



Ashoka Buildcon Limited

To,
The Manager,
The Department of Corporate Services
BSE Limited
Floor 25, P. J. Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 533271
Debt CP Codes: 728882, 729123
Debt NCD Codes : 976190, 976191, 976192

To,
The Manager,
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Scrip Symbol: ASHOKA EQ.

May 30, 2025

Sub: Call Transcript

Please find enclosed herewith the copy of updated transcript of the Earnings Call held on May 26, 2025 in respect of audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2025.

Kindly take the matter on your record.

Thanking you,

For **Ashoka Buildcon Limited**

Manoj A. Kulkarni
(Company Secretary)
ICSI Membership No. : FCS – 7377



“Ashoka Buildcon Limited's Q4 FY'25 Earnings Conference Call”

May 26, 2025

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 26th May 2025 will prevail.



**MANAGEMENT: MR. SATISH PARAKH - MANAGING DIRECTOR,
ASHOKA BUILDCON LIMITED
MR. PARESH MEHTA - CHIEF FINANCIAL OFFICER,
ASHOKA BUILDCON LIMITED**

**MODERATOR: MR. SARTHAK SINGH - NIRMAL BANG EQUITIES
PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Q4 FY'25 Earnings Call of Ashoka Buildcon hosted by Nirmal Bang Equities Private Limited.

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. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Sarthak Singh from Nirmal Bang Equities Private Limited. Thank you and over to you, sir.

Sarthak Singh: Thank you, Alaric. Good afternoon, everyone. On behalf of Nirmal Bang Institutional Equities, I welcome you to the Quarter 4 FY'25 Earnings Conference Call with the Management of Ashoka Buildcon Limited. We have with us Mr. Satish Parakh – Managing Director and Mr. Paresh Mehta, CFO.

Without further ado, I would now request Mr. Satish Parakh sir to start with his opening comments, after which we can open the floor for questions-and-answers. Thank you and over to you, sir.

Satish Parakh: Good afternoon. On behalf of Ashoka Buildcon Limited, I extend warm welcome to everyone joining us today to discuss our Business and Financial Results for Q4 FY'25 ended 31st March 2025.

On this call, we have joined with our CFO Mr. Paresh Mehta and SGA, our Investor Relations Advisor.

Let me begin by giving an industry overview:

India's infrastructure sector remains a core pillar for the country's economic development strategy. The government continues to prioritize infrastructure as a key foundation of growth and a driver towards its 5 trillion economy target.

Flagship programs like the National Infrastructure Pipeline and PM Gati Shakti are helping streamline planning and improve execution across key segments including roads, railways, ports, airports and urban development. FY202425 has been a relatively muted year from the infrastructure overall. However, National Highways Authority of India, NHAI, delivered a strong performance building 5,614 km of highways during this year. Capital spending crossed over Rs. 2.5 lakh crores, which is the highest ever and shows strong progress across ongoing infrastructure projects.

Looking ahead, the outlook of highway segment remains positive. The government has announced a major investment plan of Rs. 10 lakh crore over the next two years towards

improving infrastructure. These efforts aim to bring Indian highways in line with global standards. We have seen strong progress in recent years. The National Highway Network has grown from 91,287 kilometers in 2014 to a 1,46,000 kilometers today with marked improvement both in quality and execution.

Now on the monetization front:

NHAI raised Rs. 28,724 crores through models like TOT, InvIT and Toll Securitization. Notably, Rs. 17,738 crores came from InvITs alone, marking the highest ever collection from this model.

Overall, the infrastructure continues to see strong support from the private sector backed by stable government policies and new financing models. With a healthy pipeline of upcoming projects and a growing focus on digital and sustainable infrastructure, we believe the sector is well placed for steady long-term growth.

Coming to the company update:

To update on sale disposal of stake sale in subsidiaries of wConcessions Limited. This is in reference to our earlier announcement about proposed sale of entire shareholding in 5 BOT subsidiaries of Ashoka Concessions Limited to Maple Infrastructure Trust. The completion of this transaction has been delayed as some of the required conditions are still being worked on. In agreement with the proposed investor, the new expected date to complete the transaction is 30th June 2025.

Coming to the order book status:

The company has received two new project orders. The first came in March 2025 from Maharashtra State Electricity Transmission Company. It's worth INR. 311.92 crores and involves setting up a 400/220 kVA substation at Amravati district in Maharashtra. The work includes supply, erection, testing and commissioning and related civil works. The second order was received in April 2025 for Central Railway. This is EPC project for gauge conversion between Pachora and Jamner, excluding Pachora yard and road over bridges with a contract value of INR. 568.86 crore. These new orders further strengthen our position in both power transmission and railway infrastructure sector. As on 31st March 2025 our balance order stand at INR14,905 crores. This is excluding orders received post 31st March 2025 of INR795 crores.

The breakup of order book is as follows:

Roads and Railways projects compromise around INR. 10,867 (erroneously said on the call) crores which is 72.9% (erroneously said 60.4% on the call) of the total order book. Among the road project order book, HAM projects are to the tune of INR 1,859 crores and EPC road projects are worth Rs. 8,688 crores and railway is around Rs. 320 crores. Power T&D accounts

for INR 3,618 crores which is approximately 24.3% of the total balance order book. The total EPC building segment is INR . 420 crores which is 2.8% of the total order book.

To conclude:

Let me say this again that our primary focus remains on maintaining a sustainable EPC business and segments encompassing highways, railways, power transmission and distribution as well as buildings.

This is all from my side and I would now like to request Mr. Paresh Mehta to present the financial performance. Thank you.

Paresh Mehta:

Hello, Thank you. Good afternoon, everyone.

Starting with the standalone numbers for Q4 & FY'25:

The total income for Q4 FY'25 stood at INR2,012 crores as compared to INR 2,533 crores in Q4 FY'24, a degrowth of 21%. EBITDA for the quarter stood at Rs. 181 crores with EBITDA margins of 9%. PAT stood at INR 60 crores for the quarter. FY'25, the total income stood at INR7,188 crores as compared to INR 7,841 crores, a degrowth of 8%. EBITDA for the period stood at Rs. 673 crores, a degrowth of 3% from EBITDA margins, but EBITDA margins improving by 60 basis point to 9.4%. PAT stood at INR 197 crores for FY'25.

Our revenue contribution for each segment for Q4 FY'25 is as follows:

Road EPC contributed 58.3%, Road HAM contributed 12.5%, Power EPC contributed 2.8%, Railways stood at 2.11%, and other segments like building EPC and others contributed 24.3%.

Coming to the consolidated results:

The total income for Q4 FY'25 stood at INR2,755 crores as compared to INR3,138 crores in Q4 FY'24, registering a 12% growth. EBITDA for the quarter stood at INR838 crores, a growth of 16% YOY. PAT stood at INR 452 crores. For FY25, total income stood at INR 10,205 crores as compared to INR 10,005 crores in FY'24, registering a growth of 2%. EBITDA for the quarter stood at INR 3,089 crores, a growth of 26% YOY. PAT stood at INR 1,734 crores for FY'25. Total consolidated debt as on 31st March 2025 stood at INR 6,671 crores. The standalone debt is at INR 1,405 crores, which encompasses INR 101 crores for equipment loans, INR 300 crores of NCD, and INR 1,004 crores of working capital finance. In Q4 FY'25, in our BOT division, the company recorded a gross toll collection of INR 348 crores as against INR 329 crores in Q4 FY'24, recording a growth of 6%.

With this, we now open the floor for questions-and-answers. Thank you.

- Moderator:** Thank you, sir. We will now begin with the question-and-answer session. First question comes from the line of Hardik Gandhi from HPMG Shares & Securities. Please go ahead.
- Hardik Gandhi:** Yes, so actually I was just looking at your closing balance sheet versus your presentation. So in your presentation, the debt is still at the similar levels as we were in the past quarter. But in the balance sheet, I can see the short term borrowings and the long term borrowings have decreased drastically. So I am not able to understand why is this difference?
- Paresh Mehta:** They may be classified into current and non-current also. So may be you can take it offline or we will come back later.
- Hardik Gandhi:** Yes, we can do that because if you see in the borrowings in the non-current financial liabilities, it has decreased from 378 to just 72, right? And even in the short-term borrowings if we were there in current liabilities, short-term borrowings have just stayed in the similar range. But in the presentation, the debt is still showing at a similar, like there is no significant debt reduction in the presentation on a standalone as well as on a consol basis. So yes, that was my... So just basically have we reduced the debt drastically in this past quarter or is it that...
- Paresh Mehta:** Sir, these are in the presentation we are talking of only external debt. On the balance sheet, we have debt which is including asset sales also. From that point of view, there is a reduction in the asset sales outstanding in the last quarter.
- Hardik Gandhi:** Correct. Still, sorry, but I am not able to understand why there is this huge difference in the borrowing amount, but in the presentation, the standalone debt and consol debt is kind of the same from quarter-on-quarter. Like in December '24, I am seeing the total debt as Rs. 6,847. The March quarter is still showing Rs. 6,600. Right?
- Paresh Mehta:** Yes, but these are all external debt. So from that perspective, even in the consolidated what's happening is one of the assets which was held as investment is now moved on to assets held for sales. So from that perspective also, the debt numbers which is, you can have offline detailing of the debt.
- Hardik Gandhi:** No worries. And the second question is on the line of government spending, do we foresee given that recent changes in the geopolitical issues, the government spending will be diverted from infrastructure to something else, and how are we placed in the upcoming orders? If you can just give a light on that?
- Satish Parakh:** Yes, if you see last quarter government has not been moving very slowly as far as NHAI is concerned. But there is nothing related to funding as such. What we see in next few quarters we will see a good amount of bidding happening.
- Hardik Gandhi:** Understood. And usually sir, sorry, but when do we get the new orders like if it's in Q1-Q2 or is it spread equally throughout the year?

- Satish Parakh:** So Q1-Q2 may be muted, we'll get Rs. 2,000 crores-Rs. 3,000 crores and post Q3-Q4 will be really good inflow of order books.
- Hardik Gandhi:** Understood. And just last bit on the execution side, are we seeing any execution slowdowns? Do we expect similar growth in the topline as last year or do we see a drastic change because along with that, since the toll prices have increased, so we can expect a significant growth?
- Satish Parakh:** Growth wise, coming here we don't see more than 10% as Q1-Q2 will be still slow because whatever orders we have bagged we will really pick up in Q3-Q4. There are a lot of initial orders in starting those works like land acquisition, forest clearances and all this. So they really will pick up post monsoon. So out of the 6-7 projects only 3 have really started. 4 will start only in Q3. Q3-Q4 will be very good. Q1-Q2 still will have some orders.
- Hardik Gandhi:** Understood. All the best, sir. Thank you so, much.
- Satish Parakh:** Thank you.
- Moderator:** Thank you. The next question comes from the line of Yashovardhan Banka from AssetTiger. Please go ahead.
- Yashovardhan Banka:** Thank you, sir. Just wanted to understand what will be our interest cost and savings from reduction in the borrowings?
- Paresh Mehta:** Interest cost, we are typically at the range of 9%-9.5% and what was the other question which you had?
- Yashovardhan Banka:** So we'll be expecting savings in interest like since we reduced our borrowings, practically?
- Paresh Mehta:** So on our external debt, borrowing continues to remain the same for 31st March '25. '25-'26, we expect the borrowings to go down and effectively interest costs will go down, keeping in mind monetization of assets on both BOT as well as HAM, right? These costs should substantially go down in Q3-Q4. Q1-Q2 is the period when we expect both the BOT and large number of assets of HAM projects should get monetized.
- Yashovardhan Banka:** Okay, so just not a bit like a bit clarity needed on the borrowings as in the borrowings I can see reduced from Rs. 3700 crores to Rs. 700 crores. Right? So that's a reduction of around Rs. 3000 crores. So we'll be expecting some interest cost savings moving on these quarters, right? That's what I am trying to understand.
- Paresh Mehta:** Yes, just trying to get hold of this 3,000 number which you're talking about.
- Yashovardhan Banka:** It's on the consolidated balance sheet of page #11 of our IP, investor presentation.

- Paresh Mehta:** See, debt has not gone down on an overall basis. It is presentation which has happened, if you see liabilities held for sale it has gone up from Rs. 287 crores to Rs. 940 crores here, one. And on the borrowing also...If you see financial liability borrowings and the left it held for sale, this is where the change has happened.
- Yashovardhan Banka:** Got it.
- Paresh Mehta:** As per page #6 of the presentation, largely the debt remains similar. It has reduced from Rs.7,139 in March '24 to Rs. 6,631 in March '25.
- Yashovardhan Banka:** Got it, sir. And any further plans in reduction of debt?
- Paresh Mehta:** As I said, post monetization, substantial debt reduction is there both due to offloading of the assets where the debt will get paid off from the balance sheet of ABL in the BOT, it's almost Rs. 2000 crores and in the major 7 HAMs which will be initially sold around Rs. 2,000 crores. So by Quarter 2, we expect Rs. 4,000 crores of debt to go down from the consolidated balance sheet and whatever excess monetization will happen, we reduce the working capital debt also.
- Yashovardhan Banka:** Got it, sir. Thank you.
- Moderator:** Thank you. The next question comes from the line of Vaibhav Shah from JM Financial Limited. Please go ahead.
- Vaibhav Shah:** Sir, you mentioned that our revenue guidance for FY'26 would be around 10% growth. So earlier we guided for 15% growth for FY'26. So what has led to this cut in the guidance first and also what could be the guidance for EBITDA margins and order inflows for FY'26?
- Satish Parakh:** So basically whatever new orders we got as I explained were supposed to start in Q1-Q2. Out of this only 40% have started. 60% is getting shifted to Q3 because of various reasons like land acquisition and forest clearance. So these are getting delayed started. That is why the whole growth for the year is getting affected.
- Vaibhav Shah:** So FY'27 should be a much better growth in terms of sales from 2H as usual will pick up?
- Satish Parakh:** Yes, definitely because all these projects would have been done in full swing and plus new order books which we bagged this year would also get converted into business here.
- Vaibhav Shah:** And sir, guidance on margins and ordering flow?
- Paresh Mehta:** So on margins, we will be improving our margins based on the new order books which have come in and we should be in the range of 10% plus.
- Vaibhav Shah:** Okay, and sir order inflows?

Paresh Mehta: Order inflows, 10,000 to 12,000 for '25-'26. That is what we expect, spread into various sectors, roads, railways, other infra.

Vaibhav Shah: And sir, what would be the actual inflow for FY'25, if we remove the GST portion and what will be the EPC value we got in FY'25?

Paresh Mehta: Approximately 9,500.

Vaibhav Shah: And sir, lastly, if we look at the asset held for sale number on the standalone balance sheet, it is around Rs. 1,198 crores. So, it includes only 5 BOTs or what all it includes?

Paresh Mehta: It includes all the HAM projects, 11 HAM projects and 5 BOT projects and one annuity project. You're talking about standalone or consolidated?

Vaibhav Shah: Standalone.

Paresh Mehta: Standalone there are four HAM projects and Chennai ORR which is an annuity project.

Vaibhav Shah: So for HAM or BOT?

Paresh Mehta: BOT all these are under consolidated, that is under ACL wing, so on the standalone we see only four HAM projects plus one annuity project.

Vaibhav Shah: Okay, so we were supposed to receive roughly Rs. 860 odd crores of cash on net after all the payments to SBI, Macquarie and all. So that number remains?

Paresh Mehta: I am not sure how this 860 arrived at. Typically what we expect to realize is Rs. 2,500 crores on the BOT projects and Rs. 2,400 crores on the HAM projects, which is typically Rs. 5000 odd crores of which Rs. 1,600 crores would go to SBI Macquarie. Balance will be available for the operation, which will be split into two parts, around 750 crores and another 800 crores will be in '26-'27 probably. So around Rs. 2000 odd crores should be in '25-'26 balance sheet. You can do the math.

Vaibhav Shah: You are supposed to be Rs. 1,535 crores right to SBI Macquarie?

Paresh Mehta: Yes, 1,526 and we will be acquiring Jaora Nayagaon stake also of Rs. 150 crores.

Vaibhav Shah: Okay, so the entire payment of your Rs. 1,600 plus crores, it will be done in two parts you mentioned, right? In '26 and '27 or entirely in '26?

Paresh Mehta: The payment will be done in one stroke the moment we realize proceeds from the BOT or HAM whichever happens earlier. So when do we expect the resale process from both the deals from BOT and HAM? So the first set of money infusion from the BOT deal should be happening somewhere before by 15th of July. That's what our expectations are between 15th

July to 31st July. 30th June is our long stop date, but we are almost done with all the compliances with NHAI and the lenders, so we would be doing our CP compliance in the first week of June and then we will draw down the money, whatever time it takes to draw down the money. On the HAM front, we have 5 projects which we expect to complete by the first week of July, which should bring in approximately Rs. 1,200 crores. And another two assets by August, which should be in another Rs. 400 crores.

Vaibhav Shah: And remainder HAM happen by December?

Paresh Mehta: Three assets will happen by December. One asset will happen in '26-'27. That is one, Belgaum-Khanapur, which will happen in post April 26.

Vaibhav Shah: Okay. And sir lastly, BOT will be payment entirely on 15th July or balance part would come later?

Paresh Mehta: It will be split into two, approximately 1,700 crores would come by 15th July and Rs. 700 crores would come based on extension of traffic for the three projects, Sambalpur, Belgaum and Dhankuni, which we expect around '26-'27.

Vaibhav Shah: That amount will come in FY'27?

Paresh Mehta: '26-'27, yes.

Vaibhav Shah: Okay. Thank you, sir. I'll come back in the queue.

Paresh Mehta: Thank you.

Moderator: Thank you. The next question comes from the line of Jainam Jain from ICICI Securities. Please go ahead. Thank you for the opportunity.

Jainam Jain: Thank you for the opportunity. Sir, my first question is what is the order pipeline which we are seeing currently for Road, Railway and on the T&D end?

Satish Parakh: Railway & power, we expect around INR. 2,000 crores and roads, we expect around INR. 7,000 to Rs. 8,000 crores. There are other projects like water and buildings and all. There we expect around INR. 2,000 crores. So around 10,000 to 12,000 is what is our target here.

Jainam Jain: Okay. And sir, how are we seeing things improve on the NHAI bidding side in terms of intense competition and surplus margin?

Satish Parakh: So NHAI competition remains, rather it is growing day-by-day. So we are now focusing on specialized structures, some specialized jobs in NHAI and MoRTH and state level works at all other segments.

- Jainam Jain:** Okay, sir. And what is the sort of gross debt levels that we are seeing by the end of FY'26 on standalone basis?
- Paresh Mehta:** Based on monetization, our debt level should be substantially low below the normal debt of Rs. 200 crores to Rs. 300 crores, though it could be surplus too, but we could have certain project center consideration also on the solar front and so all said and done, debt should be substantially reduced post-monetization.
- Jainam Jain:** And sir, any ballpark number?
- Paresh Mehta:** Presently, it is around Rs. 200 crores to Rs. 300 crores which is general working capital loan which will be existing based on practical grounds.
- Jainam Jain:** Okay sir, that answers our question. Thank you, sir.
- Moderator:** Thank you. The next question comes from the line of Bhavin from SBI Mutual Funds. Please go ahead.
- Bhavin:** Pardon me for the repeating. I actually got disconnected in between. What I was looking for is timelines for cash flow receipt for the HAM project, what is in '26, what would be in '27, and similarly for the BOT projects?
- Paresh Mehta:** So for both, the BOT approximately Rs. 1,200 crores and for the ART HAM approximately Rs. 1,500 crores would be happening by Q2 end, before Q2 end. I think which should be having cash flow of this amount. Balance on the HAM projects would be happening by Q4, between Q3 and Q4 except for one project which is approximately Rs. 150 crores at the last--. And in '26-'27, we will have the balance payment of BOT project for Rs. 750 crores.
- Bhavin:** Okay. So this year is where we should get a net flow receipt of about Rs. 1,500 odd crores considering the payment that should be done to the SBI Macquarie. Is that like a fair assessment?
- Paresh Mehta:** Right, fair assessment.
- Bhavin:** Okay, great. Second question is if you could help us understand on the working capital side, given the projects that are there in the order and we have seen increase in the working capital over the last 4-5 quarters. How should one see the trajectory given the stage of execution where these projects are?
- Paresh Mehta:** So. These are some, just break it into power and the road project. Power projects have a longer working capital cycle, which was backed in FY'24-'25. So these are typically having larger working capital, so that trend of working capital cycle at these levels is continuing for at least purely on a standalone working capital basis, at the interest rate subject to monetization. So, otherwise this level will continue for '25-'26.

- Bhavin:** So the Rs. 1000 odd crore working capital debt which has been there in your assessment given the 10% growth in the execution you are anticipating would that be higher, lower, similar?
- Paresh Mehta:** Should be similar, in this Rs. 1,000 crore should be able to manage for '25-'26.
- Bhavin:** Great and in your assessment where do you see the trajectory of the margin given the mix that you already have?
- Paresh Mehta:** So as indicated, we will for '25-'26, we should be ending up with approximately the range of 10%-10.5% of EBITDA margin.
- Bhavin:** Okay. So we should be seeing positive cash flow from operations on the standalone entity, leave aside the asset monetization that we are anticipating?
- Paresh Mehta:** Yes, definitely. I mean, keeping in mind the '24-'25 the operating cycle being negative, I am sure for '25-'26 it will be a positive one.
- Bhavin:** Great. In that case, is there a thought process of any one-time dividend or buyback given the large cash flows that we should be seeing towards the end of the fiscal year?
- Paresh Mehta:** That definitely we've seen good visibility. Having cash on the balance sheet would be better utilized by sharing it with investors and for newer business.
- Bhavin:** Yes, great. That answers my question. Thank you so much.
- Moderator:** Thank you. The next question comes from the line of Vasudev from Nuvama Wealth Management. Please go ahead.
- Vasudev:** Yes, thank you for the opportunity, So, sir, in your previous question, you mentioned that we have classified the Chennai-ORR project also in held for sale. So can you give some details like where are we in the process of monetization of this asset and also anything on Jaora Nayagaon?
- Paresh Mehta:** So on both these Chennai-ORR and Jaora Nayagaon, we had a process of sales are concluded in the past years but could not go through due to certain restrictions on the transfer of shares, which has been addressed in Chennai-ORR already. And in Jaora Nayagaon, we are still approaching the government to get the permission of transfer of shares. On the Chennai-ORR, we have already scouting for investors who previously were interested and new investors who are good to look at on this project. So we expect that in a year's time, we should get an offer for such projects.
- Vasudev:** Okay, sir. And so can you give me the pending equity which has to be infused in the HAM projects?

- Paresh Mehta:** So in the HAM projects, so presently we have approximately Rs. 367 crores of equity pending, which includes INR. 225 crores of equity for our last Bowaichandi project, which we have won where FC is due anytime.
- Vasudev:** Okay and sir, so how much are we planning to infuse in FY'26, FY'27 and FY'28?
- Paresh Mehta:** So in FY'25-'26, we expect to infuse INR. 250 crores and balance INR. 112 crores in '26-'27.
- Vasudev:** Okay, and sir for this Rs. 12,000 crores of order intake that we are planning for FY'26, what is the kind of bid pipeline that we're looking at and if we can give some breakup between different segments?
- Satish Parakh:** So build pipeline if you see MoRTH, NHAI, they'll throw around INR. 75,000 to one lakh crore. And if you see railways, it's around INR. 25,000 crores to INR. 30,000 crores of build pipeline. Power is another sector where a lot of investments are coming in. That should throw up around INR. 10,000 crores to INR. 15,000 crores. Railways is another segment. It's very difficult to gauge, but they intermittently come up with good order book and there are sectors where we look at is buildings, water and smart infra. So overall we are trying to see that INR. 7,000 crores to INR. 8,000 crores goes to the INR. 3,000 crores around railways and balance to other sectors.
- Vasudev:** Okay. Sure sir. And last sir, what was the CAPEX that we get in Q4 and our target for FY'26?
- Satish Parakh:** Target we have already told you will be around 10% growth this year.
- Vasudev:** Sir, CAPEX target?
- Satish Parakh:** CAPEX will be around Rs. 200 crores with all segments.
- Vasudev:** Okay, sure, that's it from my side. Thank you.
- Moderator:** Thank you. The next question comes from the line of Parikshit Gupta from Fair Value Capital. Please go ahead.
- Parikshit Gupta:** Thank you very much for the opportunity. I want to ask about the monetization again and sorry for the repetition. I just wanted to make sure I have it super clear. So about the BOT projects. Is it not correct that we are getting an enterprise value of INR. 5,700 crores out of which INR. 3,200 crores almost INR. 3,200 crores would directly go into debt and the rest INR. 2,500 crores that we are talking about will be equity received by Ashoka?
- Paresh Mehta:** That is true.
- Parikshit Gupta:** So considering this number, along with the HAM projects of INR. 23 crores-INRs. 24 crores, the total amount comes to around INR. 8,000 odd crores. And even after considering the SBI

Macquarie stake purchase INR. 1,526 crores and plus Rs. 150 crores of the Jaura Road, the net debt levels considering the cash in hand right now on a consol level along with no excess or no other equity infusion comes to be around zero. Is that correct in my understanding?

Paresh Mehta: No, but the debt which you're talking would go along with the SPVs, the BOT SPVs. So the consideration which you're getting of 2,500 is net of all debt. So when we're talking of when we have spoken of approximately 3,000 odd crores debt on the five BOT projects, today it is 1,945 plus NHAI debt of around 1000 crores, totally 2,900 crores of debt which will go along with the SPV to the new buyer. So that's not a payment which I have to make. It will be going along. What I will get is 2,500 crores net which will be splitting to 1,700 crores in '25-'26 and 700 odd crores in '26-'27. So this itself will fetch me as you said 2,500. Again, what we said was 2,400, so we are total of 4,900 of total equity considerations, of which say 1,600 will go into payment of SBI Macquarie. So that is what is net-net available at the end of '26-'27, including Rs. 750 crores and everything. So 4,900 minus 1,600, minus any capital gains tax would leave us with Rs. 3,000 crores of net cash.

Parikshit Gupta: Okay, just one follow up on this. The 2,900 crores debt with BOT, isn't that currently sitting on the balance sheet of Ashoka Buildcon as a consol?

Paresh Mehta: No. That is sitting on consol, yes, but it is at the SPV level.

Parikshit Gupta: Okay, I will probably take this up offline. Just one more question. Is there any strict hard deadline to the SBI Macquarie sale? Because I believe earlier in FY'22 Quarter 3, there was also again the same plan of selling the BOT projects, but it did not go through. And at that time, the SBI Macquarie exit was around INR. 1200 crores of value which has gone up now. In case by chance this sale of HAM and BOT projects are not executed by the end of June as we stipulated, June or July, is SBI Macquarie deal also stated to maybe again push forward?

Paresh Mehta: So definitely the Macquarie deal is a consequence of the sale proceeds. So from that perspective, the sale is consequential, but from an amount perspective, it will be a bilateral discussion if there is any change. As of date, this remains.

Parikshit Gupta: And is there any hard deadline to the SBI Macquarie deal? For example, they're telling you if we are able to pay 1,526 by end of July or end of August, then this deal stands. Otherwise, we will have to re-evaluate?

Paresh Mehta: I believe most of these all the monetization happening. Does not the question, does it arise? I am sure that the deal will go through by July definitely they will get paid off.

Parikshit Gupta: I mean it's a Six Sigma event, 0.01% possibility.

Paresh Mehta: It will be mutually discussed. Typically, they are a partner with us, so we'll mutually decide what is the next course of action. But I am sure they're also looking out for an exit.

- Parikshit Gupta:** So there is no hard deadlines here. It's all understood because of the monetization, the cash flows, and then finally being able to execute the asset purchase, stake purchase?
- Paresh Mehta:** Right.
- Parikshit Gupta:** Okay, this is helpful. I will probably set up some time personally. But thank you again for answering my questions.
- Moderator:** Thank you. The next question comes from the line of Hardik Gandhi from HPMG Shares & Securities. Please go ahead.
- Hardik Gandhi:** Hello, sir. Thank you for taking my question again. Just wanted some clarification. I know this was discussed. And now I understand why the borrowing levels are showing less because we've shifted our borrowings from the borrowing tab to the liabilities held for sale. Is that correct?
- Paresh Mehta:** Yes.
- Hardik Gandhi:** So how much of this are we expecting to reduce by next year of 9,400 which is showing in liabilities held for sale?
- Paresh Mehta:** So by the end of next year, by March '26, we expect approximately 4,500 crores of debt to go out of the balance sheet from approximately Rs. 5,000 odd crores.
- Hardik Gandhi:** Understood. And have we considered the new debt which we will take for the new orders or upcoming projects and everything on that level or is it just standalone calculation?
- Paresh Mehta:** So it is presuming that with the current estimate of turnover and the requirement of capital cycle remaining similar, the debt will remain same, will not go up and if the monetization happens, it will definitely go down.
- Hardik Gandhi:** Understood. So just coming from a different angle, so considering we are expecting the debt will remain the same but on the basis of this that we will have a 5000 crore reduction. So do you anticipate a reduction in the finance cost to the span of 400 to 450 crore given that we are borrowing at a 9.5%? So do we expect a reduction in the borrowing cost, so the finance cost to go down by Rs. 400 crores next year?
- Paresh Mehta:** 9.5 is the cost of borrowing at the standard level for the working capital debt, which will typically remain. So on a date of approximately 1,000 odd crores, this is what number will finally transpire, plus a couple of more projects like Baswantpur, Belgaum Khanapur, which will continue in the balance sheet up to '26-'27. So it's various debts which will come out, but definitely the interest cost in '26-'27 should substantially go down, including '25-'26.

- Hardik Gandhi:** Okay, understood. So if I were to assume on a consol basis what would be our cost of borrowing then like if not on a standalone but just on a consol basis for the at least for this Rs. 9,400 which is held for sale?
- Paresh Mehta:** So on the standalone level, this would be in the range of 8%-8.5%, sorry on a consol level.
- Hardik Gandhi:** On a consol level, yes. So that's what I am saying. So if we are expecting to reduce our Rs. 5000 crore debt by next, let's be conservative and say Rs. 4000 crore and with the 8.5%, we expect our finance cost to go down by roughly on a ballpark number of Rs. 300 crores? Would that be correct assumption?
- Paresh Mehta:** Yes, that's true.
- Hardik Gandhi:** Understood, Thank you so much.
- Moderator:** Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for the closing remarks.
- Paresh Mehta:** We thank everybody for joining this conference call for the update on the Q4 & FY'25 numbers. If there are any follow-up questions, we are also available on my personal number, which is available on the presentation as well as SGA, our investor relations team. Thank you.
- Satish Parakh:** Thank you. Thank you, everyone.
- Moderator:** Thank you, sir. Ladies and gentlemen, on behalf of Nirmal Bang Equities Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.