



# PNC Infratech Limited

An ISO 9001 : 2015 Certified Company

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Date: 17.08.2024

To,  
The Manager  
Department of Corporate Services  
BSE Limited  
Floor 25, P.J. Towers,  
Dalal Street, Mumbai-400 001  
Scrip Code: 539150

To,  
The Manager  
Listing Department  
National Stock Exchange of India Limited  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East), Mumbai- 400 051  
NSE Symbol: PNCINFRA

Dear Sir,

**Sub- Transcript of Q1 FY25 Earnings Conference Call on Financial Results for the quarter ended 30<sup>th</sup> June, 2024**

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we are enclosing herewith the transcript of earnings conference call on Financial Results for the quarter ended 30<sup>th</sup> June, 2024 held on Monday, 12<sup>th</sup> August, 2024.

You are requested to take this information on your record.

Thanking you,

**For PNC Infratech Limited**

**Tapan Jain**  
**Company Secretary & Compliance Officer**  
**ICSI M. No.: A22603**

Encl: a/a



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“PNC Infratech Limited  
Q1 FY '25 Earnings Conference Call”  
August 12, 2024

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 12th August 2024 will prevail.



**MANAGEMENT:** **MR. YOGESH KUMAR JAIN – MANAGING DIRECTOR – PNC INFRATECH LIMITED**  
**MR. T.R. RAO – DIRECTOR, INFRA – PNC INFRATECH LIMITED**  
**MR. D. K. AGARWAL – CHIEF FINANCIAL OFFICER – PNC INFRATECH LIMITED**  
**MR. D. K. MAHESHWARI – SENIOR VICE PRESIDENT, FINANCE – PNC INFRATECH LIMITED**

**MODERATOR:** **MR. VISHAL PERIWAL – ANTIQUE STOCK BROKING**

**Moderator:** Ladies and gentlemen, good day, and welcome to the PNC Infratech Q1 FY '25 Earnings Conference Call hosted by Antique Stock Broking. 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, this conference may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on the date of this call. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Vishal Periwal from Antique Stock Broking. Thank you, and over to you, sir.

**Vishal Periwal:** Yes. Thanks, Dorwin. Good afternoon, everyone. I'm pleased to welcome you all for the PNC Infratech First Quarter FY '25 earnings call. We have with us today Managing Director of PNC Infratech, Mr. Yogesh Kumar Jain, along with the senior management team. And also would like to thank Shri. Yogesh Kumar ji for giving us this opportunity to host their call.

As usual, we'll have brief from the management on the gone by quarter, and then we'll open the line for Q&A. Yes. Thank you and over to you, sir.

**Yogesh Kumar Jain:** Good afternoon everyone. On behalf of PNC Infratech Limited, I extend a very warm welcome to everyone for joining us today on this call.

I have with me Mr. T. R. Rao, Director (Infra), Mr. D. K. Agarwal, Chief Financial Officer, Mr. D. K. Maheshwari, Senior Vice President (Finance) and Strategic Growth Advisors - our Investor Relations Advisors.

We have uploaded the financial results and Investor Presentation on the Stock Exchanges and Company's website for your reference.

Initially, I would like to mention key updates of the industry, followed by operational developments of the Company and highlights of financial performance during the first quarter of Financial Year 25, post which we will be happy to answer your questions.

- ✓ In the first quarter of current financial year, roads and highway sector in India witnessed muted progress due to several factors including the general elections, early onset of monsoon at certain geographies and delay in declaration of appointed dates due to delay in acquisition and possession of vacant land for construction of already awarded projects.

- ✓ Reflecting the above subdued situation, only 1,934 km aggregate length of highways constructed during the First Quarter of Current Financial Year, compared to 2,250 km constructed during the corresponding period of the last financial year.
- ✓ The construction progress during the second quarter of current financial years is also getting significantly affected due to a very active monsoon and continuous rains across the country. Given the condition, construction activities are expected to pick during the third quarter of current financial year only.
- ✓ The recent union budget for financial year 25 demonstrates that the government is focused on India's infrastructure development across core sections including, highways, railways, and airports by making substantial budgetary allocations for transportation sector as a whole.
- ✓ The finance ministry maintained the allocation for the NHAI at Rs 1.68 lakh crore while retaining the highways sector's outlay at Rs 2.78 lakh crore for Financial Year 2025.
- ✓ Recently, the Cabinet has approved eight High Speed Road Corridors aggregating a length of 936 Kms with total estimated cost of over Rs. 50,000 Crore.
- ✓ These road corridors will improve connectivity and logistics efficiency. Out of the total cost, Rs. 30,000 crore worth of projects are expected to be awarded on BOT-Toll model and remaining on HAM and EPC modes.
- ✓ To improve road user convenience and provide a barrier-free travel experience on the National Highways, MoRTH and NHAI jointly through IHMCL commenced the implementation of 'Global Navigation Satellite System' based Electronic Toll Collection, which will enhance tolling efficiency to global standards.

**Now coming to the recent updates on the Company:**

- ✓ During the first quarter, following subsidiaries of the Company are in receipt of total Rs. 515 Crore from NHAI under the Vivad Se Vishwas II (Contractual Disputes) Scheme
  - Rs. 117 Crore by PNC Raebareli Highways Private Limited
  - Rs. 398 Crore by PNC Kanpur Highways Limited –
- ✓ On 28<sup>th</sup> May 2024, Company received an early completion bonus of Rs. 56 Crore for an EPC project executed in Maharashtra.

Both are accounted for in the Q1 of FY25 financials

- ✓ During the first quarter, the Company's subsidiary MP Highways Private Limited received 2.8 years extension of Concession Period for Gwalior-Bhind BOT-Toll Project on account of shortfall in actual traffic vis-à-vis the target traffic
- ✓ On the project development side, the Company's subsidiary Meerut-Haridwar Highways Private Limited received Provisional Completion Certificate for Meerut – Najibabad HAM project on 4<sup>th</sup> May 2024

**Moving on to the operational and financial performance of the company**

- ✓ Out of the company's 28 fund-based projects, 3 are BOT-Toll projects, 2 are BOT Annuity Projects and 23 are HAM projects.
- ✓ Aggregate Bid Project Cost of 23 HAM projects is over Rs. 30,000 Crore, which is one of the largest highway HAM project portfolios in the country.
- ✓ Out of a total 23 HAM projects,
  - Company achieved PCOD/COD for ten projects,
  - Nine projects are under construction
  - Three projects achieved financial closure and appointed dates yet to be declared
  - For one project, financial documents for a term loan Rs. 677 crore executed & submitted to the Authority well before the stipulated due date of 4<sup>th</sup> August 2024.
- ✓ Total equity investment requirement for the HAM projects is Rs. 3,092 crore.
- ✓ As of June 2024, Company already invested Rs. 2,079 crores and the remaining equity of Rs. 1,013 crores is to be invested over the next 2 to 3 years.
- ✓ The internal accruals that would be generated over the next two to three years should be adequate to meet the above equity investment requirement.

**Now moving on to our order book**

- ✓ As of 30<sup>th</sup> June 2024, the company's unexecuted order book stands at Rs. 14,100 crores which does not include the contract value of 2 EPC contracts recently secured for an aggregate value of Rs. 4,994 Crores. Upon inclusion of these 2 EPC projects, our unexecuted order book would be over Rs. 19,098 Crores which is 2.5 times of FY 24 Revenue.
- ✓ Out of the unexecuted order book of Rs. 19,098 Crores, highway, expressway & Canal contracts contribute around 82%, while water projects contribute around 18%.

- ✓ During the first quarter of financial year 25, Company has booked a total revenue of Rs. 289 crores in the drinking water segment.

**Now I would present the results for the quarter ended June 30, 2024.**

**Standalone Quarterly Results:**

Revenue for the 1<sup>st</sup> quarter of FY25 is Rs. 1,744 crore.

The EBITDA for the 1st quarter is Rs. 593 crores which is higher by 142% as compared to Rs. 245 crores in the 1<sup>st</sup> quarter of FY24. The EBITDA margin for the 1st quarter of FY25 is 34%.

The profit for the 1st quarter of FY25 is Rs. 421 crores as compared to Rs. 157 crores in the 1st quarter of FY24, a growth of 169% on a YOY basis. The PAT margin for the 1st quarter of FY24 is 24.1%.

**Consolidated Quarterly Results:**

Consolidated revenue for the 1st quarter of FY25 is Rs. 2,168 crores as compared to Rs. 2,092 crores in 1st quarter of FY24, a growth of 4%.

The consolidated EBITDA for the 1st quarter of FY25 is Rs. 969 crores as compared to Rs. 436 crores in the 1st quarter of FY24, a growth of 122%. The EBITDA margin for 1st quarter of FY25 is 44.7%.

The consolidated PAT for 1st quarter of FY25 is Rs. 575 crores as compared to Rs. 181 crores in 1st quarter of FY24, a growth of 218%. The PAT margin for the 1st quarter of FY25 is 26.5%.

**ON THE STANDALONE BALANCE SHEET SIDE,**

As on 30<sup>th</sup> June 2024, our net working capital cycle is 121 days.

Our net worth on standalone basis is Rs. 5,203 crores as on 30th June 2024, whereas total standalone debt is Rs. 389 crore.

The total cash and bank balance as on 30th June 2024 is Rs. 486 crores. We have a net surplus of Rs. 97 crore. This translates to net debt to equity of 0.07 times.

**On Consolidated Basis**, our net worth is Rs. 5,761 crores whereas total debt is Rs. 8258 crores as on 30<sup>th</sup> June 2024. The total cash & bank balance including current investments is Rs.1,501 crores. This translates to net debt to equity of 1.43 times.

With this, we now open the floor for question-and-answer. Thank you.

**Moderator:**

Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Shravan Shah from Dolat Capital. Please go ahead.

- Shravan Shah:** Yes, thank you, sir. Sir, just a clarification. This entire arbitration and the bonus, the entire amount directly goes to the EBITDA. There is no expense related to that before EBITDA?
- D. K. Maheshwari:** Yes, there is no expenses on this arbitration and bonus, sir.
- Shravan Shah:** Okay. Now, sir, given that, if I remove this in terms of the core revenue, which is kind of on, and on the low rate 29% kind of a decline, 30%. And we were looking at 10% growth on that -- this revenue in FY '25. So, the ask rate is significantly higher. So how do we now see the revenue and also the EBITDA margin? Are we maintaining the same 12%, 12.5% for FY '25?
- T. R. Rao:** Yes, this first quarter growth, you see, affected due to some unprecedented activities, unprecedented conditions. Some of them are expected, like general elections. But like this summer has been very severe and extreme heat also affected our progress and all the way, early onset of monsoon. And more importantly, the projects which we secured during FY '23, FY '23 March, could not be commenced due to delays in declaration of appointed date on account of delay in land acquisition.
- So, this is a multiplicity of factors, general elections, early onset of monsoon and the excessive heat during the summer, then the delay in declaration of appointed dates. And also particularly in case of the water sector, there has been delay in the release of payments due to lack of budgetary allocations during the period of vote on account budget time. So, all these things had a complex and complexity. So it's reduced our first quarter revenue.
- So still, we'll be trying to expedite it. But the second quarter also, because now, again the, monsoon has been very active and widespread. So we expect a similar kind of situation during the second quarter also. The situation is challenging. Given the conditions -- and some of them are expected things. So the guidance for the FY '25 would not be what we expected earlier would be may be at flat or maybe around 10% downwards.
- Shravan Shah:** Sorry, sir, you said flat to minus 10%, you are saying.
- T. R. Rao:** Sir, minus 10%.
- Shravan Shah:** Minus 10%?
- T. R. Rao:** Yes, guidance for FY '25.
- Shravan Shah:** Okay, okay, okay. Got it. And the margins remains the same at 12% to 12.5%?
- T. R. Rao:** Yes. Yes. EBITDA margins would be around 12.5%.
- Shravan Shah:** We already have INR5,000 crores of L1 and we were looking for INR15,000 crores of order inflow, hope that number is still on track?
- T. R. Rao:** We already secured INR5,000 crores worth of new orders during the current financial year, and we expect to secure another INR8,000 crores to INR10,000 crores. So it will be around -- between INR13,000 crores to INR15,000 crores new orders during the FY '25.

- Shravan Shah:** Okay. Got it. Let's say, this year, if we are doing minus 10%. How do we look at FY '26?
- T. R. Rao:** FY '26 guidance would be around 15%. See, we expect 15% because the projects which we are expecting -- we are expecting quite a few projects appointed date during the current financial year even during the second quarter. So, the progress will be picked up. There is a low as I said, we will have around 15% plus during the FY '26.
- Shravan Shah:** Got it. And sir, now for date of appointments and appointed date for all the Varanasi/Ranchi Kolkata package Ranchi and Bhopal local bypass what's the project-wise order book and the balance sheet numbers, if you can share?
- T. R. Rao:** See, first, is the appointed date we'll share with you, Western Bhopal bypass of MBRDC project, which is a HAM project and Varanasi, Kolkata package 6, that is also HAM project, and there is one bridge project in Gwalior, which is UP MPPWD project. So, appointed dates for all these three projects we expect in the first week of October as the land is expected to be possessed before end of September, the required land, more than 80%. So, these three projects, we expect appointed dates in the first week of October. And the revenue, maybe initial revenues would be booked during the Q3 of the current financial year.
- Shravan Shah:** Okay, sir. And package two and three, Varanasi - Kolkata?
- T. R. Rao:** Package two and three, there are challenges in land acquisition and possession, so that may take some more time. So, we'll update during the next meeting and interaction. As of now, the land acquisition has been slow. So I'm not able to tell now what would be the appointed date for these two packages.
- Shravan Shah:** Okay. Sir, now to balance sheet numbers. So, our inventory, trade payable, and then the debtors, also in terms of the breakup of debtors, -- HAM, water, and EPC debtors?
- D. K. Maheshwari:** Trade payable is INR700 crores.
- Shravan Shah:** INR700 crores. Inventory?
- D. K. Maheshwari:** Inventory? INR750 crores.
- Shravan Shah:** And total debtors?
- D. K. Maheshwari:** Total debtors is INR2,212 crores.
- Shravan Shah:** INR2,212 crores? And out of that, how much is HAM debtors and water debtors?
- D. K. Maheshwari:** EPC contract is around INR1,394 crores. And HAM, debtors is INR818 crores.
- Shravan Shah:** INR818 crores. And water would be how much?
- Moderator:** Sir, sorry to interrupt, but your line is not very clear. Your audio is not coming through clearly, sir. Sir, may we request you to please establish a better connection and rejoin the queue, sir.



- Shravan Shah:** I can hear clearly. Sorry, if you can hear me, what water debtors and mobilization and retention money?
- D. K. Maheshwari:** Water debtors is INR1,040 crores.
- Shravan Shah:** INR1,040 crores? And mobilization and retention money?
- D. K. Maheshwari:** Mobilization advance is INR385 crores, is and retention is INR143 crores.
- Shravan Shah:** INR143 crores. Got it. And if possible, project-wise order book, if you can share. So Hardoi...
- Moderator:** We request you to please rejoin the queue for these follow-up questions sir. We request you also to please re-establish a better connection. Thank you.
- The next question is from the line of Jainam Jain from ICICI Securities.
- Jainam Jain:** Good afternoon, management. Congratulations on a great result. So I had a couple of questions. Firstly, starting with the EBITDA margin. So we have seen an amazing spike in the EBITDA margins to 34% in the standalone financial segment. So I would like to understand like what was the specific reason for such increase in EBITDA margins? And is this an increase of EBITDA margin expected to continue for the entire FY '25?
- D. K. Maheshwari:** So, the 34% is inclusive of INR435 crores amount received on account of arbitration and bonus in this quarter. Otherwise, the EBITDA margin will be maintained around 12.5%.
- Jainam Jain:** Okay, sir. And sir, what's the beta pipeline which the company has been expected in this FY '25?
- T. R. Rao:** The pipeline, as I had mention, so we expect another INR8,000 crores to INR10,000 crores new orders during the FY '25. Already, we secured around INR5,000 crores new orders. So, total cumulative would be around INR13,000 crores to 15,000 crores new orders.
- Jainam Jain:** Sorry, I didn't got the amount -- exact amount, it's INR8,000 crores to...
- Yogesh Kumar Jain:** INR8,000 crores to INR10,000 crores.
- Jainam Jain:** Okay. And sir, I wanted to have an update on the asset monetization and divestment plan, which the company has been planning for?
- D. K. Maheshwari:** With regard to the monetization, after execution of Security Purchase Agreement, there was a condition precedent, mainly NOC for change in ownership from lenders and NHAI. The NOC from the majority of the lenders, or first tranche of assets have already been received and others are expected by end of second quarter. As regards the NOC from lender.
- And as regards the NOC from NHAI, the financial consultants of NHAI reviewed the NOC application and observation made by them have already been clarified, compiled. With PDI and RO had also recommended of seven projects out of 10 and sent to HO for file approval. We are expecting that in one or two months, it should be processed in head office.

- Jainam Jain:** Okay sir. All the asset monetization and divestment plan will be completed in coming one to two months. Is that correct? Is that understanding, correct?
- D. K. Maheshwari:** CPs of Phase-I is expected by Dec 24 & payment by end of March 25 and Phase-II by Sep 25 in case we receive the NOC from NHAI
- Jainam Jain:** Okay, okay. Thank you.
- Moderator:** The next question is from the line of Parikshit Kandpal from HDFC Securities. Please go ahead.
- Parikshit Kandpal:** Sir, my first question is on -- so the issue which we faced recently in June. So what is the status now on the bidding? So, are we allowed to bid now? Is there any punitive action taken, in terms of restricting us from bidding for some time or debarring us for some time? So, any update on that issue?
- T. R. Rao:** So, no punitive action has been taken by NHAI. We don't foresee anything in near future. So we are able to bid, and we are hopeful that we'll continue to be able to bid these projects.
- Parikshit Kandpal:** Okay. So, but -- has any of our bids been opened till now? Have you submitted any bids and those bids being opened or -- so any update if you can give us.
- T. R. Rao:** Yes. Yes. Bids are -- bids are being opened. Last week also three of our bids got opened. And also some of the bids we submitted, around 18 bids are there, that will be opened.
- Parikshit Kandpal:** Okay. Sir my second question is on, I think Maheshwari ji earlier highlighted that seven projects have been, I think, advised for NOC by NHAI consultants. So does it in any way impact our Jhansi projects where this issue has happened? So do you think those projects may right now be on hold in terms of monetization or do you think that it can still get NOC and projects will proceed normally towards the execution of monetization?
- T. R. Rao:** No, we don't expect anything as the issue. And also, see, for the other listeners also we want to share that matter being sub-judice, we don't want to share further details in the matter. But whatever the update status is there in the matter, we already intimated to the exchanges. Our intimation is dated 9 of August and 19 of August -- 9th of June, 19th of June and 9th of August. These intimations are available in the public domain. So, don't want to share further details in the matter as of now.
- Parikshit Kandpal:** Okay. And just the last question is around this diversification. So, now, I mean, we are facing growth challenges because of last year has not been a good year for ordering for a sector as a whole and also for the company. So, this year, we have a big order intake guidance of INR13,000 crores to INR14,000 crores, and we also achieved something.
- So first, whether on MSRDC project, any update you have heard because there were media news of these -- the Pune award are being reevaluated for award. So any update? I mean, when do you expect the appointed date to come in? And also on diversification, if you can help understand beyond water, I mean, in water we have seen new orders coming in. So how do you think that

this pipeline will grow from non-road segments? So, which segments you're looking to diversify?

**T. R. Rao:** First thing is, in case of MSRDC projects that we recently secured, we expect the letters of award will be issued before end of this month.

**Parikshit Kandpal:** Okay.

**T. R. Rao:** And the second thing, with regard to diversification, so another sector, what core sector we are focusing upon is the railways. Because again, just a few days before, union cabinet has approved INR25,000 crores of new railway projects. So, already, we are there. We are working on one, railway project, HORC, Haryana Orbital Rail Corporations Project in Gurgaon. So, we are looking that, that is one of the sectors where we'll be focusing upon to diversify and to foray into new areas.

**Parikshit Kandpal:** Okay, sir. Sure. Thank you and wish you the best.

**T. R. Rao:** Thank you.

**Moderator:** The next question comes from the line of Vaibhav Shah from JM Financial. Please go ahead.

**Vaibhav Shah:** Sir, what kind of revenue are we targeting from the JJM projects for FY '25 given the weaker execution in first quarter?

**T. R. Rao:** See, as I mentioned, the progress was not substantial, it was affected during the Q1, and the trend would continue to be in Q2 also because many of our scheme locations are inundated due to heavy rainfall. So, nevertheless, we are expecting around INR1,500 crores during the FY '25 as revenue from the water sector.

**Vaibhav Shah:** And payments have improved in the second quarter for the water segment?

**T. R. Rao:** Yes, yes. See, now the full-year budget is approved. So the funds, we expect the funds coming from the government of India, 50% of the project cost, and the remaining 50% matching grant also is expected timely from the state government. So we expect that whatever our outstanding payments are there, it would be cleared before end of the second quarter. And thereafter, the funds flow and the payments would be normal.

**Vaibhav Shah:** Okay. And sir, remainder would be done in FY '26, should be completed, water?

**T. R. Rao:** Yes, FY '26 basically, complete the water sector or projects what we've secured.

**Vaibhav Shah:** Okay. And sir, in your initial remarks you mentioned that the execution should be weak in the second quarter as well. So that is the case for the entire portfolio or only for water. So, the revenue would be somewhere around INR1,300 crores only on a total basis?

**T. R. Rao:** See, what happens when compared to highway, the water the -- in case of monsoon, it continues to be active and widespread. The water gets more affected, water projects because of these

projects are in isolated locations, spread and also then pipelining and other things gets affected when compared to highway sector. So water would be more affected, but highway also the effect will be -- certain effect will be there on the highway sector also in terms of progress.

**Vaibhav Shah:** But do we expect a quarter-on-quarter increase in terms of revenue for second quarter, overall revenue?

**T. R. Rao:** Yes.

**Vaibhav Shah:** And sir, lastly, what was the capex in first quarter, and for the year, what are you guiding?

**D. K. Maheshwari:** Capex last year was INR46 crores. But this year, we are expecting around INR80 crores to INR100 crores.

**Vaibhav Shah:** And what was done in first quarter?

**D. K. Maheshwari:** Only INR3 crores.

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

**Moderator:** Thank you. We have the next question from the line of Anupam Gupta from IIFL Securities. Please go ahead.

**Anupam Gupta:** So you said a 15% growth in FY '26, after a 10% decline in FY '25, although you have a reasonably large order book at this point of time and you're expecting another INR8,000 crores of order inflows in this year. So ideally, FY '26 should be higher unless there is something -- some slowdown which you're expecting. So any clarity on that?

**T. R. Rao:** See, this 15%, what we said is the minimum because we start during the FY '25, initial stages will be low value works will be there. So it will be ramping up during the FY '25. But hopefully, this is the minimum number what we are expecting, but it could go up to 20% upside within FY '26.

**Anupam Gupta:** Okay. And can you just give a breakup of the equity investment, which is balance for FY '25, '26, '27?

**D. K. Maheshwari:** Actually, out of the INR3,092 crores equity required for completing the projects, we have already infused INR2,079 crores till June 2024. And remaining INR1,013 crores is required in FY '25, around INR587 crores; FY '26 is INR290 crores; and FY '27 is INR140 crores.

**Anupam Gupta:** Okay, okay. That's all from my side.

**Moderator:** Thank you. The next question is from the line of Parvez Qazi from Nuvama Group. Please go ahead.

**Parvez Qazi:** Hi, good afternoon, and thanks for taking my question. So first, would be great if you could give us the toll collection number for the various projects?

- D. K. Maheshwari:** Toll collection, MP Highways INR6.5 crores; Kanpur Highway INR24.8 crores; Narela INR26.6 crores; Bareilly-Almora INR16.5 crores; and Raebareli INR32.16 crores.
- Parvez Qazi:** Sure. The second question is, I mean, you expected that we expect the NOC from NHAI and the lenders, etc. in the next month, two months. So, by when do we expect the entire asset monetization process to get completed and to receive these funds from the buyer?
- D. K. Maheshwari:** So, there are two phases in this entire transaction. We are expecting first phase will be completed by December, and by end of the financial year '25, funds should come of first tranche.
- Parvez Qazi:** Okay. And for the second tranche...
- D. K. Maheshwari:** And after around, say, September '25.
- Parvez Qazi:** The fund should come by September '25,
- D. K. Maheshwari:** Second tranche.
- Parvez Qazi:** Sure. Great. Last question, what is the status of the Andhra Canal project? I am assuming currently it is monsoon, so maybe work would have been stopped. But for the year as a whole, what is the kind of execution that we expect there, especially after the change in the government?
- T. R. Rao:** See, canal project, as you said, now work stopped because the water is flow again both in main canal as well as branch canal. So as we've seen -- witnessed last two, three years, so work could be commenced either in the month of December or January. So, the current financial year we'd be able to do around INR60 crores to INR75 crores worth if we start in the month of December.
- And also the -- since this -- particularly this project is very vital for the Rajasthan -- for Rayalaseema drought relief, we don't expect that the new government will have a different stance. So they will continue with the project. So we'll be execute further. Here, we want to share this -- whatever amount is outstanding towards the work done. So we received INR60 crores last week. So, we expect to receive further funds from the new government. As we receive the funds, then we'll continue with the work.
- Parvez Qazi:** Sure. Thanks and all the best.
- Moderator:** The next question is from the line of Shravan Shah from Dolat Capital. Please go ahead.
- Shravan Shah:** Yes. So, the outstanding order book of this irrigation project remains the same, INR932 crores?
- D. K. Maheshwari:** Yes.
- Shravan Shah:** Okay. And what is the outstanding order book of Hardoi and Gaju village?
- D. K. Maheshwari:** Hardoi is INR137 crores.
- Shravan Shah:** Gaju Village, Devinagar Package-1C.

**D. K. Maheshwari:** 1C is INR100 crores.

**Shravan Shah:** INR100 crores? And Haryana Orbital Rail?

**D. K. Maheshwari:** INR720 crores, 7-2-0.

**Shravan Shah:** INR720 crores, okay. And the small one now, Lalganj, Meerut, Nazibabad, has it completed or still some order book is there?

**D. K. Maheshwari:** Lalganj, hardly INR20 crores is remaining.

**Shravan Shah:** Okay, and Meerut-Nazibabad?

**D. K. Maheshwari:** INR28 crores, Meerut-Nazibabad.

**Shravan Shah:** Okay. And Challakere-Hariyur?

**D. K. Maheshwari:** That is INR90 crores.

**Shravan Shah:** Sorry, INR90 crores?

**D. K. Maheshwari:** 9-0, yes.

**Shravan Shah:** Okay. 9-0 crores. Okay. Got it. And sir, in terms of the working capital, obviously, primarily debtors which has increased. So what do we see by end of this year in terms of the working capital days?

**D. K. Maheshwari:** Working capital days should be around 100 days, because at this time, it has increased from 102 to 121 because of the increase in the debtors.

**Shravan Shah:** Yes. Yes.

**D. K. Maheshwari:** It should be subsequently realized irrespective either of water or HAM projects.

**Shravan Shah:** Okay. Got it. And is there anything further in terms of arbitration claim or bonus that are likely to be there in the remaining three quarters?

**T. R. Rao:** We don't expect any realization of any arbitration award during the three quarters. In terms of bonus, we completed AKP-5 and now Lalganj HAM a few months ahead of the schedule. So, we'll be receiving bonus during the current financial year. These will be HAM projects, but since HAM projects, bonus is not as large as EPC projects, will be a minimal. As of now, readily we don't have figures. But will be minimal bonuses we'll be receiving from Unnao, Lalganj and AKP5.

**Shravan Shah:** Okay. And sir, till now, how many value of projects that we have bided and where bid has not yet opened?

- T. R. Rao:** We have bided 18 projects for a total value of -- estimated value of INR17,700 crores, price bids of which are yet to be opened.
- Shravan Shah:** And this largely would be in the road and that too in HAM?
- T. R. Rao:** Yes, Yes. Say, 50% in HAM and 50% EPC.
- Shravan Shah:** Okay. And for BOT toll, are we looking to bid any of the BOT toll projects?
- D. K. Maheshwari:** See, we are evaluating the opportunities, BOT toll projects. We'll take a call, and accordingly, we see whether we will bid or not.
- Shravan Shah:** Okay. Okay. Okay. Thank you, sir. All the best.
- D. K. Maheshwari:** Thank you.
- Moderator:** Thank you. The next question is from the line of Vishal Periwal from Antique Stock Broking. Please go ahead.
- Vishal Periwal:** Yes, sir. Sir, thanks for the opportunity. One is on our revenue guidance that we have changed. So, this is primarily coming from roads or from the water side?
- T. R. Rao:** See, revenue guidance. So, it will be the combined thing, whatever revenue should be coming from the, both the things. And the majority from the highways. If you see the order book, more than 80% is from highway and less than 20% from the water sector. So the revenue also increase in the same ratio.
- Vishal Periwal:** Okay, okay. And actually, this quarter one was showing a little bit of weakness in water, but that is expected to pick up, and then that's what basically you're saying?
- T. R. Rao:** Yes, sir. That's expected to pick up during the second half of the current financial year and the ratio will be maintained.
- Vishal Periwal:** Okay. Got it. And second -- just the increase in the capex vis-a-vis FY '24 of INR40 crores to INR80 crores to INR100 crores in this year. So, any particular line item where exactly we are seeing this opportunity where the capex is getting infused? Any broad that you would like to share?
- D. K. Maheshwari:** Actually, after this award of the Maharashtra Road Development, the projects are of INR5,000 crores. So, there, we require some capex, and additionally, Varanasi-Kolkata, that project we require some new capex. So that is why we have considered around INR80 crores, INR100 crores, maybe lower than this.
- Vishal Periwal:** Okay, okay. Got it. Got it. And then, I think I missed on that MSRDC project that you mentioned. So, when is the outcome expected on this? I think you did briefly mentioned, I just missed. If you could just clarify.
- D. K. Maheshwari:** As you said, the letters of award are expected before end of this current month.

**Vishal Periwal:** Okay.

**Yogesh Kumar Jain:** We are expecting turnover in third quarter.

**T. R. Rao:** From third quarter onwards.

**Vishal Periwal:** Okay. And maybe one last two things from my side, and then I'll come back in the queue. For this asset monetization, I think just correct me -- I mean, like you know, earlier we were expecting everything to get concluded by '25, FY '25, but any -- anything that you'd like to share for slight delay that we are seeing or just a procedural thing that we are seeing for this asset monetization for us, the conclusion of it?

**D. K. Maheshwari:** That is only procedural situation from -- NOC from NHAI and NOC from the lender. Major condition precedent out there.

**Vishal Periwal:** Okay. Okay. Got it, sir. Okay. And I come back in the queue sir for more. Thank you.

**Moderator:** Thank you. The next question is from the line of Vaibhav Shah from JM Financial. Please go ahead.

**Vaibhav Shah:** Sir, thanks for the follow up. Sir, we indicated that the Phase 1 should get completed by December and money should come by March. So, the Phase 1 earlier, we had mentioned that it includes six HAMs and one BOT. And valuation for that is around INR1,789 crores. So that remains the same, the mix of Phase 1 assets?

**D. K. Maheshwari:** Yes.

**Vaibhav Shah:** Okay. Okay. Okay, and sir, so you mentioned that we'll be starting the execution for MSRDC projects in third quarter. But what kind of revenue can be factored for the -- for FY '25 from the two packages?

**T. R. Rao:** See, these two projects are being a greenfield project, initially, the items involved will be earthwork. So there won't be any high value, once it will be executed in initial period. So, we expect some minimum of around INR200 crores to INR400 crores kind of a turnover revenue from these two projects in the current financial year. It could be more also, depending upon the situation.

**Vaibhav Shah:** But in FY '26, roughly 45% to 50% you would be executing, right?

**T. R. Rao:** Yes. Yes. May not be 50%, but it will be around 40%.

**Vaibhav Shah:** Okay. Okay. Thank you, sir.

**Moderator:** As there are no further questions, I would now like to hand the conference over to Mr. Yogesh Jain from PNC Infratech for closing comments. Over to you, sir.



- Yogesh Kumar Jain:** Thank you. Thank you, everyone, for your participation in our earnings call. In case of further queries, you may get in touch with the Strategic Growth Advisors, our Investor Relations Advisors, or feel free to get in touch with us.
- Moderator:** Sir, sorry, to interrupt, but we do have one last minute entry into the question queue. Would you like to take that, sir?
- Yogesh Kumar Jain:** Yes.
- Moderator:** We have the question from the line of Jiten Rushi from Axis Capital. Please go ahead.
- Jiten Rushi:** Thanks for taking my question. Sir, my question would be on upcoming bid pipeline. So obviously, you have got 18 projects, which you've bided for. But what kind of bid pipeline you see in railways and highways, which you look to participate in next six to eight months?
- T. R. Rao:** NHAI has floated tenders and NIT for more than 100 projects. Around 30 projects on EPC and more than 70 projects on a HAM basis. The total value of these projects will be more than INR1,00,023 crores. So we expect that we are evaluating all these opportunities. So we'll be bidding these projects next maybe, say, five to eight months.
- Jiten Rushi:** So this will include BOT toll also?
- T. R. Rao:** BOT toll, this is excluding BOT toll. BOT toll also there are some -- around 10 projects are there. They're also evaluating the viability and other aspects. So, there, we'll be judicially taking a call to pursue these projects.
- Jiten Rushi:** On railways, sir, any thought process on railways?
- T. R. Rao:** Railways also we are looking. Keenly, we are looking at the sector, because recently, as I mentioned, INR25,000 crores of new projects are announced by the cabinet.
- Yogesh Kumar Jain:** We are bidding railway project.
- D. K. Maheshwari:** Now we are bidding the project, and one bid is already, we submitted a bid which is under evaluation and the price of bid is yet to be opened.
- Jiten Rushi:** And sir, on the water segment, obviously, we were supposed to participate in other states, which you were talking in the last quarter. So this quarter, I think we are not speaking on the water segment. So is it safe to understand that we will not be taking any more water projects going forward?
- T. R. Rao:** No, no. Certainly, we'll be bidding water projects, as of now no new water projects supported by any of the states now. I think now the everybody is waiting for the budgetary allocations and other things. So, now since general elections are over, so we expect new projects will come up in other states. And certainly, we look forward to bid for these projects, if they find...

- Jiten Rushi:** So, in the midst of next inflow of what you said, INR8,000 crores to INR10,000 crores, what kind of inflows you're expecting in terms of non-roads and it -- or it could be purely roads.
- T. R. Rao:** We see the thing, now whatever it'd be, it will be a hypothetical kind of a thing. So we'll see going forward what kind of opportunities are coming in the other sectors, other than road.
- Jiten Rushi:** And sir my last question on the Q2 number. As you said, the revenue would still remain subdued, or it would decline year-on-year in Q2 also because of heavy monsoon. Is my understanding correct?
- T. R. Rao:** Yes, I think the revenue would continue to be subdued in Q2 also because of the intense monsoon.
- Jiten Rushi:** Okay, sir. That's from my side. And thank you and all the best, sir.
- Management:** Thank you.
- Moderator:** Thank you. Sir, there are no further questions at this time.
- D. K. Maheshwari:** Okay. Thank you.
- T. R. Rao:** Thank you. Thank you.
- Yogesh Kumar Jain:** Thank you very much.
- Moderator:** Thank you. On behalf of Antique Stock Broking, that concludes this conference. Thank you all for joining us. You may now disconnect your lines.