

Operator

Very good afternoon, ladies and gentlemen. I'm Yogesh Sharma, the moderator of this call. Thank you for standing by and welcome to quarter third FY14 Earnings Conference call of the Simplex Infrastructures Limited. For the duration of presentation, all participant lines will be on listen-only mode. And, we have a Q&A session post the presentation. And, now without any further delay, I'd like to hand over the proceeding to Mr. Sujeet Jain. Thank you and over to you, sir.

Sujeet Jain, Senior Equity Research Analyst

Yeah. Thank you, Yogesh. We welcome Mr. Amitabh Mundhra, Vice Chairman and N.K. Kakani, Executive Director, the management of our Simplex Infra. I'll be outside and congratulate the management on a decent set of number this quarter. And now I hand over the call to Mr. Kakani for briefing us about the 3Q result. Over to you sir.

N.K. Kakani, Executive Director

Good afternoon, ladies and gentlemen. Welcome to our conference call for the quarter three results. The sales during the quarter 81, 421 crores, which is marginally higher by 3% compared to the same quarter last year from 1,374 crores.

The EBITDA is INR160 crores against 143 crores last year. And, depreciation and amortization have accounted for 52 crores against 51 crores and EBIT is also higher 17% from 93 crores to 108 crores. But, the finance cost is higher by about 17% from 74 crores to 86 crores and another ForEx fluctuation also there was 2 crore against 1 crores last year. The EBIT of 20 crore against 11 crore same quarter last year -- sorry 18 crores same quarter last year. And the PAT is 15 crores against 11 crores same quarter last year. The margins for the quarter is 11.2% EBITDA margin and EBIT margin 7.6% better than the same quarter last year.

The order book. Let me tell you about the segment sales. The domestic accounted for 87% of the sales in the quarter which is 1,232 crore against 84% same quarter last year 1,149 crore. The foreign sales given us the contribution to sales of 13% and 89 crore, which was higher in the same quarter last year a 225 crores, because Bangladesh order was doing well that time and now it's becoming to closer. And new orders in Oman, India to take off. The order book is 16,708 crores against 16,064 crore same quarter last year and 16,500 crores the previous quarter in September. The order book comprises 13 (technical difficulty) so this is after the -- and CapEx during the quarter is 7 crores.

The nine months if you just maybe look at, the nine months sales is 4,152 crore against 4410 crores same period last year, down by about 5% and EBITDA is 469 crore against 436 crore, 8% better. The EBIT is also 317 crore against 285 crores, 11% better. But EBITDA is same at about 64 crore in both the years, and PAT is a slight lower 39 crores because of higher provisioning in the first two quarters for deferred taxes and because of the rise in income tax rate. The previous years where deferred tax reduce and want to be redone, and the PAT is 39 crore against 42 crore same period last year.

Now this is about the brief summary of the results for the quarter. And we'll be happy to answer any questions that you may have.

Sujeet Jain, Senior Equity Research Analyst

Yogesh. We can start with the Q&A session. Yogesh Sharma. Yogesh, can you hear us?

Operator

Yes. I can, sir.

N.K. Kakani, Executive Director

You can start the Q&A session. Thank you.

Questions And Answers

Operator

Participants, with this we start the Q&A interactive session.

N.K. Kakani, Executive Director

I think there are some problems in the system.

Operator

We are receiving the question sir, allow me a moment. We have a question from Mr. Chintan. Mr. Chintan Sheth your line is unmuted, you can go ahead and ask your questions.

Chintan Sheth, Analyst

Sir, a few bookkeeping questions. What is your gross debt figures as on December and the working capital -- update on your working capital structures.

N.K. Kakani, Executive Director

Your question is about working capital as of December?

Chintan Sheth, Analyst

As of December, and gross debt numbers.

N.K. Kakani, Executive Director

And the gross debt. Okay.

Chintan Sheth, Analyst

Yeah.

N.K. Kakani, Executive Director

The gross debt standalone is 2,877 crore, which is about 50 crore lower than September number of 2927 crore. And consolidated level, which because we have received that mobilized advance from Oman order, where the money is lying in our subsidiary. The consolidated gross debt is 2,746 crores.

Chintan Sheth, Analyst

2,746.

N.K. Kakani, Executive Director

Yeah, consolidated including that mobilized advance at Oman. But standalone which more relevant compared to September quarter 2,877 crore against 2,927 crore in September. And the other question is about working capital. So, working capital in terms of number of days, working capital is 203 days against 221 days of September. And if you look at absolute number, our working capital is 3,162 crore net working capital against 3,175 crore in September, only a marginal reduction.

Chintan Sheth, Analyst

Sir, can you give me a breakup in working capital in terms of receivables and payables and inventories?

N.K. Kakani, Executive Director

Yeah. I will tell you. So the gross debts are 4,149 crore. This include 595 crore of retention money. Inventory remains 48 crore and case and (inaudible) is 40 crore. Other current assets are 47 crores then loans and advance are about 8 -include taxes which is direct, indirect taxes as well as the advance contractors advancement 848 crore. And, the payable advances from the client mobilization advance 996 crores previously it was 1,859 crore, so it is 50 crores [ph]. So next working capital is 3,162.

Chintan Sheth, Analyst

Okay, sir. And sir regarding the Omen -- can you give the break up in terms of government orders versus budget sector order?

N.K. Kakani, Executive Director

Yeah order book, like if you want. Order book, government is 46% rest is private bank if we think.

Chintan Sheth, Analyst

Okay sir, how you read this upcoming election impacting our execution of orders in terms of government, it's close to 6% of the order book from government funded projects, so how do we see the execution given the government election we are expecting in May, how do you see, how the environment is there in execution on grounds level?

N.K. Kakani, Executive Director

The 46% government sector includes 38% of domestic government and remaining is overseas government, so overseas government like Omen projects they're fast track project in Omen.

Chintan Sheth, Analyst

So, Indian Government how much, if you could share with me?

N.K. Kakani, Executive Director

Indian government also we are now, I think -- the execution actually depends on the payment cycle. And from railways and energy I think, the criteria is okay. So there is no problem with that. Yeah, but other infrastructure sector also we driven by various multilateral agencies like MMRDA or other people. So we don't see, you see, there is general problem of Oman delay, yes, but there is not much of a delay, and normally with our experience we have seen that we was having good four constructions in the past.

Chintan Sheth, Analyst

Well, but sir, can you give the Indian government order in terms of proposition of total order book. You said 26% --

N.K. Kakani, Executive Director

38%.

Chintan Sheth, Analyst

38?

N.K. Kakani, Executive Director

Yeah.

Chintan Sheth, Analyst

Okay, sir. And on the receivables you see the 4,139 crores of debtors as on date. How much is from proportion of the Indian the government side and--?

N.K. Kakani, Executive Director

About 42%.

Chintan Sheth, Analyst

42% from the -- receivables are pending from the government side.

N.K. Kakani, Executive Director

Yeah.

Chintan Sheth, Analyst

Yeah. And any bifurcation of greater 200 days better than less than 200 in total?

N.K. Kakani, Executive Director

Yeah.

Chintan Sheth, Analyst

More than six months or less than six months?

N.K. Kakani, Executive Director

Six month is 968 crores which was 975 crore in September.

Chintan Sheth, Analyst

This is more than six months, right.

N.K. Kakani, Executive Director

Yeah.

Chintan Sheth, Analyst

Okay, sir. Thank you. I will come back if I have any other questions.

Operator

Thank you so much Mr. Sheth. The next question we have from Mr. Ritwik Sheth from Span Capital. Your line is open. You can go ahead and ask your question. Thank you.

Ritwik Sheth, Analyst

Hi. Good afternoon, everyone.

N.K. Kakani, Executive Director

Good afternoon.

Ritwik Sheth, Analyst

I had a couple of questions. Firstly, regarding the debt. How much is the project denominated debt after the total debt?

N.K. Kakani, Executive Director

About 283 crore is project nominated.

Ritwik Sheth, Analyst

283.

N.K. Kakani, Executive Director

Yeah.

Ritwik Sheth, Analyst

Okay. That's 10% above 3%.

N.K. Kakani, Executive Director

Yeah.

Ritwik Sheth, Analyst

Okay. And what kind of order in total you expect in FY '15?

N.K. Kakani, Executive Director

Order inflow in the nine months period has been already 6,900 crores. And we expect another 1,500 crores of orders during the current quarter.

Ritwik Sheth, Analyst

I am talking FY '15, next year.

N.K. Kakani, Executive Director

FY '15 should be about, you see, the mid pipeline is 25,000 crore and overseas, the Qatar, Oman lot of orders are lined up.

Ritwik Sheth, Analyst

Right.

N.K. Kakani, Executive Director

We expect about 7,000 crores to 8,000 crores of orders in next year also.

Ritwik Sheth, Analyst

Okay. 7,000 crores to 8,000 crores. Okay. And previously you've stated that the international orders where you are working in middle east they are more convenient to work on. So, what percentage of total sales do you plan to achieve in the next about two years to four years, currently we're on 15% to 20%, right?

N.K. Kakani, Executive Director

Yeah. We should get to 25% to 30%.

Ritwik Sheth, Analyst

Okay. So in the next two to three years you planned to get there. Okay. And can you just give a rough idea about the EBITDA margins in the domestic and international orders.

N.K. Kakani, Executive Director

You see, the EBITDA margin and international order. Actually, let us look at the contract level margin, which is the gross margin. If the growth 0.5% to 75 basis point higher in overseas markets.

Ritwik Sheth, Analyst

Okay.

N.K. Kakani, Executive Director

And EBITDA depends on the scaling up of the operations, because initial set of expenses is higher, and the 30% of EBITDA margin is better than the domestic margin. And plus actual EBITDA it is given higher because of total working capital cycle.

Ritwik Sheth, Analyst

Okay. So even on the EBITDA margin it will be around 1% to 2% higher, right. Is that right?

N.K. Kakani, Executive Director

No. That depends on the volume precisely. It may be to 0.75% higher or 1% higher.

Ritwik Sheth, Analyst

Okay. And just in your comment you mentioned that the new orders on Oman have not yet taken up. So is there any installed project or do you have any--

N.K. Kakani, Executive Director

No. It is -- it is just mobilized and it is just to take off.

Ritwik Sheth, Analyst

Okay. Just to take off, okay.

N.K. Kakani, Executive Director

Yeah. It may be done later in India.

Ritwik Sheth, Analyst

Right, okay. That's it from my side. If there is anything I'll just come back in the queue.

N.K. Kakani, Executive Director

Thank you, analyst.

Operator

Thank you, Mr. Sheth. The next question we have is from Mr. Srinivas Rao. Your line is open. You can go ahead and ask your question.

Srinivas Rao Ravuri, Analyst

Yeah. Hello, sir.

N.K. Kakani, Executive Director

Good afternoon.

Srinivas Rao Ravuri, Analyst

So what is the debt as of now net debt and also if you can explain us we have this net debt reduction for now. So where are we and what else can we expect going forward?

N.K. Kakani, Executive Director

Actually, we had reduced the debt in October, September it was about 2,927 crore; and in October it was reduced by 100 crores or so, but in November, December again working capital I think has affected us and met the result and net reduction as of 31st December was only 50 crore. And as of now the reduction aggregated as 70 crore. We are thinking on a couple of things were allowed and that is also in our favor. So we hope that in -- by March we should be able to reduce 500 crore or more. Also our target was to reduce it about 200 crore by March, but now we feel that it should be 100 crore by March for the reduction. The other thing can materialize on March, April, it may go up to April also, and otherwise we were expecting 50 crores to 100 crores on debt also. So, we feel that it will be around 2,007 crore of the debt -- gross debt.

Srinivas Rao Ravuri, Analyst

What is the plan for next year, sir?

N.K. Kakani, Executive Director

Next year we plan to reduce it by 600 crore to 700 crore from various, our collections right, and also various average [ph]inflows and negotiations that we are doing.

Srinivas Rao Ravuri, Analyst

Okay. And how are your finance costs are moving?

N.K. Kakani, Executive Director

Finance cost for this quarter is higher, it's about 11.2% quarterly.

Srinivas Rao Ravuri, Analyst

Any particular reasons?

N.K. Kakani, Executive Director

Yeah, short-term working capital loans were posted higher, it was, say in -- up to September, it was 10.2. Up to September, it was 10.2 and in December, it is 11.2 and January also it is 11.3 and in February now, it is about 10.9.

Srinivas Rao Ravuri, Analyst

Okay. It has come down in February.

N.K. Kakani, Executive Director

Yeah, yeah, but by few basis point, yeah.

Srinivas Rao Ravuri, Analyst

Okay, okay. Coming to new orders, this election code of conduct would be applicable soon. So, how does it happen, how are you (Technical Difficulty) of order book?

N.K. Kakani, Executive Director

Order book actually the order inflow during this quarter is 1,600 crores and which includes about 400 crore to 500 crore order from Rail Vikas Nigam and another order from, of course, MMRDA, that is railway over bridge and others are buildings and also NTPC order of 200 crores.

Srinivas Rao Ravuri, Analyst

Okay. Sir, I was trying to understand for example if the code of conduct comes into effect this month end, so from then to next two to three months, how will that happen, new orders would be affected, please you can explain that?

N.K. Kakani, Executive Director

What I meant to say was that RVNL and NTPC and these were orders which have been floated, those won't be affected.

Srinivas Rao Ravuri, Analyst

Okay.

N.K. Kakani, Executive Director

Like PSUs or any government bodies or MMRDAs or whatever, because wherever the bids are floated, that won't be effected and the pending bids, aggregate is 25,000 crores, out of which 20,000 crore is domestic, which is mostly government sector.

Srinivas Rao Ravuri, Analyst

Okay. So, either they have to get finalize soon or they will get postponed towards next year?

N.K. Kakani, Executive Director

Yeah, yeah. So, that should not affect the order inflow or the decision on given the orders by these various authorities.

Srinivas Rao Ravuri, Analyst

Okay. Lastly from my perspective. Sir, what is the profitability on the existing order book?

N.K. Kakani, Executive Director

Around 30.6 is the blended EBITDA margin considering the present level of delay, if that was delayed execution can be reduced by improved payment cycle it's then it won't go further.

Srinivas Rao Ravuri, Analyst

Okay. Thank you and all the best, sir.

Operator

Thank you, Mr. Rao. The next question we have is from Mr. Madan Gopal from Sundaram Mutual Fund. Your line is open. You can go ahead and ask your questions.

Madan Gopal, Analyst

Good afternoon, sir. Hello?

N.K. Kakani, Executive Director

Good afternoon.

Madan Gopal, Analyst

Sir, on the export front, first when you mentioned about margins, I wanted to know even what is the asset turnover like sales to gross block accounts that we can expect from our international orders?

N.K. Kakani, Executive Director

You see this working capital slightly shorter debt normally. So therefore the asset turnover is if aggregate it has been half that would be 4 to 4.5 times.

Madan Gopal, Analyst

4.5 times?

N.K. Kakani, Executive Director

Yeah.

Madan Gopal, Analyst

So it is better than the domestic by that much. So then margins are also higher. So ROCs are better in international orders for you, then it depends upon the ramp-up, I agree, because of performance utilized.

N.K. Kakani, Executive Director

Correct. Because the payment cycle is faster normally, so therefore the execution cycle is also faster.

Madan Gopal, Analyst

Even on the machinery investment, the terms are higher, sir, even on the machinery investment.

N.K. Kakani, Executive Director

When the execution is faster, the asset turnover also becomes faster.

Madan Gopal, Analyst

Okay. But one of your previous claims where to even absolute value of the order because of inflation and all this are higher in the international orders for the same type of orders. For example, even same 100 kilometer order of road in Mena region would be a higher value compared to what it is in India. So for the same amount of machinery investment, you get a higher sales and same type of margin itself gives an absolute amount the EBITDA is higher in international orders. It is true? Hello?

N.K. Kakani, Executive Director

What's your question?

Madan Gopal, Analyst

So I am trying to understand the big -- one of your PSA that due to inflationary situation the absolute amount of operations will be higher for a similar project in an international orders compared to Indian orders. Is it true?

N.K. Kakani, Executive Director

Absolute amount means?

Madan Gopal, Analyst

For example, if I have 100 kilometer road project-

N.K. Kakani, Executive Director

Yeah. That's only because that cost levels are higher in middle East compared to India. Yes.

Madan Gopal, Analyst

Okay.

N.K. Kakani, Executive Director

That's correct.

Madan Gopal, Analyst

Okay. Sir, how much -- what kind of revenue that we can build an international orders. Given the kind of capacity that we are creating there, in maximum as we have to utilized.

N.K. Kakani, Executive Director

You see, in that we had then as a revenue 30% in international market and then it limited to 10%. So we shifted some of the measurement that time back to India, and again when the order book is growing and integration demand picks up then more machineries can be shifted back from India also. So that is -- it's not a fixed plant in such kind of situation, it's not a factory

operation. Construction is a site operation, so machinery can keep moving to and so on a long-term or medium-term basis. And what we target is that right now the order book is 20% so execution also in the future -- is also big, so it can be 25% to 30% next couple of year's time of our revenue can come from overseas market.

Madan Gopal, Analyst

Okay. And sir, order flow for this nine months was how much.

N.K. Kakani, Executive Director

6,912 crores.

Madan Gopal, Analyst

And out of which international order was?

N.K. Kakani, Executive Director

International order was 2,215 crores.

Madan Gopal, Analyst

2,000?

Operator

2,215 crores.

Madan Gopal, Analyst

Okay. Thanks sir, I'll come back in the queue.

Operator

Thank you so much for your question, sir. The next question we have from Mr. Naveen Jain from JM Financial. Your line is open. You can go ahead and ask your question.

Naveen Jain, Analyst

Yeah, good afternoon, sir. Sir my question was on your EBITDA margin through most of this year we've seen a significant improvement in EBITDA margin. In the last three years, revenue numbers have more or less in the same, basically it is not grown much. But still especially in this year we have seeing an improvement in EBITDA margin. What really led this improvement, is it that the older projects are growing as you mentioned newer projects are at EBITDA margin, is that a reason for something else in particular?

N.K. Kakani, Executive Director

Yeah. See, as I mentioned the blended EBITDA margin in the order book as of now is 10.6% which had gone down in the past 10.2%. So new order intake in better margins, but other things that in the past the claims are made but the claims are received now, so that can also impact the margin in a particular quarter. And other thing is which control of the projects and the time is captured in a particular quarter. So therefore one particular margin is not necessarily represents the whole year, but blended EBITDA margin is certainly a good guidance about the long-term margin, 10.6%, which is the blended EBITDA margin as of now. If -- and that has factored into the current level of delays in execution, if delays in execution is reduced, the margin can improve even further because fixed overheads are already factored in.

Naveen Jain, Analyst

Okay. So, it seems the kind of performance that we have seen at the EBITDA margin level in the last two or three quarters, you would expect that to sort of sustained going forward?

N.K. Kakani, Executive Director

No. Because there were some -- as I mentioned, there are two caveats. One is, which project, at what timeframe it's captured in a particular quarter and in some quarters, some past end sales coming, which were not booked earlier on the fixed administrative book.

Naveen Jain, Analyst

Okay. So let's say in the first nine months, those sort of scheme, how much would that be like in terms of absolute amount?

N.K. Kakani, Executive Director

About 15 crore to 17 crore.

Naveen Jain, Analyst

Okay. So sir, secondly on working capital cycles, so incrementally as we move forward, let's say, in this quarter or we missed in second quarter, our working capital to sort of improved from these levels or whether it like on a stagnant year or growth, where there -- any guidance on that?

N.K. Kakani, Executive Director

You see, actually we have improved a very little, although we had expected it will grew even further for September, because earlier we were thinking that after September, the payment cycle will improve, liquidates will improve, but our interest rates will reduce, but they haven't materialized.

Naveen Jain, Analyst

Right.

N.K. Kakani, Executive Director

But that said, it has improved a little bit and we hope that our efforts will pay dividend and it will improve further by about 100 crore to 150 crore by March and thereafter next year, we hope to have it even better.

Naveen Jain, Analyst

Okay. So any substantial improvement will be somewhere in next year?

N.K. Kakani, Executive Director

Yeah.

Naveen Jain, Analyst

Okay. Sir, another question [ph] on the order inflow side, so basically, I think, when we started the year, we were expecting something like 6,000 crores, 6,500 crores kind of order inflow. We've really done much better than that in the first nine months itself and we are heading towards a much higher number for the entire year. So, what will be a surprise basically in terms of which -- is the order inflow bumper much better than what is really been made out or what really is that kind of surprises, are we --

N.K. Kakani, Executive Director

Actually 2,000 crores in that Oman order of -- Oman Government's order of road and railways is 2,000 crore that's included this year. And the big pipeline, of course, at the beginning of the year was higher than the higher, now it has come down because of our policy that if it doesn't -- it's been doesn't move anyways for a year, we then write it off from the mid pipeline. So, mid-pipeline currently is 25,000 crores which has a good share of bridges Qatar which are yet to materialize.

Naveen Jain, Analyst

Okay. So, sir and also again on your BOD side, basically apart from the projects, so the project which is operational, can you just share the kind of toll collection that you are doing in the project right now?

N.K. Kakani, Executive Director

Toll collection is 25 lakhs a day.

Naveen Jain, Analyst

25 lakhs.

N.K. Kakani, Executive Director

And one bridge, which is going to be completed in next two month's time, then it will grow up to 32 lakhs or so.

Naveen Jain, Analyst

Okay. And the other project has not started yet, right, I mean Kharagpur, Mahulia?

N.K. Kakani, Executive Director

No, no, those projects are -- even that the date is not yet fixed, because then it will be some time [ph] to take place.

Naveen Jain, Analyst

And finally sir, (Technical Difficulty) quarter, about 1,600 odd crores, can you please (Technical Difficulty).

N.K. Kakani, Executive Director

Marginal order is about 400 to (Technical Difficulty) have given, now it has come down because--

Naveen Jain, Analyst

Other project is not (Technical Difficulty)

N.K. Kakani, Executive Director

Representative of the whole year. (Technical Difficulty). That's correct.

Naveen Jain, Analyst

Okay. Sir, how much of -- what kind of (Technical Difficulty) resources to carry out those projects then try our best with local players.

Naveen Jain, Analyst

Okay. So are you doing something to that affect?

N.K. Kakani, Executive Director

No, not on Mumbai, Delhi but we are -- we have been qualified for some section in the Ludhiana, Kolkata corridor.

Naveen Jain, Analyst

Okay.

N.K. Kakani, Executive Director

But we are yet to see the light of the day on this project.

Naveen Jain, Analyst

Okay. And I just want to get some numbers right, by of March 31st of this year, do you plan to reduce the debt by 100 crore to 150 crore?

N.K. Kakani, Executive Director

Yeah. About 100 crore to 150 crore. Yes.

Naveen Jain, Analyst

And by 31st March '15, it should be around 600 crores to 700 crores, another 600 crores to 700 crores debt reduction?

N.K. Kakani, Executive Director

Yeah, that is the plan in that case.

Naveen Jain, Analyst

Thank you, sir.

Operator

Thank you, Budhwal [ph]. . We have next question is from Ankita Bohra from B&K Securities. Your line is open. Please go ahead and ask your questions.

Ankita Bohra, Analyst

Hello.

N.K. Kakani, Executive Director

Good afternoon.

Ankita Bohra, Analyst

Hi, sir. Good afternoon. My question was on the L1 orders that we have, where are we seeing these orders from -- L1 orders?

N.K. Kakani, Executive Director

L1?

Ankita Bohra, Analyst

Yeah, sir, L1 positions.

N.K. Kakani, Executive Director

I did not mention L1 figures, good that you reminded me, L1 figure 940 crores.

Ankita Bohra, Analyst

Where are these orders from?

N.K. Kakani, Executive Director

Which is -- there is one power project, there is one railway line project and there is one bridge in Mumbai.

Ankita Bohra, Analyst

Okay. And sir, we had (inaudible) of 10% revenue growth for this year, would you -- and then given that current challenging environment and our nine-month numbers in place, do you think you will be able to achieve this number or would you want to revise this number?

N.K. Kakani, Executive Director

I think it will be zero percent growth or maybe 1% to 2%, (inaudible).

Ankita Bohra, Analyst

And what number do you expect for, going forward in FY'15?

N.K. Kakani, Executive Director

FY'15, you see, given the order book -- kind of order book we have, given the big pipelines. In fact the payment cycle again and plus of course now these orders will be approximate projects in sort of the cycle. So we hope to see a growth of 10% to 15%. Payment cycle doesn't include in India, then I mean that we have seen so far down to 5% growth.

Ankita Bohra, Analyst

Okay. And so what is the exact matter that why we are not receiving clearance for us, I mean DOD project and what is the exact problem there?

N.K. Kakani, Executive Director

No, no. Both DOD projects using that we were not up to financial projects. We have started on financial commitments because an update is required to acquire land up to 90%.

Ankita Bohra, Analyst

Okay. So our intent is there to do the project or?

N.K. Kakani, Executive Director

No. I don't think we will have to, because then in regulatory situation because already it's a long delay. So we're leaving situation again.

Ankita Bohra, Analyst

Okay. Fine. And so we don't have any equity requirement as of now?

N.K. Kakani, Executive Director

No. Because both that DOD project which are ongoing, I mean the equity requirement is 100% completed.

Ankita Bohra, Analyst

That fully materialized.

N.K. Kakani, Executive Director

Yeah.

Ankita Bohra, Analyst

So we don't have any further liquidity requirement as of now.

N.K. Kakani, Executive Director

No.

Ankita Bohra, Analyst

It would be current on that. Okay, sure. That's it from my side. Thank you, sir.

Operator

Thank you so much, ma'am. The next question we have from Ashish Shah from IDFC Securities. Your line is open. You can go ahead and ask your question.

Ashish Shah, Analyst

Yeah. My question have been answered. Thank you very much.

Operator

Thank you so much, sir. The next question we have from Mr. Viral Shah from Angel Broking. Your line is open. You can go ahead and ask your question.

Viral Shah, Analyst

Hello, sir. Good afternoon, sir.

N.K. Kakani, Executive Director

Good afternoon.

Viral Shah, Analyst

Sir, my most of the questions have been answered. Just a clarification, even if you take about 2% growth on the revenue front, the kind of revenue expected in the last year is going to be one of the best quarters for the Company sort of long, long time. So do we expect such a huge thing to happen for the fourth quarter?

N.K. Kakani, Executive Director

Yeah, yeah. Because this Oman project and Reliance Ambani and Mukesh Ambani projects are very faster provision and Ambani -- as I told as generating revenue and Oman projects will generate only this month.

Viral Shah, Analyst

Okay. And that continues.

N.K. Kakani, Executive Director

Yeah.

Viral Shah, Analyst

Okay, thanks. So that's it from myself. Thank you.

Operator

Thank you so much for your question, sir. The next question we have from Mr. Madan Gopal from Sundaram Mutual Fund. Your line is open. You can go ahead and ask your question.

Madan Gopal, Analyst

No, no. My questions have been answered. Thanks.

N.K. Kakani, Executive Director

Thank you.

Operator

Thank you so much sir. The next question we have from Mr. Bhupendra Tiwary from ICICI Direct. Your line is open you can go ahead and ask your question. Mr. Bhupendra Tiwary. Your line is open, you can go ahead and ask your questions sir.

Bhupendra Tiwary, Analyst

Yeah, hello. Yeah, my question would be on the DOD front. Just wanted to understand how much of Bhubaneswar-Chandikhol projects have been done. I mean, what percentage of it--

N.K. Kakani, Executive Director

You -- above you see Bhubaneswar-Chandikhol project out of 1000 crore order 120 crore is pending.

Bhupendra Tiwary, Analyst

Okay so when do we look at DCOD?

N.K. Kakani, Executive Director

I think in June.

Bhupendra Tiwary, Analyst

Okay. And now coming on to the remaining two project on Mahulia, Kharagpur and Meghalaya.

N.K. Kakani, Executive Director

Yeah.

Bhupendra Tiwary, Analyst

I mean how much have we invested in those areas?

N.K. Kakani, Executive Director

That is only 5 crore each for paying the banker their fee.

Bhupendra Tiwary, Analyst

Okay.

N.K. Kakani, Executive Director

And to close that.

Bhupendra Tiwary, Analyst

Okay. And just wanted to understand the last quarter you said that slowdown is being seen in the building segment particularly. So how are they planning out.

N.K. Kakani, Executive Director

No, no, no. As far as real estate sector remained two quarters back.

Bhupendra Tiwary, Analyst

Okay.

N.K. Kakani, Executive Director

Remains are the delayed therefore the executional activities. But now they are on trade because they have good developers like DLF, Godrej and TATA.

Bhupendra Tiwary, Analyst

Okay.

N.K. Kakani, Executive Director

Even the segment cycle is okay, they are good but then better than many other sector.

Bhupendra Tiwary, Analyst

I just wanted to understand your 600 crore debt reduction that we are planning in FY15 I mean any major arbitration that is being awaited apart from RBGs where will we getting close to 200 crore if I'm not wrong.

N.K. Kakani, Executive Director

You see that obviously is not arbitration, that is also general payment cycle improvement.

Bhupendra Tiwary, Analyst

Okay, alright.

N.K. Kakani, Executive Director

Number of that, you see in 2002, 2003 the net working capital cycle use to 160 days in FY '9 it came down to 90 days. And again it has gone up to over 200 days. So we are anticipating that overall payment cycle will improve, otherwise arbitration just INR50 crore to INR57 crore.

Bhupendra Tiwary, Analyst

Okay. And that would be it, sir. Thanks.

Operator

Thank you so much Mr. Tiwary. The next question we have from Mr. Parvez Akhtar from Edelweiss Capital, your line is open. You can go ahead and ask your question. Mr. Parvez Akhtar your line is open, you can ask your question sir. So, there is no indication.

N.K. Kakani, Executive Director

Maybe his questions are answered.

Operator

So, as of now there is no more questions in the queue, so, I would like to hand over the floor back to you for the final remarks. Thank you, and over to you, sir.

Sujeet Jain, Senior Equity Research Analyst

A couple of questions, this is Sujeet Jain.

N.K. Kakani, Executive Director

Yeah.

Sujeet Jain, Senior Equity Research Analyst

What is the total quantum in your order book that comes from residential, real estate segment and commercial?

N.K. Kakani, Executive Director

Commercial is none, residential is about 25%, 24.7%; 4% is institutional, institutional like government building.

Sujeet Jain, Senior Equity Research Analyst

Okay. How much of this would be slow moving?

N.K. Kakani, Executive Director

Slow moving in the sense, we only count by number of percentage of execution versus percentage of order book.

Sujeet Jain, Senior Equity Research Analyst

Okay.

N.K. Kakani, Executive Director

So, execution in housing building is 24%, 25%. So, as the order size of 28%, exactly is 24%, so it's just slightly slow moving, it means, say that the execution is slower than the order book share because of payment cycle.

Sujeet Jain, Senior Equity Research Analyst

Okay. And sir, if you could throw some more light, what was the -- probably I missed this, receivable number as on third quarter?

N.K. Kakani, Executive Director

Third quarter receivable number is 4,149.

Sujeet Jain, Senior Equity Research Analyst

If you could repeat that, sorry?

N.K. Kakani, Executive Director

4,149 crore, which includes retention amount of 595 crore which is not yet due.

Sujeet Jain, Senior Equity Research Analyst

Okay. And apart from that inventory, other current asset figures and loans and advances?

N.K. Kakani, Executive Director

Inventory line 48 crores.

Sujeet Jain, Senior Equity Research Analyst

Okay.

N.K. Kakani, Executive Director

And loans and advances this include this as well as subcontractor claims 48 crores, cash on bank 40 crores, other current assets 47 crores and advances on claims that mobilized also 996 crore as which is 1,859 crores, provision of 15 crores. Net working capital 3,162 crore.

Sujeet Jain, Senior Equity Research Analyst

Okay. And sir, this level of debtor, is this the normal level that we typically witness or if you could through some--

N.K. Kakani, Executive Director

That is, what I said, net working capital cycle in 2002-03 were 160 days, it came down to 90 days in FY09. Again, it has gone up to 200 during these days also.

Sujeet Jain, Senior Equity Research Analyst

Okay. In fact, sir, if you could recall your second quarter con-call, you'd spoken about Abhijeet project have been taken over or there was a possibility --

N.K. Kakani, Executive Director

There are three bidders, who have given the return request to the consortium. So, that should get sorted out by March and April.

Sujeet Jain, Senior Equity Research Analyst

So we are -- in that segment back we might get recover some of the money by April. Is it contingent and subject to the super stocking more the project.

N.K. Kakani, Executive Director

Naturally, yes, that was always even that time also it was continue that one, because this projects are good projects I've completed 70% to 80% and the new acquirer will bring in equity into the company.

Sujeet Jain, Senior Equity Research Analyst

Sir, in this project how much money we've received so far of the total project size?

N.K. Kakani, Executive Director

I don't have those numbers.

Sujeet Jain, Senior Equity Research Analyst

Okay. And you had also spoken last time about one NHI claim of 100 crores, which we were negotiating, any changes on that?

N.K. Kakani, Executive Director

Yeah. That may come in March itself if everything goes well, but negotiations are going I mean this businesses are going well.

Sujeet Jain, Senior Equity Research Analyst

Okay. Sure. That is it from my side. You have any concluding remark, sir.

N.K. Kakani, Executive Director

Yeah. You see, the growth and profitability will depend upon the aging up of the payment cycle and domestic market. Otherwise orders inflow good and margins were also good, and so everything depends on the payment cycle. Thank you.

Sujeet Jain, Senior Equity Research Analyst

Okay. Sure. So I thank the management of Simplex Infra for giving a brief on the results and doing the Q&A. I thank the participants as well. Thank you very much.

Operator

Thank you so much, sir. Thank you all the participants. With this we conclude the conference call for today. You may all can disconnect your lines and have a great day ahead. Thank you so much.

N.K. Kakani, Executive Director

Thank you.