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IRB Infrastructure Developers Limited
Q3 FY26 Earnings Conference Call
February 16, 2026

Moderator: Good morning ladies and gentlemen. Welcome to the IRB Infrastructure Developers Conference Call for discussing the financial results for the quarter ended December 31, 2025, along with recent developments.

We have with us on call today, Mr. Virendra Mhaiskar, Mr. S.S. Rana, Mr. Anil Yadav, Mr. Mehul Patel, Ms. Poonam Nishal and Mr. Tushar Kawedia.

As a reminder all participant lines will be in the listen only mode, and there will be an opportunity for you to ask questions after the presentation concludes.

Please note that the duration of the call will be 45 minutes and any queries left unanswered after the call can be subsequently mailed to the management for adequate response and resolution. Please note that this conference is being recorded.

I now request Mr. Yadav to give you an overview of the significant developments during the quarter. Thank you, and over to you, sir.

Anil Yadav: Good Morning and a warm welcome to all investors and analysts joining us for our earnings call to discuss the results for Q3 of Financial Year 2025–26.

I trust you have had the opportunity to review our detailed financial results and the accompanying investor presentation. Let me briefly walk you through the key developments during the quarter.

Private InvIT has received the **Letter of Award (LoA) for TOT-18** from NHAI, for an upfront consideration of **₹3,087** crores in the State of Odisha, and the SPV has entered into the concession agreement with NHAI.

With this win, IRB's market share in the TOT segment has increased to approximately **44%**. This marks our second consecutive TOT win within a span of just one and a half months and register our presence to a new Indian

State on the East Coast of India — yet another testament to our competitive strengths and disciplined bidding strategy.

During this quarter, we also successfully concluded the transfer of the **Gandeva Ena HAM project**, receiving **₹513 crores** towards equity investment. With this transfer, our consolidated debt will reduce by approximately **₹700 crores**, further strengthening liquidity profile.

This has been an eventful and transformative year for IRB. We have successfully executed our **B.E.S.T. (Build–Execute–Stabilise–Transfer)** strategy, monetising mature road assets through our Public InvIT.

- Assets worth approximately **₹8,400 crores** were monetised
- Unlocking equity capital of about **₹4,900 crores**
- Added projects worth **₹14,000 crores**

As a result, our asset base expanded from **₹80,000 crores** to **₹94,000 crores**. We remain on track to scale our asset base to approximately **₹1,40,000 crores** over the next three years.

The capital unlocked through monetisation has been redeployed into higher-return growth opportunities. In line with our philosophy of sharing wealth creation with shareholders, the Board has approved a **1:1 bonus issue**, fostering shareholders participation in the Company's prosperous future trajectory.

Additionally, The Board has also approved 3rd Interim Dividend of 7% for Q3FY26, which brings total dividend for first nine months of FY26 to 21%.

On the operational front:

- Our **Private InvIT** reported per-day toll collections of ₹10.17 crores for the quarter ended December 2025, compared to ₹8.87 crores in the same quarter last year — reflecting a growth of approximately **15%**, driven by healthy traffic momentum.

- The **combined Private InvIT + IRB portfolio** achieved per-day toll collections of ₹17.94 crores, up from ₹16.01 crores last year — representing a **12%** year-on-year growth.

In terms of distributions:

- The **Private InvIT declared a distribution of ₹50 crores**, contributing proportionately to IRB's cash flows based on our 51% holding.
- The **Public InvIT declared a distribution of approximately ₹192 crores for Q3 FY26**. Based on our 17% holding, IRB is expected to receive approximately ₹32 crores.

Our total order book now stands at approximately **₹37,300 crores**, including an EPC order book of **₹1,600 crores**.

Finally, I would like to briefly touch upon the ongoing Transition of IRB, which we have detailed in our presentation. Over the past few years, IRB has structurally evolved from a hybrid developer to a sponsor-led, asset manager with O&M-driven platform resulting in a stronger balance sheet, improved capital efficiency, and enhanced cash ROE profile. We believe this transformation positions us well for sustainable growth and long-term wealth creation for our shareholders.

With that, I conclude my opening remarks, and I will request Tushar to cover the financial highlights for Q3FY26. Over to you, Tushar.

Tushar Kawedia:

Thank you sir.

Now I will take you through the Financial Analysis for Q3 FY'26 versus Q3 FY'25 numbers:

The total consolidated income for Q3 FY'26 has decreased to ₹1912 crores from ₹ 2090 crores, a decline of 9%. The income from InvIT and related asset segment for Q3 FY'26 has increased to ₹ 381 crores from ₹ 245 crores registering a growth of 56%. The income from BOT segment has increased to ₹ 707 crores from ₹ 648 crores, registering a growth of 9%. The income from construction segment has decreased to ₹ 783 crores from ₹ 1133 crores down

by 31% mainly on account of near completion of the projects like the Palsit-Dankuni, Ganga and VM-7 in the last three quarters. The other income for Q3 FY'26 has decreased to ₹ 41 crores from ₹ 65 crores. The EBITDA for Q3 FY'26 has increased to ₹ 1063 crores from ₹ 1049 crores up by 1%. Interest costs decreased to ₹ 436 crores from ₹ 461 crores, a decrease of 5%, mainly led by the reduction in the interest rate in the SPVs. Depreciation for the quarter is at ₹ 289 crores as against ₹ 265 crores, an increase of 9%. PBT has increased to ₹ 338 crores as against ₹ 323 crores, an increase of 5%. PAT before exceptional item has increased to ₹ 253 crores from ₹ 222 crores, an increase of 14%.

Now I request moderator to open the session for question and answer.

Moderator: Thank you. We will now begin the question and answer session. The first question is from the line of Alok Deora from Motilal Oswal. Please go ahead.

Alok Deora: Sir, good morning. Just had few questions. First is on this TOT-19 and some of the other TOT packages which were up for bidding, any update on that and in a couple of more projects before the year end. So, any movement there or by when do we expect to win those projects?

Management: Yes, so we remain optimistic about the upcoming TOTs. There are three to four more TOTs to come. As regards TOT-19 is concerned, we have decided not to bid on it. So, we have not submitted our bid in that regard. There is a specific reason for it. The reason is that NHAI has stated that they will be making MLFF i.e. Multilane Free Flow compulsory for this project. And the project size is not a very big one, it is a small size project. So, we have decided to pause for the time being and observe the response to NHAI's move to make MLFF compulsory. Because the concern here is that MLFF has not been introduced anywhere in the country. Few pilots are in the making and without getting the pilot project tested, straight away introducing it on a TOT project to our mind was a little risky proposition. Hence we have decided to pause and wait and see how people respond to it.

Alok Deora: Sure, but in the other TOTs which will be upcoming beyond TOT-19, will this clause be there or it is just a one-off in this for now?

Virendra Mhaiskar: I mean we are not anti-technology; we are very much for MLFF. The problem is that we want the MLFF to get tested. What is the mechanism to recover the vehicles who are not having enough balance or who do not have a fast tag on their windshield? These are some critical issues which need to be addressed. Our IT team is in touch with IHMCL, and a live conversation is on. So, before the next bids come up, I am sure there will be couple of pilots which would have started. There would be some more clarity that would come along and that would make things easy to participate in those projects going forward. We thought that let us wait and see how people are willing to factor the risk premium into this kind of proposition. That is the reason why we have decided to pause and see how it shapes up. Otherwise, the strategic thought process of participating in the monetization remains intact.

Alok Deora: Got it. So, as of now we have not bid for any, there are no pending TOTs which we are waiting for the tenders to open?

Management: No, nothing at the moment. There are a few bids happening this month. We will see how they shape up. But no TOT is pending at the moment.

Alok Deora: Sure and sir, any moment in the BOT toll and HAM projects since we are already in mid-February now. I mean the whole industry is waiting for these last couple of months to get some orders and get some order inflows basically. So, any active tenders you have seen which we have also bid for, and could we see some traction there?

Management: As far as EPC and HAM are concerned you know my views on them. So, I will not repeat that. But I mean, then, what do we say? Yes, bidding on HAM continues with around two dozen players submitting bids for each of them. So, you can imagine what kind of competition we will meet with.

Alok Deora: And anything on BOT toll sir? Anything on BOT toll now, of late?

Management: There are one or two projects in the pipeline which we are studying and if they make commercial sense we may go for it.

Alok Deora: Sure. So, sir just to sum it up as of now it is very unlikely that we would kind of win any new projects in this financial year. Because TOT even if you were to submit a bid now it will not open in time.

Management: No. So, I would submit this way that there are three more TOTs which definitely are likely to get financially bid out in this financial year. Where we are very much going to go ahead and bid.

Alok Deora: Got it sir. Got it. That is all from my side sir. Thank you and all the best, sir.

Management: The visibility for March is three to four more TOTs that may come up for bidding.

Alok Deora: Got it.

Management: We will bid for those.

Alok Deora: Sure sir. All the best sir.

Management: Thank you.

Moderator: Thank you. The next question is from the line of Nitesh from JP Morgan Asset Management. Please go ahead.

Nitesh: Hi sir. Thank you very much for the presentation and quarterly update. Can you please give me some kind of visibility on the EPC revenue and profitability on a forward basis. Because over the last few quarters the revenue and the EBITDA, the EPC projects have come down quite a bit for this year. Can you give us some kind of visibility on a looking forward basis to what it might look like? Thank you.

Management: So, I think in terms of EPC what we have already guided, we have almost ₹ 35,000 crores kind of O&M order book and which will be executed over a period of 10 to 12 years. And in terms of that there will be steady state kind of revenue which will be annuity kind of model and it will be growing on year-on-year basis and that has healthy margin So, that is the clear visibility in terms of our EPC or project management services is concerned. In terms of the new bidding I think we will be very selective, and we are focusing largely on TOT

which typically has some initial CAPEX and thereafter provision which provides 15-30 years of visibility. Going forward also our focus will more on the asset business than the bagging of EPC. We are not bidding for the EPCs and HAM as sir has rightly explained that there are more than two dozen companies participating in HAM and even some of the EPCs are getting bid out, 45%, 50% below NHAI bidding. So, anyway we are not concentrating on that segment. Our first focus will be on TOT and followed by the selective business on the viable BOT projects.

Management:

I think you will appreciate this fact that when we say TOT or a monetization asset, it has a chunky O&M that comes along. And that is a good EBITDA margin business which we believe is a better way to build the order book. Because as you keep building the order book with more of O&M coming your way, your margins are much better, and the visibility of that order book is for 20- 25 years. So, you are not on a treadmill to continuously run to replenish your order book. We are structurally building the order book for a medium-to-the-long-term nature which we believe will actually help the company build a very solid pipeline.

Management:

And just to add on the basis of our existing projects we have guided that even the company will become net debt zero by 2030 and in terms of profitability there we expect around 25% CAGR profitability and cash ROE from this from this 8% will grow to 14% - 15% by 2030.

Nitesh:

Thank you sir. The second question I have is, can you just take us through cash flows at IRB level? From distributions at Private and Public InvIT and as well as the TOT and BOT projects at IRB.

Management:

Yes. So, the present cash and bank balance you can say is in the range of ₹ 25-30 billion. The distributions we typically receive from our Public and Private InvIT investments amounted to approximately ₹60 crore during the quarter. And this is going to grow more once the projects become operational in the coming quarters. i.e. TOT-17 and TOT-18 which will also contribute to the future distribution from Private InvIT.

Nitesh:

And sir from Pune-Mumbai Expressway and this BOT, TOT projects, so do you get any cash flows from assets at IRB?

Management: Yes, so if you look at cash flows, I think if you talk about project management services which is nothing but your O&M. I think O&M is on consistent basis there will be a ₹ 7 billion to ₹ 8 billion EBITDA which will be coming from the O&M there we have not factoring in any new business. And Mumbai-Pune gradually distributing around ₹ 4 billion to ₹ 5 billion kind of distribution and going forward around ₹ 4 billion to ₹ 5 billion kind of distribution we are expecting from Private InvIT and Public InvIT will remain around close ₹ 1.5 billion kind of distribution from the Public InvIT. So, this entire cash flow will be available for IRB and going forward IRB is not required to put any additional equity into the new projects. As the management is contemplating multiple churns of the asset, out of those churns of asset the equity for the new projects will be created. As we have transferred three assets, we realized ₹ 49 billion of equity and asset size transferred over ₹ 84 billion and the assets which we have added over ₹ 140 billion and after this addition we have even transferred VM7 HAM asset there we will have around ₹ 5 billion cash on account of equity. I think going forward the cash generation will be consistently built on the backdrop of asset addition but there will not be any outflow in terms of equity from the Listed company.

Nitesh: Right sir, that is clear. That is it from me. Thank you.

Management: Thank you.

Moderator: Thank you very much. The next question is from the line of Aditya Sahu from HDFC Securities. Please go ahead.

Aditya Sahu: Thank you so much for the opportunity. I just had one or two questions. This was on the bid pipeline. So, as you mentioned that you are looking at three more TOTs to come up for the bidding in this financial year till March. So, what would be the value of those TOTs that are coming up and any more TOTs in the future, if I were to understand from a value standpoint?

Management: So, as you know usually NHAI does not disclose the IECV of the TOTs when they bid out for projects. But going by the data available in terms of the daily toll revenue and corresponding data points that we have, these projects together, the three of the projects should somewhere augment around ₹ 10,000 crores to ₹ 12,000 crores.

That is the potential we believe these projects would have.

Aditya Sahu:

Understood sir and on the BOT, because I understand that I think last time we were sort of expecting roughly ₹ 30,000 crores in BOT. That ₹ 300 billion was what we were expecting. But I think that is not happening because of the subdued bidding over here. Is there any expectation on the BOT or the overall bid pipeline, if I were to put it that way, would stand close to ₹ 10,000 crores to ₹ 12,000 crores only?

Management:

Yes. So, just to give you a perspective, we are not looking at BOT alone. The idea is to deploy patient capital to create value over a period of time. So, we are not trying to distinguish between BOT or TOT. Whether it is bid-operate transfer or buy-operate transfer, it really does not make much difference to us. The idea is what will create more long-term value. So, if we see the visibility coming more on the monetization side, we will deploy the capital more on the TOT side. If we see there is a viable proposition on the BOT side, we will definitely go in for that as well. So, as you said, we were looking at around ₹ 10,000 crores to ₹ 12,000 crores of projects. Because the BOT did not materialize in terms of viability proposition, we saw the TOT opportunity was very good. And we in fact ended up winning ₹ 14,000 crores of projects in the last three months. But they were on the TOT side. So, we have substantially created value, but more on the TOT side, which has much lesser risk metrics to my mind.

Aditya Sahu:

Understood sir. If I were to put a number on the overall bid pipeline, which would comprise of the TOTs, BOTs and all the other revenues, what would that be?

Management:

If I just speak for monetization, the government official documents talk about around ₹ 3 lakh crores of total toll road monetization. Of that, certain amount will go towards their own NHAI InvIT. But on a very conservative manner also, if I look at around ₹ 30,000 crores to ₹ 50,000 crores is the annual opportunity that monetization is about to bring up. And this is an annual opportunity for next four years. So, that to my mind is a significant one. And you have also seen the policy statements from the government where they are trying to pivot towards more viable BOT options. So, we are studying those as well. But there I am not able to put a number because they are now approving

projects on a project-to-project basis after having due studies and cabinet approvals and things like that. But on the policy front, I think this is the kind of visibility that they have talked about. A detailed slide in our presentation will give you more flavor on what kind of opportunity exists.

Aditya Sahu: Understood, sir. So, that should ideally be the bid pipeline for you, the annual working capital that you are targeting as a whole.

Management: For the kind of appetite IRB has in terms of growth for the next foreseeable future, I think there is a significant amount of opportunity available to deploy the growth capital.

Aditya Sahu: Understood, sir. Understood. And I think we had mentioned earlier the O&M margins we are writing at 20% to 23%. So, that continues to be in place for the full financial year.

Management: I will tell you a little more granular understanding. If you look at the BOT/TOT business, that has an EBITDA margin of around 85%. And if you look at the EPC or the construction O&M business, you will see around 18% to 20% kind of margin profile for that business. That is how I sum it up.

Aditya Sahu: Okay. Understood, sir. Thanks a lot for the opportunity.

Moderator: Thank you. The next question is from the line of Mohit Kumar from ICICI Securities. Please go ahead.

Mohit Kumar: Good afternoon, sir. Thanks for the opportunity. I have one question on the industry side. What kind of changes are being discussed in the new BOT concession agreement? Are you guys suggesting or looking for any major changes?

Management: I think this is an ongoing reform. And with every passing project, we see some more visibility coming into it. Now, from a developer perspective, from a lender perspective, from a client perspective, everyone would have different take on the reforms that are being talked about. But having been a pioneer in the sector and being in BOT for more than 30 years, I think every change is a step in the positive direction. So, not wanting to elaborate into any specific provision, whether it is good, bad or decisive. But I think the ultimate objective

is whether the project will make a reasonable return commensurate with the risk attached. I think that remains the focal point, how one decides whether he wants to commit capital for it or not.

Mohit Kumar: But was there something specific which is holding up the new BOT bids?

Management: Okay, so to give you a little more granular understanding. The low-hanging fruit as I would talk about, like a two to four laning project or a four to six laning project. Not many remain to be bid out now because India has already grown past that phase of growth. Today, the BOTs that we come across are more exotic in nature, more complex in nature. And the tolling structure on these projects is also complex. Because as you know, if the project is structure heavy, then the toll tariff depending on the project cost of that structure is 5x that structure cost and things like that. There are complex issues as to whether the traffic will use the structure or whether it will want to go below the structure. What happens to the toll tariff for people who are not using the structure? Whether they should be allowed to pay lesser toll? And all these things create a significant overhang on the viability of the project. So, that is the reason why I said that viability of the project commensurate with the risk attached is the key thing that one would look at going forward while bidding for BOT. It is no longer a straightforward ground field opportunity where you can access the risks and bid more comfortably. These are complex projects and unless you have a very good handle on the risks attached, it is advisable to be prudent and study the risks properly before committing capital.

Mohit Kumar: Understood. Thank you sir, that is very helpful. My second question is that you spoke about the multi-lane flow, I think, MLFF. Is it being implemented also for new BOTs or is it only for the TOTs?

Management: See, the endeavour of the government is to bring it to play MLFF across. It is an ongoing transition. Like what we saw in Fastag, people had a taboo about Fastag also. Fastag today is the way forward. Very proudly we keep saying that 97%- 98% of our revenue comes from Fastag. So, I am not having any reservations about MLFF. It is technology which exists in other parts of the world. It has its challenges. We need to address those. We need a credible, probably a settler who can take the intermediate risk. And if we structure it

right, it is a technology which can be brought in a very aggressive manner in India as well.

Management: I think on TOT-19 it is also explained that MLFF was not the only reason why we have not bided. One was the size was low and secondly, the asset was operational under BOT and BOT concession was over and post that from last three to four years NHAI is already collecting tolls. It is a gated asset, and we believe there was some maintenance issue as well. I think considering other issues we have decided not to bid for TOT-19 and not only MLFF.

Mohit Kumar: Understood. Thank you.

Moderator: Thank you very much. As there are no further questions from the participants, I now hand the conference over to the management for the closing comments.

Management: So, thank you everyone for taking your time out for this quarterly call and look forward to connect with you again for the next one. Have a great day and great week ahead. Thank you.

Moderator: Thank you sir. Ladies and gentlemen, this concludes your conference call for today. We thank you for your participation and for using Research bytes Conferencing Services. You may please disconnect your lines now. Thank you and have a great day ahead.
