH WABAG LIMITED

Q2 and H1 FY2027 Results - Earnings Conference Call”

November 06, 2026

MANAGEMENT: **MR. RAJIV MITTAL – CHAIRMAN AND MANAGING DIRECTOR**
MR. BHUPESH CHOWDARY NAGINENI – DEPUTY MANAGING DIRECTOR
MR. SKANDAPRASAD SEETHARAMAN – GROUP CHIEF FINANCIAL OFFICER

Moderator: Good evening and welcome, everyone, to this Earnings Call post announcement of Q2 and H1 FY2027 Results of VA TECH WABAG LIMITED. On the call today from the management team, we have Mr. Rajiv Mittal, Chairman and Managing Director, Mr. Bhupesh Chowdary Nagineni, Deputy Managing Director, and Mr. Skandaprasad Seetharaman, Group Chief Financial Officer.

Kindly note that during this call, the Company may make certain forward-looking statements concerning the business prospects and profitability, which may be subject to risks and uncertainties, and the actual results could materially differ from those in such forward-looking statements. The conference call will be archived, and a transcript will be made available on the Company's website.

The Company's results update presentation has been uploaded on the website and stock exchanges, which provides an overview about the core offerings and analysis of the results of this period. We trust that you had the opportunity to look through the same.

I will now request Mr. Rajiv Mittal to take you through the key business highlights. Thank you, and over to you.

Rajiv Mittal: Thank you. Good evening, ladies and gentlemen. A very warm welcome to everyone on this earning call following the Q2 & H1 FY2027 result announcement of VA TECH WABAG LIMITED. I would like to thank our investors, analysts, and other stakeholders for their continued interest, confidence, and support in WABAG. We very truly appreciate your presence this evening.

Joining me today on the call is Mr. Bhupesh Chowdary, our DMD, and Mr. Skandaprasad Seetharaman, our Group CFO. I am pleased to share that the first half of FY2027 has been a standout period in WABAG's growth journey, marked by significant strategic development, robust order intake, healthy execution, and continued improvement in our financial performance. We have achieved two distinct milestones in Company's history during this period.

The first time ever, our order book has surpassed INR 20,000 crores, while our net cash position has surpassed INR 1,000 crores, achieving record levels in both parameters. These milestones reflect the progress we have made over the years in strengthening our business model, enhancing our execution capabilities, and maintaining financial discipline. Our growth has been supported by a combination of international expansion, repeat orders from established customers, technology-led projects, and continued focus on profitable and cash-generative opportunities.

During this current financial year, we have made a maiden entry into Kuwait, established our presence in UAE, secured significant orders from Reliance Industries

Limited, and expanded our presence in Europe. Importantly, this strong order momentum has been accompanied by healthy revenue growth, improving profitability, and further strengthening of our balance sheet. We believe that the combination of robust order book, strong liquidity, and expanding international footprint places WABAG in a favourable position to pursue the next phase of growth.

Let me now briefly touch upon some of the key developments during this period. The major takeaway during this period from an order win perspective was securing two Mega orders from two different clusters.

During H1, we signed and commenced the contract with the Ministry of Electricity, Water and Renewable Energy, Kuwait in partnership with HEISCO for a 60 MIGD or approximately 272 million liters per day of seawater reverse osmosis desalination facility. This project also comes with the five-year operation and maintenance post-completion of EPC phase. This maiden project gives us an important foothold in the market where water security is strategic important and builds on our wider GCC track record. Our entry into Kuwait is validation of significant progress which we have made in one of our strategic objectives to expand internationally.

In India, we strengthened our longstanding relationship with Reliance Industries Limited, securing a Mega order for desalination plant in Jamnagar with a capacity of approximately 201 million liters per day, expandable to approximately 302 million liters per day, and also a remineralization plant of approximately 72 million liters per day. In September, we had also received a repeat Medium order from Reliance Industries Limited for an effluent treatment plant at Dhirubhai Ambani Green Energy Giga Complex in Jamnagar. These wins reinforce our position as a technology partner for a demanding industry water application and reflects the trust bestowed on us by the renowned customer. For O&M, we also signed a contract with one of the largest Indian conglomerate, Adani.

We also entered UAE through the Ajman Wastewater Treatment Project, further extending our regional presence. Together, Kuwait and Ajman broadens our addressable market and demonstrate the relevance of our desalination, wastewater treatment, and resource recovery capabilities across the Middle East.

We also secured a large order for two projects from Bangalore Water Supply and Sewerage Board with a medium order from Delhi Jal Board. While in Europe, we announced a large order for expansion of waterworks in Vienna, Austria. These orders underline the breadth of our offering across municipal and industrial and advanced technology-led projects across the globe, thus achieving a good geographic diversification.

Our order book reaches a lifetime high of INR 20,207 crore at the end of H1 FY2027, supported by order intake of INR 5,200 crore during the first half. At more than four times annual revenue. this diversified backlog provides strong execution visibility, combining medium-term EPC opportunities with long-duration O&M revenues. We remain selective in pursuing projects with continued emphasis on technology differentiation, margin, payment security and execution risk.

Now, I would request our DMD, Mr. Bhupesh Chowdary, to provide you with a project-specific update and business outlook. Thank you very much.

Bhupesh Chowdary: Good evening, everyone. I am excited to join my first conference call at WABAG with all the investors and analysts. Across our three operating clusters, execution and operational excellence remains our central priorities. I will briefly highlight selected milestones with the three project-specific progresses that we have made. To cover the India cluster part of it, the Chennai Metro 400 MLD Perur desalination plant has been progressing pretty good. We have done about 90% concreting, poured overall almost 1 lakh cubic meter of concreting. We also clocked 7 million safe man-hours on the project, which is significant in terms of the standards. Mechanical equipment erection is progressing very well, and I am sure the project is taking its schedule to complete in the coming year. At Bangalore Water Supply and Sewerage Board Bommanahalli project, the engineering and procurement are at advanced stage, and civil works are also progressing very steadily.

Delhi Jal Board Mitraon project engineering and civil works are also progressing very well and the outfall pipeline supplies expected to commence from this month to match the schedule requirements. Now to the MEA region, Middle East and Africa, the few projects that we are executing also has reached to a significant milestone. The Al Haer sewage treatment plant, the execution is progressing well despite the regional challenges. The commissioning is expected and targeted for Q4 FY2027.

For the Yanbu desalination plant, basic engineering is substantially ready, and long lead equipment and procurement has been initiated ahead of formal commencement of the project itself. As the Ras Tanura mechanical project is concerned, mechanical construction work also has been completed. The pre-commissioning activities are underway, and the hydro testing targeted for by this November end.

In Africa, in Zambia, at Lusaka, the Ngwerere and Chunga, the sewage treatment plants are also progressing well. The civil works underway and major equipment or orders are also finalized that would get in place for installations. In Nepal, as part of our SAARC Southeast Asia, the projects are also progressing well, and a couple of projects where we are doing on the multilateral fund projects, the procurement has been completed to almost 100%, and civil concreting has been done to the extent of about

70%. We are expecting the liquid stream commissioning by end of this financial year. In terms of business outlook, the recent political developments in Middle East as well as in US is concerned, it is also significantly helping us for movement of various business opportunities.

We are also witnessing a lot of inquiries coming in, and we are working in Africa, some of the opportunities, and that seems to be underserved market, and in our favor, it would be much better in the years to come. From a strategic perspective, we are pleased to have achieved the exceeded most of the numbers as part of our strategy plan, which we call it as Wriddhi 1.0. As we approach the culmination in this financial year, the Wriddhi 1.0, we are also seeing that, and we have started working and formulated the Wriddhi 2.0, which is the strategy plan for the next five years, which is also in advanced stage of working.

Alongside defining our strategic priorities, growth roadmaps for the next phase of our journey at WABAG, we are aligning our organizational and business structure, strengthening capabilities and capacities within us, see that required skills are upgraded in a way to execute the strategy. We look forward to unveiling this Wriddhi 2.0, our strategy plan for the next five years, in the upcoming annual investor meet in May 2027.

Looking ahead, demand from water scarcity, urbanization, industrial water requirements, and wastewater reuse continue to support our priority and opportunity pipeline going forward. We remain focused, technology-led growth, disciplined execution, and efficient capital deployment, while selectively pursuing opportunities in desalination, reuse, and digitalization and resource recovery areas.

With that, I would request our Group CFO, Mr. Skandaprasad, to take you through the financial performances for the quarter on, and the half year. Thank you all. Over to you, Skanda.

Skandaprasad S.: Thank you, Mr. Bhupesh, and good evening, everyone. This was a landmark quarter for WABAG. Our order book crossed INR 20,000 crores, H1 order intake crossed INR 5,000 crores, and net cash crossed INR 1,000 crores, all at record levels. In Q2, revenue crossed INR1,000 crores and PAT crossed INR 100 crores, the highest ever second quarter results that we have reported.

These results reflect healthy execution, improved profitability, and sustained financial discipline and profit growth, again outpacing revenue growth in line with our mantra of profitable growth. Taking the quarter first, consolidated revenue from operations was up by 20% year-over-year, and PAT was up by 23%. EBITDA was at INR 145

crores at a margin of about 14.5%. For the half year, consolidated revenue from operations was INR1,887 crores, up 20.3% year-over-year.

EBITDA grew by about 21% to INR261 crores at a margin of almost 14%. PAT grew faster, up by almost 30% to INR195 crores, and PAT margin expanded to 10.3% as against 9.6% in the same period last year. This reflects our continued focus on profitable growth. At the standalone level, H1 revenue grew by 19% to INR 1,587 crores. EBITDA rose 20% to INR 227 crores, and PAT increased almost 29% to INR 169 crores.

In short, our core business continues to deliver both growth and improved operating profitability profiles. The revenue mix remained in line with our strategic targets, international markets contributing 54% of H1 revenue and India 46%. By business, EPC accounted for 82% and O&M for 18%. O&M adds a high-margin, asset-light, recurring revenue stream alongside our EPC execution pipeline, and we remain focused on building this business out for the future.

Turning to the balance sheet, net cash excluding HAM reached an all-time high of over INR 1,100 crores as compared to INR 950 crores at the end of FY2026. Including HAM, net cash stood at INR 1,036 crores. So net cash, either ways, crossed INR 1,000 crores. This is the 15th consecutive quarter of positive net cash and the 7th consecutive year where we have delivered positive net cash position.

Consolidated operating cash flow for H1 was INR 225 crores, over 1.1x our PAT for the same period. Net working capital also improved to 101 days from 104 days as of March 2026. Returns continued to strengthen, supported by our asset-light model and efficient execution. Return on equity improved to 16.3% in H1 as against 15.7% in March 2026, and return on capital employed improved from 19.5% in March 2026 to 20.5% in H1 FY2027.

This reflects better profitability and a sustained emphasis on and improvement in capital efficiency. The order book closed the half at an all-time high of INR 20,207 crores, supported by H1 order intake of over INR 5,200 crores. Our focus is on converting this visibility into profitable revenue and healthy cash generation.

We reiterate our medium-term objectives: revenue CAGR of 15%-20%, EBITDA in the 13%-15% band, ROCE above 20%, ROE above 15%, and O&M progressing to 20% of revenue, and a sustained positive net cash position. Our performance over the last several years and also in H1 shows a strong progress against our Wriddhi 1.0 targets, and we have achieved or surpassed them on most of the key parameters.

ROCE at 20.5% and ROE at 16.3% are above their thresholds, and EBITDA margin of 13.8% is well within the range, with our net cash positive position continuing to be so. O&M is building steadily towards the 20% objective on the back of a historic high order backlog in O&M of INR 6,500 crores.

Our priorities remain disciplined execution, healthy margins, efficient working capital management, and robust cash generation. Before we conclude, we would like to thank our bankers, investors, customers, vendors, subcontractors, partners, and our fellow WABAGites for their trust and continued support.

With this, we can open the floor for questions. Over to the moderator.

Moderator: Thank you. We will now begin the question-answer session. We have the first question from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Yeah. Good evening, and thanks for the opportunity. My first question is, can you talk about the activities in the Middle East, especially from execution point of view, and the headwinds you are facing and margin pressure, and how are you mitigating it?

Rajiv Mittal: Thank you for your question, and very relevant to what is happening in Middle East. As you rightly termed it as headwind, exactly, from a commodity pricing and the disturbance in that region is affecting the supply chain management. But luckily for us, as you can see from our results, this has not made a big dent in our execution timeline or in margin. Luckily, we have been in a status of a project where most of the work has shifted to site.

We are in the final stage of mechanical completion for Al Haer project. Ras Tanura is completed, waiting for pre-commissioning. Other projects are yet to start at site, and deliveries, they are still on the engineering drawing boards, and the O&M projects are moving well. But what we are facing, other than the commodity price pressures, is a huge delay in shipments.

This is something we have taken it to the client, and they have recognized the issue and told us to go ahead with taking a longer route, though it may take a longer time, ultimately it will reach site, or some of the critical components even to air freight it. As of now, it has not impacted us, but we are keeping a close watch.

As our new projects will start, we have to find a strategy if by that, in next three to six months, if the situation does not improve, we will have to find a strategy of delivering the equipment to site. Once we are at site, luckily for us, our project sites are not affected. The work is as normal at our project sites. It is only we have to get our material to site. Hope we answered your question.

Mohit Kumar: Yes, sir. That is very clear. My second question is, can you talk about the pipeline in Middle East? Of course, a lot of order which came in the last 24 months was from that geography. So my question is the pipeline conversion into orders, is it something which is very uncertain right now? We expect that to continue a very, let us say, lower conversion as we, for the next, for H2, and going forward till the time the war will be over. Is that a fair assumption?

Rajiv Mittal: I think to some extent it is a fair assumption that there will be some delay because the governments are also waiting for the investment strategy, what they will have, what they will put in which basket. At the moment, the infrastructure projects are receiving their funds for whatever projects are started and under execution.

The new projects are a little bit slow to start, but we have seen, like you would have seen that in Kuwait, we just signed in last quarter a large, almost about USD 400 million project with our consortium partner or a joint venture partner. That has moved. You have seen in UAE, we have signed and the execution has started for Ajman project. So, things are happening.

Yes, Saudi has been a little slow and a little cautious, but we again understand some of the projects where we were a preferred bidder, that is also started moving. So we expect in next quarter or so, we should have that also moving ahead. So yes, it has a little bit slowed down, but it has not stopped.

Mohit Kumar: Wonderful. Thank you and all the best, and a very happy Diwali. Thank you.

Rajiv Mittal: Thank you.

Moderator: Thank you. We have the next question from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: Yeah. So, firstly on the bid pipeline, so how is it looking both in international and domestic markets?

Rajiv Mittal: I think we have been extremely busy, to say the least. As usual, we have huge inquiries, and these are big ticket orders, which we are working on. Some of them we are working on the bids, and some of them are under evaluation.

It's very heartening to see the Europe cluster, which had very subdued activities in the past. In the last couple of quarters, we have seen some activities in the European cluster, and we have also got two contracts in European cluster. So overall, we are at a peak in terms of the bidding activities. We are very bullish about future.

Vaibhav Shah: Sure. Sir, can you quantify the pipeline in terms of next 12-18 months? How is the number in both domestic and international markets? I mean, particularly in domestic, there were some announcements in Tamil Nadu as well for some water, sewage, and desal projects. So how are we placed over there as well?

Rajiv Mittal: See, it is a home market for us. Anything on the home soil, we fancy our chances. Yes, you are right that something has been announced, and a very large desalination plant, similar size to what we are executing in Perur, a 400 MLD on the North Chennai has been announced. They also announced one more river cleaning program.

Yes, I think Tamil Nadu has always been in the forefront of alternate water sources, and I think that will continue. Other than Tamil Nadu, if you see even Bangalore, Delhi, and other states in MP, Rajasthan, there is enough inquiries there. There is also enough inquiries in the industrial side. We have seen we have got Reliance, we have got BPCL on the refineries, petrochem. So there is all-round, bullishness is there. Middle East is very, very, we are very busy.

We are submitting some large ticket inquiries which we have got. We are working on it. Some of them we have submitted. We are very hopeful the next 12-18 months is going to be a bumper order intake for us. We are just trying to establish that we reach a preferred bidder status. That is what our team is working, and I am sure in next one or two quarters, we will reach a substantial size of order pipeline, which we will be a preferred bidder.

Vaibhav Shah: Okay. Thank you, sir. Those were my questions.

Moderator: Thank you. Participants who wish to ask a question may press star and one on your touchtone telephone. We have the next question on the line of Sailesh Raja from 360 ONE Capital Market. Please go ahead.

Sailesh Raja: Yeah. Thank you. Congrats for the strong set of performance in these challenging times. My question is, in the outstanding order book pertaining to municipal and industrial portion, which is INR13,500 crores, what is the mix between EP and EPC for the first half and also for the last year? How much it is?

Skandaprasad S.: Sailesh, for the first half, if you see the order intake that we have taken, just the top two large ones, Kuwait and Reliance, both are cases where, of course, in Kuwait, we also have a five-year O&M after the EPC phase. But both Kuwait and Reliance are in our sweet spot where we are going to do everything other than the civil. Either the customer does the civil or our partner does the civil. Our focus on taking EP projects continues to remain, and this is clearly demonstrated in just these two, which will account for almost 80% of the first quarter order intake. This mix, as we have spoken

many times, varies over a period, but on an average, we would like to see at least anywhere between 20% to 30% of our orders coming from EP.

That is why we go more for the international and industrial orders, which allow us for the EP mix as against the EPC mix. But for the first half, you can already see the two orders that we booked, both are in this industry.

Sailesh Raja: Yeah. Sir, as you mentioned, fortunately, we have managed to deliver the equipment to the project site in Saudi Arabia. How is the civil work of the Al Haer project progressing, and how do we plan to manage the civil construction execution given the current situation?

Bhupesh Chowdary: The Al Haer sewage treatment plant, actually the civil works are majority has been completed. In fact, yeah, so major part of our progress on the civil works are more than 80%-85%, actually. We have already started the mechanical erection and the equipment erection works, so that also has taken care well.

Sailesh Raja: Okay. Also, in the Middle East, the water authorities, they are relatively quiet on new project tenders due to macro reasons. Also, Middle East water sector increasingly shifting towards PPP model. How are you seeing the overall competitive landscape? Given the PPP project, typically they require stronger financial capabilities and risk-bearing capacity. Could WABAG's strong balance sheet and net cash position that could provide competitive advantage over European and international EPC players?

Bhupesh Chowdary: We certainly play a very vital and a very important role in this. We are keeping a watch on the PPP model, and not necessarily we are not participating. We are also discussing and engaging with the developers. The developers are who are basically investing into the water assets, be it ACWA, be it BESIX, or be it the sovereign, the Company which is taking those kind of PPP projects.

We are basically going with them as part of an EPC player. We have inherent strength, A, in terms of the competitiveness, plus our local presence in comparison even to the competing against any of the European or any of the, I mean, outside country operator in the same sector.

Sailesh Raja: Sir, one last question. regarding the Indosol Solar project, could you please share the latest status of the project and execution progress?

Rajiv Mittal: The Indosol project, you know, when there was change of government. In Andhra, some reallocation of land took place at site. As a result, Indosol lost some of the land to some other organization. Now they have managed, as of now, to get 90% of the land which they need to set up the facilities and also for future growth.

Sailesh Raja: Okay.

Rajiv Mittal: So - I think out of 1,000 acres, they have already secured 900 acres, another 100 acres which they should get pretty fast. So one would expect that in a quarter from now, they should be able to get this balance 100, and then they will kickstart the mega project. But in the meantime, the smaller one, the one gigawatt, they are almost ready, and they will commission that.

That will also build some confidence that they can build the plant and commission the plant, and then they will go for multi-giga project for which they wanted this land. I think it is very imminent in maybe next few months, we should see them getting the balance land.

Sailesh Raja: Okay. Thank you, sir.

Moderator: Thank you. We have the next question on line of Mudit Bhandari from IIFL Capital. Please go ahead.

Mudit Bhandari: Yeah, thank you. Congratulations on the excellent quarter, sir. Firstly, in terms of our gross margin, it is abnormally high if we look for the last few quarters. Generally, if we see most of our projects have completed civil commissioning, and it will then come to procurement stage. So, any one-off impact in Q2 FY2027, or how should we see gross margins coming ahead?

Skandaprasad S.: See, Mudit, margins are always a reflection of two things. One is the mix of projects that we have, and second is the quality of execution. You have seen us that we have consistently improved the gross margins, EBITDA, over the last five to six years, and we have stayed in the range of 13%-15%. From that perspective, I would say this is consistent.

Also, it goes by the project mix, the phase of the project. There is no one-off. It is a structural improvement that is there. But again, don't measure us by a quarter by quarter. Always measure us on an annual basis, and that is why we have given this multi-annual guidance of 13%-15%, within which we have remained very steady and consistent.

Mudit Bhandari: Got it, sir. When we say 13%-15%, we are taking into account the commodity price inflation that we will be taking?

Skandaprasad S.: Yes. We have contracts which clearly have this pass-through to the customer through the formula, and that is also included here.

Mudit Bhandari: Got it, sir. Secondly, we have very good order book almost of INR 20,000 crore. In terms of visibility of execution, how to look at in terms of other time period or in terms of quality of execution, like you said, in terms of Indosol, there were some land acquisition issues. Any particular things that you would be taking care in terms of risk of execution or how to look at it?

Rajiv Mittal: See, as an organization, we have a demonstrated track record. We have gone through various challenges, whether it was COVID, whether it is geopolitical situations in Russia, Ukraine, whether it is now the Gulf situation. We have demonstrated that we have a very robust model because we have distributed our risk over various geographies. So one geography will not pull the Company down.

That has been our strategy, and also our contracts are in various currencies also. That is a very conscious effort to distribute our risk. These things will happen. We cannot say it is happening now and it will not happen in future. We are prepared to handle this in future also. That is the reason we always say that we work on projects which are cash accretive and which has a full payment security. I repeat, full payment security.

We don't take projects which does not give us a payment security. What do we mean by that? We take contracts with a sovereign guarantee, like Saudi, it comes from the Ministry of Finance or Ministry of Water, so it's directly ministry. In India, if you go to Namami Gange, again, it's a sovereign guarantee by the Government of India. We go to multilaterals like World Bank, JICA, ADB, KfW.

All these projects, if you see on our order book, these are the quality of project. And some of the projects, we even ask for letter of credit. So, from that point of view, we do not see a risk of payment or much delay of payment. There can be a few weeks or a month of delay, but that's okay. That's in our business. This is provided for. And same is with the commodity pricing.

As Skanda said, most of the Indian contracts, we go with the escalation formula. Internationally, we immediately hedge. As we get our order, within a few months, we also place some of the major orders so that future commodity price is fixed, is locked. So, that has worked for us in the past. I'm sure it should work for us in the future also.

Mudit Bhandari: Got it, sir. All the best.

Moderator: Thank you. We have the next question from the line of Shubham Borade from ICICI Securities. Please go ahead.

Shubham Borade: Yeah. Hi. Thanks for the opportunity, and congratulations on good set of numbers. Just wanted an update on Bangladesh project, which we had secured in March 2023. How much progress has been done there, sir? Thanks.

Rajiv Mittal: I think Bangladesh, there was a disturbance about a year back. But as I just said, because it is a full security, because this project is funded by World Bank. When it is funded by World Bank, we have nothing to worry about our payment security. Yes, because of the disturbances and change of government, change of bureaucrats, there is some delay, but that is not going to affect our margin, other than there will be maybe six months of delay in the project.

Shubham Borade: Okay.

Rajiv Mittal: That is probably we will have to absorb it. I think the progress is happening well. Engineering is more or less complete. Ordering is also 90% done. About 30% to 40% of the material is dispatched, and civil works are also at about 30% to 40%. So the project is moving. It could move little faster, but it is moving steadily, and we are receiving our payments on time.

Shubham Borade: Okay. Thank you.

Moderator: Thank you. We have the next question from the line of Vinit M. from Ashika Institutional Equities. Please go ahead.

Vinit M.: Hello. Congratulations on good set of numbers, sir. Sir, I wanted to further ask on order book. Basically, I wanted to check which states or region in India are currently witnessing a strong traction in wastewater projects, like desalination or industrial projects, which we are looking into. Second, you have always been saying in across past few calls about sunrise industries, like we are getting traction over there.

So, I wanted to understand opportunities in sunrise sector, like semiconductors, solar manufacturing, data centers, green hydrogen. Have you witnessed any pickup in order pipeline from this segment over last quarter or something? Are you seeing an active bidding happening going forward in this segment?

Bhupesh Chowdary: Yeah. India is growing. I mean, in terms of economy plus, and the growth of each state is opening up new opportunities also. Amongst that, we also see a lot of inquiries coming in from Gujarat, Maharashtra, and also Andhra Pradesh and Tamil Nadu, from the desalination to the sewage treatment plants, from the municipality and industrial zones part of it.

That's where it is throwing open a lot of opportunities for us, both in terms of desal, reuse, and sewerage as well. Also on the industry front, I mean, we are also focusing on the industrial side wastewater treatment plants. That sector is also is opening up in Gujarat predominantly, and also particularly in the central part of India. Some of the large projects are opening up in the power sector and the steel sector also.

The other part of the question that you asked regarding the high-tech industries or high-tech factories, primarily the semiconductor, data center. So, we are also identifying, which is in terms of the utility of what kind of reuse water that goes for the chilling, or the ultra-pure water.

For that also, we have already started interacting with the potential clients, be it is the Google or Adani or in terms of Reliance. A lot of things are happening in that sector, but actually physically it need to take a shape. So we are also seeing the economics of it so that we give a one-stop solution for them so that they could be able to utilize our technology, which is primarily in the reuse and the ultra-pure water segments, and well placed on that sector also.

Vinit M: Based on these things which you are saying, can you give a guidance on how order intake this year on your like next year, how you will see or maybe over a period of year, how much order intake will be across? Because we are seeing some slowdown in the Middle East. I just wanted to understand overall, if other geographies trying to mitigate what risk is there in the Middle East, or we will see slowdown in order intake compared to last year or maybe now?

Rajiv Mittal: See, we have told you, and now also Bhupesh has reinforced that this is an interesting sector for us. Whatever you are talking about is this new energy, whether it is semiconductor, whether PV solar or data centers, it is of interest. Regarding order intake, I would just like to mention that this is not a top-line segment. Okay?

These order sizes are never going to be INR 5,000 crores or INR 1,000 crores, a single order. They are going to be much smaller. But the point is, they are modular in nature. Each organization is going to put a number of units as they grow. So if you got the first one, there is a good chance that the other orders which may come in a year, two or three, you will get the repeat orders.

Plus, being a technology Company with more than 125 patents and trademarks, we would like to explore this sector because it demands high tech. As a Company, as your Company, WABAG, is into high tech, we want to play a role in this to give to the clients our best of the technologies for this sector, which is a sunrise sector and it is growing. Bhupesh also talked about data centers.

There was one trend that they were all going for air-cooled air conditioning system. Now, with our reliability in the technology and the economics of the water, we could convert them into a water-cooled, which from a capital cost point of view and the operating cost point of view, it is definitely much better as long as you have a reliable and affordable water supply. This is what WABAG is providing this.

I would say with the kind of data centers and the energy reliability in India, India is going to be a capital for data centers. We are already seeing a lot of activity of PV solar. Semiconductor will pick up, and next, maybe in couple of years, hydrogen will pick up when the scale of hydrogen production will go up, the cost will come down.

These are the new sectors which we are focused, and we have a separate team and a vertical which are focusing on it because they are comparatively smaller ticket size orders. So we need to have a specialized team who focuses on it and also executes this order because this gestation period of these orders are very small, generally 12-15 months. So we will have to turn around these orders in about 12 months. That is our input to your question.

Vinit M: Thank you, sir. That was very insightful. Happy Dhanteras and Happy Diwali.

Rajiv Mittal: To you also.

Vinit M: Thank you, sir.

Moderator: Thank you. We have the next question from the line of Vaibhav Shah from JM Financial. Please go ahead.

Vaibhav Shah: A couple of data points. Employee expense were on a higher end at INR 99 crores in Q2. Was there any one-off in the quarter or is this a recurring number in the coming quarters?

Skandaprasad S.: No. Employee expenses, there is no one-off. This is in line because we give the increments in this quarter. So with the performance and also the Wage Code change impact also you would see in full stead now, whether it is PF, whether it is gratuity, all of those. That's the change that you're seeing. There is no other one-offs that we have. And also performance pay that year-over-year will be better. So there is no other one-offs in that number.

Vaibhav Shah: It should come down in coming quarters, next quarter?

Skandaprasad S.: Yeah, it will stabilize. And of course, the Wage Code change alone will remain.

Vaibhav Shah: Okay. On other expense also, it was on a higher end, INR 160 crores. So, anything over there?

Skandaprasad S.: No, these are regular provisions that we generally have to make as part of our policy and on a consolidated basis. This will normalize over the year, then there are no abnormalities over there.

Vaibhav Shah: Okay. Secondly, what will be the share of Middle East and Chennai in the overall order backlog?

Rajiv Mittal: Chennai would be easily about more than 10%, much more than 10% because we have Kodungaiyur, we have Chennai Ring Main and Perur. It would be easily in the EPC itself, it would be 15%-20% almost of the EPC. And Middle East in the international mix would be about 60%-70%.

Vaibhav Shah: Of the overall book, 55%-45% we have the mix.

Rajiv Mittal: Correct.

Vaibhav Shah: If Chennai is around 15%-20%, then what is the remaining 35%-40%?

Rajiv Mittal: You have Reliance in India, you have BPCL, you have Bangalore, you have Delhi Jal Board, you have Maharashtra, you have O&M, all of this.

Vaibhav Shah: And same for the overseas markets other than Middle East?

Rajiv Mittal: Yeah, majority will come from Middle East. The rest will come from Europe, Africa, and the SEA and SAARC.

Vaibhav Shah: Okay. Thank you. Those are my questions.

Moderator: Thank you. We have the next question from the line of Mudit Bhandari from IIFL Capital. Please go ahead.

Mudit Bhandari: Yeah, sir. Just one thing. When we look at the order book for the last quarter, Q1 FY2027, and include the order inflows that we took and exclude the execution, our implied order book is a little different. So, any change in scope of the current order book?

Rajiv Mittal: See, usually when we have a large order book mix, there is a backlog restatement that comes out of the forex movements. So, that we do not include as order intake. It only moves in the order backlog. So, the order intake is what we have absolutely taken. That is the only difference that you will see. But I would be glad to have our IR team explain to you in case you need any further information on that.

Mudit Bhandari: Got it. Yeah. Sure. Thanks.

Moderator: Thank you. Our next question from the line of Rajagopalan Ranganathan, an individual investor. Please go ahead.

Rajagopalan Ranganathan: Hello?

Moderator: Yes, we have a question.

Rajagopalan Ranganathan: Am I audible?

Moderator: Yes, we can hear you now.

Rajagopalan Ranganathan: I am a recent investor in your Company. I would like to know the succession plan which you have in mind for your Company. Also, I would like to know if all the knowledge which is there in the Company, is there a central repository for that and which can be accessed by the other people in case anyone leaves and goes, or is it institutionalized in a structure?

Rajiv Mittal: Very good question and very relevant question. For companies like us, which is a knowledge-based Company, I think it's an excellent question. We have been always talking about this succession planning, and I think not only our HR, but our top management is very focused on it. Some of the actions are already taken. We are grooming some people, we are taking some lateral entrant.

It's a combination of homegrown talent plus a lateral talent which we are bringing in to make sure we have a backup for this succession planning available. These kinds of exercises are continuous and ongoing exercise. This will continue to happen, but there is a full focus of the management and HR to make sure we address this. Second question on your knowledge repository.

We are already having a knowledge management software where all this are put into the software, and we are making that more and more user-friendly. It's not about only putting the knowledge into the software, it's also making sure they are easily available to the users with minimum of effort.

That is where today we are spending lot of time and also we are inviting lot of new agencies in view of this AI support. We are exploring various AI platforms which can help us to not only get the knowledge into this platform, but also to get it out as and when we require. You will see this in next few years. There will be a focus on these two subjects.

Rajagopalan Ranganathan: What about the family members of the promoter? Have they come into the business, or they are still going to come into it?

Rajiv Mittal: No, no. My son, Rohan Mittal, has been into the business for last nine years. He is handling the Middle East, GCC, and Africa region, and he's doing well. He's being groomed by the seniors. I'm sure he will definitely grow to take up some position in the Company in the coming years.

Rajagopalan Ranganathan: Thank you very much, sir.

Rajiv Mittal: Welcome.

Moderator: Thank you. We have the next question on line of Manish Maheshwari, Equity At Work Family Office. Please go ahead.

Manish Maheshwari: Sir, for the current fiscal, would it be fair to presume and extrapolate that we will exit this year with a pre-tax operating cash flow of about at least INR 500 crores to INR 600 crores on a consolidated basis?

Rajiv Mittal: See you are asking this question on a Dhanteras day. How can we say no to you? We will try our best.

Manish Maheshwari: Given our cash flow momentum that we are seeing, at least INR 500 crores is something that is an endeavour.

Rajiv Mittal: Why not? If we have so much wish from you, prayers from you, Company will achieve.

Manish Maheshwari: Okay, sir. Thank you, sir. Happy Dhanteras, sir. Happy Diwali. Thank you, sir.

Rajiv Mittal: Happy Dhanteras to you too

Manish Maheshwari: Thank you, sir.

Moderator: Thank you. We have the next question from the line of Pawan Kaushik, an individual investor. Please go ahead.

Pawan Kaushik: Good evening, sir. I joined a bit late. Might be you have covered or not, I am not sure. Is there any challenge in current geopolitical scenario? Are we facing any issue in executing the orders in Middle East? That was my question.

Bhupesh Chowdary: Yeah, a while ago, Mr. Mittal has already briefed. There was a question on this. To reiterate, yes, Middle East, in the past, I mean, I would say about a year ago, one and a half year ago, there has been certain disturbances, and it gradually, I would say, it is reducing in terms of any difficulties. We had challenges on the sea freight, I mean, the shipping of the supply chain of the goods going there.

But later, we overcame in terms of shipping through even by air freight, some of the equipment that can move. And later, we have found the alternative routes and then started supplying those materials. So, majority of the equipments have also reached to the site that the project requires. And hopefully, I think in the coming months, that also we will be able to completely overcome, as things are stabilizing now.

I am sure we have well taken care in terms of controlling on that as such.

Pawan Kaushik: That's good, sir. It's improving. So, one more thing, if you allow me.

Bhupesh Chowdary: Yes, please.

Pawan Kaushik: Yeah. So, right now, we are in B2B business. Is there any plan to bottled mineral water supply or something like that? Because we already have ultra-clean water facilities and all.

Bhupesh Nagineni: It's a good question. See, we have done some assessments where we need to position ourselves in terms of as a service and as a technology Company. We see great opportunities what we are good at, number one. Getting into the retail business as a water supply Company, possibly that would be an area which goes to the B2C level.

We are comfortable in managing to the B2B and to the greater level, to the industry and then the municipality part across the globe. We definitely would look like what we can do. And at this point of time, we are very, very well positioned what we are actually giving a business to the industry.

Pawan Kaushik: Thanks a lot, sir.

Bhupesh Nagineni: Yeah.

Pawan Kaushik: Happy Diwali in advance.

Bhupesh Nagineni: Thank you, and same to you.

Rajiv Mittal: You also.

Moderator: Thank you. Participants who wish to ask a question may press star and one on your touchtone telephone. As there are no further questions from the participants, I now hand the conference over to Mr. Rajiv Mittal for closing comments.

Rajiv Mittal: Thank you, friends. First, let me wish you, before you sign off, a very happy Diwali and a prosperous Diwali to you and your family for a great year ahead. Also, happy Dhanteras. Thank you for joining the call today. In case you have any further clarifications, you can get in touch with our investor advisor agency Adfactors PR, or with us directly. Thank you very much. Have an enjoyable long weekend.

Moderator: Thank you. Ladies and gentlemen, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.

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